

Cheshire and Warrington Joint Committee

Agenda

Date:	Friday, 31st January, 2025
Time:	10.00 am
Venue:	Council Chamber, Town Hall, Sankey Street, Warrington, WA1 1UH

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

It should be noted that Part 1 items of Cheshire East Council decision making meetings are audio recorded and the recordings will be uploaded to the Council's website

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. Apologies for Absence

To receive any apologies for absence from Members.

2. Declarations of Interest

To provide an opportunity for Members and Officers to declare any disclosable pecuniary, other registerable interests, and non-registerable interests in any item on the agenda.

3. Minutes of Previous Meeting (Pages 3 - 6)

To approve the minutes of the meeting held on 29 November 2024 as a correct record.

For requests for further information

Contact: Sam Jones

Tel: 01270 686643

E-Mail: samuel.jones@cheshireeast.gov.uk with any apologies

4. **Public Speaking/Open Session**

In accordance with Cheshire East Council's Committee Procedural Rules and Appendix on public speaking, a total period of 15 minutes is allocated for members of the public to put questions to the Joint Committee on any matter relating to this agenda. Each member of the public will be allowed up to two minutes each to speak, and the Chair will have discretion to vary this where they consider it appropriate.

Members of the public wishing to ask a question at the meeting should provide at least three clear working days' notice in writing in advance of the meeting and should include the question with that notice. This will enable an informed answer to be given.

Part B - Other Functions of the Committee

5. **Enterprise Zone** (Pages 7 - 14)

To consider a report which sets out the findings of an independent assessment of Enviroo's Business Case for £1,000,000 of Enterprise Zone Grant Funding, and seeks approval from the Joint Committee for Enterprise Cheshire and Warrington to issue a grant funding offer and draw down funds aligned to a Grant Funding Agreement.

6. **Cheshire and Warrington Joint Committee Terms of Reference Amendments** (Pages 15 - 26)

To receive a report detailing the formal response of each of the three Councils to the Joint Committee's request to amend the Terms of Reference for the Committee.

7. **Devolution White Paper** (Pages 27 - 58)

To receive a report which provides details on the high-level impacts that the new devolution framework, outlined in the English Devolution White Paper published on 16 December 2024, would have if Cheshire and Warrington councils formally decided to move forward with devolved powers and investment.

8. **Devolution Work Programme** (Pages 59 - 72)

To receive a report which details of the proposed Devolution Work Programme for Cheshire and Warrington.

Part A - Shareholder Functions of the Committee

9. **Joint Committee Forward Plan** (Pages 73 - 76)

To receive an update and seek direction on the Cheshire and Warrington Joint Committee Forward Plan.

Membership: Councillors L Gittins (Chair), H Mundry, N Mannion (Vice-Chair), M Gorman, Shore and Flaherty

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Minutes of a meeting of the **Cheshire and Warrington Joint Committee**
held on Friday, 29th November, 2024 in the Ellesmere Port Library, Civic
Way, Ellesmere Port, CH65 0BG

PRESENT

Councillor Louise Gittins (Chair), Leader, Cheshire West and Chester Council

Councillor Nick Mannion (Vice-Chair), Leader, Cheshire East Council

Councillor Hans Mundry, Leader, Warrington Borough Council

Councillor Karen Shore, Deputy Leader, Cheshire West and Chester Council

Councillor Michael Gorman, Deputy Leader, Cheshire East Council

Councillor Jean Flaherty, Deputy Leader, Warrington Borough Council

OFFICERS IN ATTENDANCE

Rob Polkinghorne, Chief Executive Officer, Cheshire East Council

Peter Skates, Acting Executive Director – Place, Cheshire East Council

Julie Gregory, Deputy Monitoring Officer, Cheshire East Council

Sam Jones, Democratic Services Officer, Cheshire East Council

Delyth Curtis, Chief Executive Officer, Cheshire West and Chester Council

Cathy McCardle, Executive Director of Place and Growth, Cheshire West and Chester Council

Gemma Davies, Director of Economy and Housing, Cheshire West and Chester Council

Steve Broomhead, Chief Executive Officer, Warrington Borough Council

Peter Jones, Programme Director, Cheshire and Warrington Sub-Regional Programme Office

Philip Cox, Chief Executive, Enterprise Cheshire and Warrington

Steve Purdham, Chair of Business Advisory Board

Steve Park, Director of Growth, Warrington Borough Council

Damon Taylor, Chief Executive Officer, Cheshire Police and Crime

Dan Price, Cheshire Police and Crime Commissioner, Cheshire Police and Crime

Trevor Brocklebank, Chair, Marketing Cheshire

14 APOLOGIES FOR ABSENCE

There were no apologies for absence.

15 DECLARATIONS OF INTEREST

There were no declarations of interest.

16 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 27 September 2024 be approved as a correct record.

17 PUBLIC SPEAKING/OPEN SESSION

The public speaking procedure was noted. There were no public speakers.

18 CONNECT TO WORK PROGRAMME (UNIVERSAL SUPPORT)

Members consider a report which outlined a programme of work which would support economic development across Cheshire and Warrington. The programme would be co-ordinated and delivered as one, in line with and in preparation for devolution for the sub-region, from Councillor Karen Shore, Deputy Leader, Cheshire West and Chester Council.

It was noted that the scheme would result in the receipt of £4.5 million funding from Central Government and would support up to 1300 residents within the sub-region (400 in Cheshire East, 700 in Cheshire West and Chester and 200 in Warrington) to take on training and gain long term employment, and nationally would support up to 93,000 people. It was noted that local authorities were in the best position to support local people directly where they live.

The scheme would work in a complementary way with other support programmes, including the NHS Individual Placement Support and the Office for Health Improvement. It was anticipated that 85% of the budget would be used to support adults who were currently out of work, and 15% would be used to help adults retain work or employment.

The Police and Crime Commissioner, Dan Price, extended an invitation to the Cheshire and Warrington Joint Committee to join a meeting with the Prison's Minister in January 2025.

RESOLVED:

That the Cheshire and Warrington Joint Committee:

1. Acknowledge the information in this report.
2. Acknowledge and confirm that Cheshire West and Chester Council (as recommended by Growth Directors) will:
 - a. Accept the £4.5m funding per year on behalf of Cheshire and Warrington.
 - b. Lead on the development and submission of a sub-regional delivery plan for the Connect to Work Programme.

c. Act as Lead and Accountable Body for the new Connect to Work Programme for Cheshire and Warrington, a programme that would directly respond to an identified economic priority of the sub-region.

19 AMENDMENTS TO THE JOINT COMMITTEE TERMS OF REFERENCE

Members considered a report which requested amendments to the Terms of Reference of the Cheshire and Warrington Joint Committee to extend the statutory leadership role around devolution and expenditure for government funding coming into sub-region, from Councillor Louise Gittins, Leader, Cheshire West and Chester Council.

It was noted that the final decision on devolution would be made by each individual Council at their Council meetings:

- Cheshire East Council – December 2024
- Cheshire West and Chester Council – December 2024
- Warrington Borough Council – January 2025

It was noted that there were several small grammatical changes to the report, which did not change the context, in points A – H which were not shown in red on the published Term Of Reference, but would be included in the final version.

RESOLVED:

That the Cheshire and Warrington Joint Committee:

1. Agree to ask that each of the Councils of Cheshire East, Cheshire West and Chester and Warrington amend Part 2 of the Cheshire and Warrington Joint Committee Terms of Reference as set out in red at Appendix A.
2. Agree that the final decisions related to the establishment of a Combined Authority and a devolution agreement are matters that will be brought back to the three Councils in Cheshire and Warrington.

20 MARKETING CHESHIRE ADVISORY BOARD

Members received a report which updated the Cheshire and Warrington Joint Committee on steps being taken by Enterprise Cheshire and Warrington (ECW) to simplify the governance of Marketing Cheshire, from Councillor Jean Flaherty, Deputy Leader, Warrington Borough Council.

The importance of noting the safety and relatively low level of crime in Cheshire East, Cheshire West and Chester and Warrington was noted as an importance piece of marketing the area.

The significance of the visitor economy to the area was noted (£1 billion+ annually), the range of visitor hotspots in the area, and the rate at which visitor numbers had recovered following the pandemic were noted.

RESOLVED:

That the Cheshire and Warrington Joint Committee:

1. Note the steps being taken by ECW, namely:
 - a. The reconfiguration of Marketing Cheshire's board to mirror the ECW board.
 - b. The creation of a Marketing Cheshire Advisory board.

21 ENTERPRISE CHESHIRE AND WARRINGTON FINANCE REPORT

Members received a report which summarised the financial statements, for the Enterprise Cheshire and Warrington Group for the year ended 31 March 2024, from Philip Cox, Chief Executive, Enterprise Cheshire and Warrington (ECW).

It was noted that the accounts for the last two years show a loss of around £1 million; this was due to a grant received in 2014 from the Local Growth Fund which was used to set up a Life Sciences Equity Fund for Alderley Park, which was explicitly required to be listed as an asset on the Local Enterprise Partnership's accounts at the time. Over the last few years venture capital funds such as this had struggled, and the value of the fund had been reduced.

RESOLVED:

That the Cheshire and Warrington Joint Committee:

1. Note the accounts as approved by ECW Board of Directors.

22 JOINT COMMITTEE FORWARD PLAN

Members received an update and sought direction on the Cheshire and Warrington Joint Committee Forward Plan.

RESOLVED:

That the reports on the Forward Plan be adopted and approved.

The meeting commenced at 11.00 am and concluded at 11.35 am

Councillor Louise Gittins (Chair)

OPEN

Cheshire and Warrington Joint Committee

31 January 2025

To consider approval of Enterprise Zone
Retained Business Rate Investment Support
Fund grant to Enviroo Protos Project Co.

Report of: Growth Director, Cheshire West and Chester Council

Report Reference No: CWJC/14/24-25

Significant/Key Decision?	Yes/No
Cheshire West and Chester	Yes
Warrington	No
Cheshire East	Yes

Purpose of Report

- 1 This report sets out the findings of an independent assessment of Enviroo's Business Case for £1m of Enterprise Zone (EZ) Grant Funding and seeks approval from the Joint Committee for Enterprise Cheshire + Warrington (ECW) to issue a grant funding offer and draw down funds aligned to a Grant Funding Agreement (GFA) that is consistent with, but not limited to, the terms and conditions set out within this report.

Executive Summary

- 2 This report provides an overview of the Business Case application submitted by Enviroo for £1 million EZ grant funding to deliver a specialist food grade waste plastics recycling facility at Protos in Ellesmere Port, and the independent appraisal of their business case carried out by Cushman & Wakefield and SG Financial on behalf of ECW.
- 3 The overarching Development and Investment Strategy for the Cheshire Science Corridor sets out the vision, objectives and investment priorities for the Enterprise Zone (EZ). In order to maximize the scale of the Business

Rate Retention re-investment pot, the focus of investment continues to be on projects that unlock and accelerate the delivery of new commercial floorspace and which have the potential to attract high quality occupiers.

- 4 The Business Case Appraisal Report concludes that a strong case for EZ investment can be made on the basis that the project will be unable to progress without grant funding, the investment is at the minimum level required to unlock development, and it will contribute towards delivering the following priority investment outcomes:
 - Facilitates additional business rate retention – Totalling £2.6m against a grant of £1m over the remaining 15 years of EZ
 - Supports job creation – 80 FTE jobs (gross)
 - Increases economic growth - £4.5m GVA per annum
 - Facilitates business start ups – 1 new organisation
 - Attracts private sector investment – Totalling over £57m
- 5 The proposed £1m grant does not fall within the ECW business plan. ECW will borrow the funds from Cheshire West and Chester Council as part of the EZ Investment Strategy, who in turn will take a loan from the Public Loans Board. ECW will repay the loan to CW&C at a higher rate of interest to that of the PLB.
- 6 Approval is sought from the Joint Committee to approve a £1m grant funding offer to Enviroo aligned to a GFA that is consistent with, but not limited to, the terms and conditions set out within this report. Further, agreement is sought as to the next steps to be taken by the Chief Executive of ECW, in consultation with the Joint Committee Leads for Net Zero and Place, to implement this decision and to oversee and monitor the funding.

RECOMMENDATIONS

The Joint Committee is recommended to:

1. Approve the award of EZ grant funding to Enviroo of up to £1 million to support the delivery of a waste plastics recycling facility subject to the terms and conditions precedent set out in this report.
2. Note that the Chief Executive of ECW, in consultation with the Joint Committee leads for Place and Net Zero, will enter into a Grant Funding Agreement with Enviroo on terms consistent with paras 15 and 16 of this report to implement the grant and monitor the terms of the funding agreement.

Report Detail

- 7 The Enviroo application and supporting Business Case is seeking a £1 million grant from the EZ Retained Business Rate Investment Support Fund (BISF) to deliver a £58 million project to bring forward the delivery of a new 7,535 sq m (81,107 sq ft) specialist PET (PolyEthylene Terephthalate – food grade plastics) recycling facility at Protos, Ellesmere Port.

- 8 The proposed intervention is in response to an increased global demand for food grade recycled plastic given heightened environmental awareness and corresponding EU and UK government legislation on food and beverage manufacturers to meet ambitious recycling targets despite a constrained capacity of specialist plastic recycling facilities within the UK market. This identified market failure is clearly evidenced by external market review.
- 9 The project can demonstrate good strategic fit with the EZ and ECW's strategic objectives in terms of delivering new employment floorspace, attracting science sector businesses and creating high value jobs in the target environmental technology sectors. It also supports the aspirations for ORIGIN (one of the most important green industrial clusters in the UK) including a Resource Recovery Park at Protos and wider local and national strategies for economic growth and environmental commitments including industrial decarbonisation and Net Zero.
- 10 The site is in the freehold ownership of Peel NRE and is proposed to be acquired by Enviroo by way of a 125 year long lease. The scheme received full planning consent from Cheshire West and Chester Council in May 2021 (Ref: 20/0436/FUL). All planning conditions were discharged and a material start on site was made in April 2024 in order to lawfully implement the planning consent before expiry.
- 11 Grant is sought on the basis of the need to leverage private sector investment, reduce risk and achieve the funder's minimum Internal Rate of Return (IRR) financial hurdle rate. A detailed financial model has been provided and independently appraised by SG Financial on behalf of ECW and found to demonstrate that the £1 million ask is at the minimum level required to enable to project to progress.
- 12 Key outputs include 80 new jobs created (49 net = 'good' value for money against HCA cost per job benchmarks); 19 additional indirect jobs within the supply chain; 83 temporary construction jobs; and £4.5 million GVA per annum. The project can also demonstrate wider benefits in the form of meeting environmental and recycling targets, social and charitable contributions, skill development, fostering innovation and enhanced market profile and confidence.
- 13 A Business Rate Retention estimate of £174,892 per annum is anticipated (prepared October 2024), representing a 5.75 year repayment period for the £1 million EZ ask and generating c.£2.6 million over the remaining 15 years of the EZ assuming continuous occupation from July 2026 as per programme. This is considered a reasonable pay-back period and acceptable risk to investment relative to other projects assessed.
- 14 Cushman & Wakefield's Ratings Specialist has taken a prudent approach to estimating the potential business rate return, assuming a lower rate to that put forward by the applicant and a nil value uplift in Rateable Value to the 2026 Ratings List. Further, the estimate does not account for any additional Business Rate Retention that may be payable in respect of plant and machinery, and as such could be considered to be an under-estimate. As new

floorspace, any new Business Rates generated will be truly additional to the EZ.

- 15 To mitigate risk for the public sector the EZ grant funding will be capped at £1 million and provided at Practical Completion with an agreed longstop date at the current financial intervention rate (1.7%) against evidenced costs incurred. This will ensure:
- Any cost savings will be passed on to ECW in the form of a reduced funding draw down, and any cost over-runs will be covered by the beneficiary;
 - At Practical Completion Business Rates will become payable and subsequently retained by the EZ (following 6 month empty rate relief) regardless of occupation;
 - The scale and pace of the business rate retention return anticipated is not significantly negatively impacted by a delayed start on site of Practical Completion; and
 - The GFA will make provision to ensure rate mitigation measures are not undertaken by the grant recipient nor any future purchaser.
- 16 Conditions precedent will be included, as a minimum, within the GFA:
- Signed agreement with Peel NRE for the long leasehold on the land
 - Financial close with private investors (anticipated January 2025)
 - Final confirmation of capital costs evidenced by supplier quotes
 - Agreement of project longstop dates for signing of the GFA, start on site and practical completion
 - ECW independent legal opinion on compliance with Subsidy Control regulations
 - A detailed risk register
 - Provision of Environmental Permit
 - Practical Completion Certificate

Comments from the Business Advisory Board (BAB)

- 17 The BAB provides expert business-orientated insights and advice to support the economic growth aspirations of the sub-region and has been consulted on with respect to the Enviroo Business Case. Whilst the BAB does not have a role in approving investments, it fully supports, in principle, the strategic use of grants to drive economic growth within the Enterprise Zone.
- 18 The BAB has raised the following comments and recommendations for review and resolution:
- Clarity and due diligence on formal beneficiary organisation - newly incorporated Enviroo Project Co (Company No. 16102717)
 - Due diligence on the funder - Reichmuth & Co. - including their experience and capacity to deliver projects of this scale and complexity

- Mitigation of capital cost escalation risk - Through updated supplier price validity review and GFA Terms transferring the risk of cost over runs to the grant recipient
 - The proposed payment of any grant upon practical completion is a critical safeguard and strongly endorsed by the BAB to ensure that funds are disbursed only after tangible milestones are achieved
- 19 The Board concludes “Ultimately, the decision rests with you ,the JC, and we trust you will carefully evaluate the financial viability of the applicant and their ability to deliver a successful outcome. Provided these matters are resolved to your satisfaction, the BAB sees no reason why the project should not proceed, given its alignment with the region’s strategic objectives.”
- 20 In response, Officers will be reviewing each of these comments in collaboration with the BAB through further due diligence and negotiation of any GFA in order to further mitigate funding risk.

Reasons for Recommendations

- 21 Without approval of EZ grant funding the development will not be delivered. There will be no new floorspace delivered, nor jobs created and the economic benefits of the scheme to the local community will be lost.
- 22 Importantly, the opportunity to raise an estimated £2.6 million in retained Business Rates (260% return on £1 million investment) through the EZ rate retention mechanism will not be facilitated without grant assistance, thus limiting the potential to invest in future projects that support economic growth across the sub-region.

Other Options Considered

- 23 The applicant is unable to raise sufficient capital itself and has considered other sources of funding including alternative sources of grant (Innovate UK R&D; ERDF etc) but is either ineligible, or outside of the programme window. They do not have access to commercial loans because trading history is not available. As such, the only way they can fund the project is through private equity – for which an additional £1m of funding is required to meet minimum IRR hurdle rate and without which the project will not be able to proceed.
- 24 Other options considered through the appraisal of the grant funding application have included the provision of a loan rather than grant. However, the financial modelling demonstrates that this would not meet the minimum IRR hurdle rate, nor would a grant of a lesser value.
- 25 Without EZ investment, Enviroo are unable to reach Financial Close with their private investors and the project will not go ahead.

Other Consultation and Engagement

- 26 The applicant undertook public consultation on the proposed development as part of the planning application process in October 2020. A specialist communication team was appointed and worked collaboratively with Peel

Communications and through the Protos Community Forum to engage with local residents and businesses via various means. Councillors and officers at Cheshire West and Chester Council and the relevant Member of Parliament for the site were also consulted.

- 27 Feedback from the consultation is reported to have been broadly supportive and taken into account in the development of the planning application. No objections were received.
- 28 For the purposes of assessing the need for EZ grant funding consultation and engagement has been limited to the applicant, their private investors and Peel RWE as landowners. This has been led by independent advisors Cushman & Wakefield and SG Financial.
- 29 Engagement between ECW and the finance and legal teams within the three local authorities is continuing to support the implementation of the grant funding mechanism should approval be granted.

Implications and Comments

Legal implications

- 30 The Joint Committee terms of reference include the following:
“To approve the entering into or giving of any loan, guarantee, surety or indemnity by LEPCo/ECW other than the giving of grant by LEPCo/ECW as part of its business plan.”
- 31 The 2024/25 business plan for ECW, that was included in reporting to each council as part of the approval for establishing ECW, includes the following with regard to Physical Development and Regeneration: “Investment and ongoing management of the EZ programme including retained business rate income of £60 million over the period to 2024 –2041, deploying the £30 million EZ loan facility to promote and facilitate further development within the Zone.”
- 32 In effect this provides for continuity with regard to the previously approved arrangements, with regard to utilisation of the loan facilities from the 3 councils (£10m each), in respect of supporting new developments in the EZs.
- 33 The proposed £1m grant does not fall within the ECW business plan. ECW will borrow the funds from (in this case) Cheshire West and Chester Council as part of the EZ Investment Strategy, who in turn will take a loan from the Public Loans Board. ECW will repay the loan to CW&C at a higher rate of interest to that of the Public Loans Board through the future retained business rates.
- 34 A Grant Funding Agreement (GFA) between ECW and the beneficiary will need to be agreed and signed and the conditions precedent met before the draw down of any funds. ECW would be responsible for ensuring the spend and activity supported is in line with the GFA.

Finance implications

- 35 Any borrowing by ECW is overseen by the Credit Committee comprising senior finance officers within each of the three local authorities. This mechanism has been previously utilised to facilitate investment decisions across the EZ on multiple occasions - to date, over £15m of EZ grant has been invested in 8 projects.
- 36 The proposed grant payment was considered by the Credit Committee on 6 January 2024 and was broadly supported. The independent assessment carried out by Cushman and Wakefield demonstrated the proposal aligned with ECW priorities, leveraged significant private investment and paid back to ECW within a reasonable period.
- 37 The group had some reservations over scheme deliverability and risk management controls and asked for sight of additional detail to give assurance in those areas, but the agreement to only pay the grant on Practical Completion and subject to meeting specific conditions greatly reduces the risk involved as should the project never come to fruition, the grant would not be paid out, and if capital spend is lower than anticipated, a lower quantum of grant would be paid.
- 38 The scheme appears to represent a reasonable investment. The £1m grant will be repaid through the EZ business rate retention mechanism within an estimated 5.75 years based on current rateable values on local comparable hereditaments.
- 39 The repayment of the loans that would be used to fund that investment would not place additional unfunded burdens on the ECW budget and is estimated to deliver a net cash surplus of £2.6m over the remaining EZ term – more than doubling the initial investment. This is a conservative estimate as based only on the business rates attributable to the property itself. Additional rates are likely to be generated as a result of the significant plant and machinery, thus potentially increasing the total pot of rates retained and the speed at which the investment is repaid.
- 40 Subject to approval of the grant award by ECW Joint Committee, a request would need to be submitted to CW&C to draw down the funds from the available loan facility. CW&C have already considered this scheme and have confirmed that they would expect to approve such a request.
- 41 While all necessary approvals would be secured upfront, the cash would only be physically drawn down shortly before the grant payment was expected to be paid, minimising interest costs to ECW.

Sustainable, inclusive, healthy and growing economy/ climate implications

- 42 The Business Case demonstrates strong strategic fit with the sub-regional vision *“to be the healthiest, most sustainable, inclusive and growing economy in the UK”* through its contribution to addressing the global challenges

associated with plastic waste, making more efficient use of resources and increasing productivity of the recycling sector.

- 43 The project will result in the creation of new employment floorspace attracting private investment and jobs, and supporting skills development within the green economy and the local community.

Risk Management

- 44 The applicant has provided a risk register and appropriate risk mitigation strategies as part of the Business Case. It is recommended that a more detailed formal Risk Register incorporating regular risk identification and scheduling throughout the project to support pro-active project management and risk mitigation is implemented should EZ funding be granted.
- 45 In order to de-risk the project for the public sector, it is recommended that any EZ grant funding is provided at Practical Completion (at which point Business Rates become payable) at the current intervention rate (1.7%) against evidenced costs incurred. Guaranteed long-stop dates for both the signing of a GFA and a substantial start on site for the project (e.g. building foundations) and practical completion should be agreed.

Equality, Diversity and Inclusion

- 46 The award of EZ grant funding will unlock the development of a new waste plastic recycling facility that will inclusively benefit the resident and business community of Ellesmere Port, an area of relative deprivation, and the wider sub-region as follows:
- Creation of 83 temporary construction jobs; 80 direct operational jobs and a further 13 indirect supply chain jobs (all gross figures) - which will be offered to local people and ex-offenders
 - Local school engagement to raise awareness and uptake of plastics recycling
 - Partnering with homeless charities to create litter picking roles and FT jobs in the longer term
 - Increase charitable donations through Deposit Return Scheme (DRS)

Access to Information	
Contact Officer:	Heather Standidge, Interim Growth Manager, Enterprise Cheshire + Warrington Heather.standidge@cushwake.com
Appendices:	N/A
Background Papers:	N/A

OPEN

31st January 2025

**Joint Committee Terms of Reference
Amendments**

**Report of: Growth Directors of Cheshire West and Chester Council,
Cheshire East Council and Warrington Borough Council.**

Report Reference No: CWJC/10/24-25

Significant/Key Decision?	Yes/No
Cheshire West and Chester	No
Warrington	No
Cheshire East	No

Purpose of Report

- 1 To report the formal response of each of the three Councils to the Joint Committee's request to amend the Terms of Reference for the Committee to (a) include oversight and strategic direction for devolution to Cheshire and Warrington and (b) the ability to approve expenditure regarding sub-regional governance and other funding.

Executive Summary

- 2 At its meeting on 29th November 2024, the Joint Committee considered a report which proposed amendments to its Terms of Reference to enable it to provide effective strategic leadership on the development of any devolution proposition for Cheshire and Warrington. The proposed changes were to allow the Joint Committee to advance a potential devolution agreement with the Government to such a stage as it can make specific recommendations to each of the three Councils.
- 3 The proposed amendments to the Terms of Reference were made in the context of the imminent publication of the Devolution White Paper

by the Government, which was subsequently published in December 2024.

- 4 The proposed changes to the Terms of Reference would also clarify a government funding anomaly following the transfer of Local Enterprise Partnership functions to Local Authorities.
- 5 All three Councils have now considered the Joint Committee's request and all have agreed to amend the Terms of Reference accordingly. The amended Terms of Reference are attached as **Appendix 1** to the report. In considering the proposed changes Cheshire West & Chester Council, through a Council Motion, has requested the Joint Committee to consider the re-naming of the Devolution Agreement from Cheshire & Warrington to Cheshire.

RECOMMENDATIONS

The Joint Committee is recommended to:

1. Note the agreement by each of the three Council's to amend the Terms of Reference for the Joint Committee.
2. Note the amended Terms of Reference for the Joint Committee, detailed in Appendix 1.
3. Consider the request by Cheshire West and Chester Council regarding the name of the Devolution Agreement.

Joint Committee Terms of Reference – Amendments

- 6 At its meeting on 29th November 2024, the Joint Committee considered a report which proposed amendments to its Terms of Reference to enable it to provide effective strategic leadership on the development of any devolution proposition for Cheshire and Warrington. The proposed changes allow the Joint Committee to advance a potential devolution agreement with the Government to such a stage as it can make specific recommendations to each of the three Councils.
- 7 In December 2024, the Government published its Devolution White Paper, and it is expected that the English Devolution Bill will pass through Parliament in 2025/26. The Government is expected to announce details of a Devolution Priority Programme for those areas wishing to proceed as soon as possible, and Council Leaders and Deputy Leaders have expressed an interest in being included in the Programme so the proposed changes to the Terms of Reference to

enable the Joint Committee to oversee and provide strategic direction is timely.

- 8 In addition to the devolution related changes, since the functions of the Local Enterprise Partnership were transferred to Local Authorities in April 2024 government funding for sub-regional matters rest with local authorities, however, the Terms of Reference did not refer to this. Therefore, the Joint Committee also recommend a change to clarify the position so that such decisions are delegated to the Committee.
- 9 The Joint Committee's Terms of Reference were originally agreed by the three constituent Councils in February 2024 and it follows, therefore, that any subsequent request by the Joint Committee to change or amend them also need to be agreed by the three Councils. All the Councils have now considered the Joint Committee's request and agreed to the proposed changes.
- 10 Cheshire East Council considered the Joint Committee's request at its' Council meeting on 11th December 2024 and agreed the proposed amendments. Cheshire West and Chester Council's Cabinet considered and agreed the proposed changes at their meeting also on 11th December 2024. Warrington Borough Council's Cabinet considered and agreed the amendments to the Terms of Reference at its meeting on 13th January 2025.
- 11 At their full Council meeting on 12th December 2024, Cheshire West & Chester Council agreed a motion which included a request that the Leader of their Council, Councillor Gittins, (who is also the Chair of the Joint Committee) discusses with the Joint Committee, the possibility of the devolution agreement name to be called 'Cheshire' rather than 'Cheshire and Warrington' and, if approved, in principle, request the Joint Committee members discuss with their constituent devolution task and finish groups. The Joint Committee is, therefore, asked to discuss this request and to make a decision on the matter.

Comments from the Business Advisory Board

- 12 The Business Advisory Board has previously expressed its' support for an approach which would deliver the benefits of devolution at the earliest opportunity and empowering the Joint Committee to drive the process at pace would be welcome.

Reasons for Recommendations

- 13 The report is mainly for noting and simply reports the outcome of the respective Council meetings regarding the Committee's request to

amend the Terms of Reference, and therefore, no reasons for the justifying the recommendations is necessary. The recommendation relating to the Cheshire West & Chester Council motion is simply fulfilling a formal request for which there is no alternative action.

Other Consultation and Engagement

- 14 Insofar as it relates to this report no consultation or engagement has been necessary as it is simply reporting the outcome of considerations by the three Councils for information. However, a comprehension communications and engagement plan is being developed as part of the on-going work around devolution to Cheshire and Warrington.

Implications and Comments

Legal implications

- 15 There are no direct legal implications relating to this report. The Terms of Reference for the Joint Committee and the relevant delegations within them have previously been formally approved by each Council. It is therefore appropriate that all three Councils approve any changes or amendments to them for them to take effect.

Finance implications

- 16 There are no financial implications because of this report as it relates to relative minor changes to the Terms of Reference of the Joint Committee. Any financial implications relation to devolution will be reported and considered in due course by the Joint Committee and, where appropriate, the three Councils.

Risk Management

- 17 A full risk register will be established as part of the project management arrangements for developing and Devolution Agreement and Strategic Combine Authority.

Equality, Diversity and Inclusion

- 18 There are no direct implications relating to Equality, Diversity and Inclusion relating to the report.

Policy

- 19 Any devolution agreement would support the Cheshire and Warrington vision to be the healthiest, most sustainable, inclusive and growing economy in the UK.

Access to Information	
Contact Officer:	Peter Jones, Programme Director, Cheshire & Warrington Sub-regional Programme Office Peter.jones@warrington.gov.uk
Appendices:	Appendix 1 – Amended Terms of Reference for the Joint Committee.
Background Papers:	Joint Committee report 29 th November 2024 – Amendments to the Joint Committee Terms of Reference.

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**CHESHIRE AND WARRINGTON JOINT COMMITTEE
TERMS OF REFERENCE**

1. Cheshire East Council, Cheshire West and Chester Council and Warrington Council have established an Executive Joint Committee known as the Cheshire and Warrington Joint Committee (“the Committee”) for the purpose of discharging the functions mentioned in Annex A. The Councils are enabled to set up Joint Committees under Part VI of the Local Government Act 1972 and Part I Chapter 2 of the Local Government Act 2000.
2. Each Council is entitled to appoint one voting member in respect of the business to be carried out in Part One of Appendix A (Subscriber Members), and one further voting member in respect of the business to be carried out in Part Two of Appendix A (Joint Committee Members). In the event of a voting member of the Committee ceasing to be a member of the Council which appointed him/her, the Council shall forthwith appoint another voting member in his/her place. Only a voting member is entitled to be elected as Chair or Vice-Chair of the Committee.
3. Each Council may appoint members as substitute for the members appointed under (i) above to attend meetings of the Committee in the absence for any reason of the members appointed under (i) above, in accordance with their own constitutional requirements. The substitute members shall be treated in all respects if they were appointed under (i) above.
4. The Chair of the Business Advisory Board (‘BAB’) shall be an ex officio member of the Committee and may speak at meetings of the Committee but not vote. The Chair of the Business Advisory Board may present reports to the Committee from the BAB.
5. The Committee shall maintain a two-year rolling Chair and Vice-Chair from among the Subscriber Members. The Chair will rotate every two years in the following order CWaC (until May 2025), CEC (until May 2027) WBC (until May 2029) and shall continue in that rotation. The Vice-Chair shall be from CEC (until May 2025) and to shall rotate in the same order as the chairmanship every two years.
6. Three voting members of the Committee shall constitute a quorum for the business set out in Part One of Appendix A. Four voting members shall constitute a quorum for the business set out in Part Two of Appendix A. Except as otherwise provided by statute, all questions shall be decided by a majority of

Revised November 2024

Appendix 1 – Amended Terms of Reference for the Joint Committee.

the votes of the voting members present, the Chair having the casting vote in addition to his/her vote as a member of the Committee.

7. The Committee shall meet as agreed at its AGM and at least three times each year. However, a meeting of the Committee may be convened at any time by the Committee Clerk in consultation with the Chair. A meeting of the Committee must also be convened by the Chair within 28 days of the receipt of a requisition of any two Subscriber Members of the Committee addressed to the Committee Clerk. The Chair of the Board may request a meeting of the Committee by notice in writing addressed to the Committee Clerk, but may not requisition one. All requisitions shall be in writing and no business other than that specified in the requisition shall be transacted at such a meeting.
8. The Committee shall adopt the standing orders of Cheshire East Council but it may agree to vary these and from time to time make such standing orders for the carrying on of the business of the Committee as the Committee shall deem necessary and or desirable.
9. For the avoidance of doubt and subject to there being no changes to the law on this issue, where a Council is operating executive arrangements pursuant to the Local Government Act 2000 (and any regulations made under it), it will be a matter for the Executive of the Council to appoint any voting member, or substitute member of the Committee as long as that member is a member of the appointing Councils Cabinet. Where a Council is operating committee system arrangements pursuant to the Local Government Act 2000, it will be a matter for the Council to appoint any voting member and substitute member to the Joint Committee.
10. The Committee shall from time to time appoint such sub-committees to consider and deal with any of the functions of the Committee as may be thought desirable.
11. The Committee Clerk and such other officers as may be deemed necessary for the due conduct of the business of the Committee shall be provided by Cheshire East Council and the costs of this shall be met by the Council-owned company (*Enterprise Cheshire and Warrington – NB: name subject to Member approval*).
12. The first meeting of the Committee shall be held at Cheshire East Council and the venue shall then rotate between the Councils in alphabetical order, unless otherwise directed by the Committee.

Revised November 2024

Appendix 1 – Amended Terms of Reference for the Joint Committee.

13. As and when required by an Overview and Scrutiny Committee or other Committee or an Audit Committee of any of the Councils, the Subscriber Member for the Council whose Overview and Scrutiny Committee or Committee or Audit Committee has instigated an investigation shall take the lead responsibility for accounting for the activities of the Committee to the Overview and Scrutiny Committee or Committee or Audit Committee and shall attend such meetings of those committees of its Council as necessary, and no other member of the Committee shall be required to attend.
14. The Committee Clerk shall:
 - a. Be responsible for preparing the agenda and submitting reports prepared by either the Councils or other bodies to the Committee and minutes of the Committee.
 - b. Be responsible for making arrangements for publishing in accordance with Access to Information requirements all meetings, agenda, agenda items and minutes as appropriate.
15. The relevant Standing Orders for the Committee are those of Cheshire East Council.
16. In the event that an urgent decision is needed for the discharge of any of the functions of this Committee, other than those functions which by law can be discharged only by the Councils or a specific Committee, then the Growth Director of each Council is entitled to act on behalf of the Committee. A decision will be urgent where any delay would seriously prejudice the legal or financial position of the Councils or the interests of residents. This delegation is subject to the conditions that any urgent action:-
 - (a) should be reported to the Committee
 - (b) shall take the advice of the Monitoring Officer and S151 officer of each Council
 - (c) shall be exercised in consultation with the three Subscriber members of the Committee
 - (d) shall be exercised within each Councils own financial and other constitutional requirements

Revised November 2024

Appendix 1 – Amended Terms of Reference for the Joint Committee.

Appendix A – Terms of Reference

Part One - Shareholder Functions of the Committee

1. To approve the business plan and budget of LEPCo/Enterprise Cheshire and Warrington (ECW)¹ and any required variations
2. Ensuring that LEPCo/ ECW deliver against their business plan and budget, holding them to account for such delivery and directing the LEPCO/ECW Board to take remedial action where necessary;
3. To appoint directors to the LEPCo/ECW Board
4. To approve any capital expenditure to be made in excess of £100k unless agreed under the business plan
5. To approve the entering into of any lease or licence for the occupation of land or premises
6. To approve the appointment of members of LEPCo/ECW management team
7. To approve the entering into of any contract in excess of £100k unless agreed under the Business Plan
8. To approve the entering into or giving of any loan, guarantee, surety or indemnity by LEPCo/ECW other than the giving of grant by LEPCo/ECW as part of its business plan
9. To approve the opening or closing of any bank account by the Company
10. To approve any changes to the Articles of Association of the Company
11. To approve any staffing or other material policy changes or new policies to be implemented

Part Two - Other Functions of the Committee

1. To receive reports from the Business Advisory Board, any Sub Committee of the Joint Committee and the Growth Directors (management) Group.
2. Any time review and agree proposed changes to the Functions of the Committee and seek approval of the same from the three Councils.
3. To agree and approve any proposed governance and or reporting structure that the Committee sees fit.
4. To act as a **sub-regional strategic body, using Government funding for strategic economic development across Cheshire and Warrington, setting and reviewing objectives and approving related budgets**, including;
 - a. providing a coherent single position on major strategic issues;
 - b. agreeing major economic priorities across Cheshire and Warrington;

¹ Name subject to Member approval

Revised November 2024

Appendix 1 – Amended Terms of Reference for the Joint Committee.

- c. considering recommendations made by any Sub Committee, the Business Advisory Board or Growth Directors (management) Group;
- d. agreeing Lead and/or Accountable Body status for LEPCo/ECW and any projects undertaken;
- e. influence and align government investment in order to boost economic growth across Cheshire & Warrington;
- f. having regard to the duty to cooperate and the Joint Committee's overall function as set out above;
- g. ensuring alignment between decision making on areas of policy such as land use, transportation, economic development and wider regeneration;
- h. co-ordinating and aligning decision making on transport across Cheshire and Warrington, ensuring that business views are taken on board and that the Councils' adopted plans are reflected in strategic priorities;
- i. deciding on revenue and capital expenditure programmes which are delivered across Cheshire & Warrington using Government funding for strategic economic development in the sub-region, including ensuring that policy and programmes are delivered effectively through LEPCo/ECW
- j. providing strategic direction and oversight across potential devolution for Cheshire and Warrington.

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OPEN

31 January 2025

English Devolution White Paper: Impacts for Cheshire and Warrington

Report of: Growth Directors of Cheshire West and Chester Council, Warrington Borough Council and Cheshire East Council.

Report Reference No: CWJC/11/24-25

Significant/Key Decision?	Yes/No
Cheshire West and Chester	No
Warrington	No
Cheshire East	Yes

Purpose of Report

- 1 This report focuses on the high-level impacts that the new devolution framework, outlined in the English Devolution White Paper published on 16 December 2024, would have if Cheshire and Warrington councils formally decided to move forward with devolved powers and investment.
- 2 This new framework would form the basis of a future devolution agreement between the three Councils of Cheshire West and Chester, Cheshire East and Warrington with Government. It is therefore important to begin to understand the implications and seek the Joint Committee's views on priorities at the earliest opportunity.

Executive Summary

- 3 The [English Devolution White Paper](#) "Power and Partnership: Foundations for Growth" details how the Government intends to deliver its manifesto commitments for stronger and deeper devolution over the course of this Parliament. This report summarises the main elements of the White Paper as it relates to devolution. It does not cover aspects of the White Paper which focus on Local Government Reorganisation.
- 4 We recognise that there is further work needed to fully understand all aspects of the White Paper, including governance, finance and other process impacts. These aspects are explored in the 'Devolution Work Programme' Committee Report. There is equally, if not more importantly, a need to focus on the future thematic content of any future devolution agreement made between Government and the Councils of Cheshire and Warrington - and how this

could improve the quality of life of all our residents, support our businesses to thrive and grow and enhance the quality of our built and natural environment.

- 5 This report begins to highlight and review key areas of responsibility that may be devolved to Cheshire and Warrington. Whilst the powers available to Cheshire and Warrington are set out by Government and the quantum of any investment package won't be known until after the completion of the Spending Review in June 2025, the report underlines the need to explore and test all aspects of the opportunities of devolution to support our communities understanding as we consult and to support the councils' decision making process.
- 6 The report recommends a number of ways in which the Joint Committee, Members from all councils and all political groups, business, stakeholders and communities can engage in the emerging content of a potential future devolution agreement for Cheshire and Warrington.

RECOMMENDATIONS

The Joint Committee is recommended to:

1. Note the content of this report.
2. Agree that the named members of the Joint Committee detailed in this report will oversee the work with officers to develop priority themes for Cheshire and Warrington, before bringing all detail back to the Committee for strategic leadership and oversight.
3. Engage with officers via these theme areas over the coming weeks to shape and develop thematic content outlined in this report, aligned to the Devolution White Paper and which are likely to form a future Devolution Agreement.
4. Involve and collaborate with those Members and officers identified in Table 1 (relevant Cabinet Members and Council Committee Members), Business Advisory Board members as well as the Leaders Board to co-produce the thematic content in the context of the Devolution White Paper and ensure alignment with local priorities.
5. Ensure Joint Committee Members to continue to work with their own council's cross party member working groups and reference groups to shape and develop the areas of thematic content in the context of the Devolution White Paper.
6. Further shape subregional priorities with a series of all-Member sessions across the three Councils in Spring/Summer 2025.
7. Engage directly with stakeholders and communities through consultation events held across programme delivery.

Report Detail

Overview

- 7 On 16 December 2024, the Government published the [English Devolution White Paper](#), setting out an ambitious vision for deepening and widening devolution across England. As well as detailing criteria for devolution, it also set out an approach to progressing local government reorganisation and a move to a system of local government that prioritises high quality, sustainable public services.
- 8 The White Paper establishes a new tier of local government: Strategic Authorities (SAs). There are three categories - Foundation Strategic Authority, Mayoral Strategic Authority and Established Strategic Authority. SAs should be developed collaboratively with places wherever possible, but the English Devolution Bill will legislate for a parliamentary directive to allow the creation of SAs. This will only be used where local leaders are unable to make progress after sufficient time has been allowed for local proposals to be developed.
- 9 Details are set out in the White Paper of the types of responsibilities and funding that will be available to SAs. The initial proposed list, known as competencies, includes:
 - (a) Transport and local infrastructure
 - (b) Skills and employment support
 - (c) Housing and strategic planning
 - (d) Economic development and regeneration
 - (e) Environment and climate change
 - (f) Health wellbeing and public service reform
 - (g) Public safety.
- 10 SAs will have funding devolved to them. Foundation SAs will receive a dedicated local growth allocation. Mayoral SAs will have a consolidated funding pot across local growth, place, housing and regeneration, non-apprenticeship adult skills and transport. Established SAs are eligible for an Integrated Settlement which will allow them to set their own funding priorities based on local need and context. It is likely that the level of funding available to Cheshire and Warrington through a Devolution Agreement will become known when the Government Spending Review process concludes in June 2025. This will be kept under constant review through regular dialogue with Government officials.
- 11 Government is prioritising the establishment of Mayoral SAs across England to create visible leadership and greater accountability. Areas with Mayors will have access to the most extensive and flexible devolution. Mayoral

Authorities will also be invited to participate in the Councils and Regions and Nations and the Mayoral Council, chaired by the Prime Minister and Deputy Prime Minister respectively as well as the Mayoral Data Council.

- 12 On 10 January 2025, Cheshire and Warrington Leaders expressed their commitment to work in partnership with the Government to progress a devolution agreement and establish a Mayoral Strategic Authority by May 2026. If agreed, this would unlock significant devolution powers and funding during 2026 - with the ability to move towards an Integrated Settlement (via an Established Mayoral SA) after 18 months (potentially from early 2028). These powers are summarised in Appendix A.
- 13 Subject to agreement of the Devolution Work Programme, work will be undertaken to fully explore how each of the proposed responsibilities and funding would be delivered by a future Cheshire and Warrington Mayoral Strategic Authority. This will also support the development of any final Devolution Agreement to be agreed between the Councils of Cheshire and Warrington and Government, which will be subject to full council approvals by each of the three Councils
- 14 At this stage, an initial review of these responsibilities has been undertaken. These are detailed in Annex A of this report.

Transport and Local Infrastructure

- 15 The Mayoral Strategic Authority would become the Local Transport Authority, with transport functions including the ability to introduce a local bus franchise or municipal bus company. A single transport settlement would enable greater flexibility to plan and focus resources on local priorities. This would all come under one area-wide transport plan.
- 16 This would enable a strategic approach to tackle some of the major transport issues in Cheshire and Warrington, particularly given its large, dispersed rural and urban geography, with multiple major employment sites and service centres. Additional and flexible investment could support improvements to access reliable, high quality and affordable public transport and encourage a shift from car to bus or train.

Skills and Employment Support

- 17 The Mayoral Strategic Authority would work across the subregion to jointly develop a local skills improvement plan with employers. It would also have responsibility for a local 'Get Britain Working' plan. These would be delivered via devolved funding of all non-apprenticeship adult skills programmes through a single, consolidated pot to allow for greater flexibility across local priorities, as well as devolved supported employment funding.
- 18 Cheshire and Warrington has a highly skilled labour market, but we know there is increasing demand and competition for NVQ Level 3 + skills which is heightened by many workers nearing retirement age. Longer term trends around the ageing population, changing employment roles and young people

leaving, means that 'business as usual' is not an option. Devolved powers and funding for employment and skills would help to unlock a talent and skills pipeline, and allow us to support all our residents, including those from disadvantaged backgrounds and areas who may need additional support to access jobs.

Housing and Strategic Planning

- 19 A Mayoral Strategic Authority would lead the sustainable development growth agenda for the subregion, working to an agreed Local Growth Plan. It would lead on strategic planning, working closely with the three constituent councils in Cheshire and Warrington, to support delivery of the 'right homes in the right places', including affordable (both rent and ownership) and social housing. Delivery would be underpinned with both devolved funding, additional development powers and a defined strategic role to work alongside Homes England.
- 20 The lack of affordable housing in certain areas of the subregion contributes to skills and labour shortages for our economy - and is a particular issue for key workers and young people. Working to align development alongside better connectivity is a real opportunity - as well as a focus on the regeneration of town centres, ensuring sustainable rural towns and villages, repurposing brownfield land sites for housing and employment and other key issues associated with viability, such as flooding and land remediation. We recognise the need for local leadership to shape local solutions - but being able to deliver those solutions with greater scale, local powers and investment flexibility would be advantageous.

Economic Development and Regeneration

- 21 The focus for a Mayoral Strategic Authority would be to lead a strong partnership working regionally and nationally to support productivity and growth for all residents and businesses. Supporting new and existing businesses to invest, thrive and grow. Working alongside key Government Departments to focus on the opportunities within Cheshire and Warrington, including research and development (R&D) via Innovate UK and bespoke support for export as well as inward investment. With a new UK Small Business Strategy expected in 2025, we expect that additional support for small business (via a fully devolved Growth Hub) will be forthcoming.
- 22 Whilst Cheshire and Warrington has a strong and productive economy, it faces challenges around resilience linked to a decline in trade/export, lack of private sector investment in R&D and slow business growth. Being able to shape and target support and investment will enable us to support key sectors such as manufacturing and innovation in the agricultural sector, especially linked to decarbonisation such as anaerobic digestion. It would also provide dedicated support to work alongside business to take up new opportunities in growth markets in the green economy and clean energy as well as the growing human and animal life sciences sector. Finally, local priority sectors and supporting businesses of all sizes could form part of the business support landscape - including the visitor economy, financial sector and investment in

arts and culture to develop the distinct characteristics and cultures of our rural and urban communities and place - enhancing their vibrancy and attracting further investment.

Environment and Climate Change

- 23 The Mayoral Strategic Authority would be a key partner in achieving the Government's clean power mission to transition to a low-cost, clean power energy system by 2030, and in implementing the Warms Home Plan via devolved programmes and funding. Working to deliver decarbonisation, including innovative approaches to heat and power under local arrangements (via Local Power Plan and heat network zones). Working collectively to provide environmental leadership and stewardship - particularly in biodiversity enhancement and nature recovery through the Local Nature Recovery Scheme.
- 24 With around half of the properties in Cheshire and Warrington having an energy rating of D or below and some of our communities in fuel poverty, this will be an important area of focus impacting on our communities quality of life and health. Likewise, both the extent and quality of our natural environment in the subregion underlines the need to maintain a strategic focus across all aspects of the work of a future Strategic Authority. Making sure that environment and climate change underpins all aspects of the Authority's work will be critical.

Health, Wellbeing and Public Service Reform.

- 25 As a Marmot Region, a future Mayoral Strategic Authority would use its strategic role (and notably a statutory duty) to ensure that health is fundamentally seen as a key driver for social and economic progress - and therefore as a cornerstone for the subregion's future development. The Strategic Authority would work alongside the Cheshire and Merseyside Integrated Care Board to prevent ill-health, tackle health inequalities and improve the lives of the poorest the fastest. Doing this by focusing on the prevention agenda, improving living and working conditions (aligned to other thematic areas such as fuel poverty) and promoting healthy behaviours, including active travel.
- 26 Healthy life expectancy varies by some 16 years between the best and worst performing areas in Cheshire and Warrington - and in some areas our residents live 21 years in poor health. With 47 of our neighbourhoods in the 10% most deprived for health deprivation (and with figures worsening in some areas), with an older population higher than the regional and national averages and approximately 30% of people who are economically inactive being due to ill health - prioritising health and wellbeing across the work of the Strategic Authority will be vital to improving income levels and quality of life.

Public Safety

- 27 The Strategic Authority would work closely with the Police and Crime Commissioner (PCC), to co-develop strategies that enhance public safety. It

is expected that the PCC would sit as a non-constituent member of the strategic authority. The Strategic Authority is also expected to have an enhanced role in the work of the Local Resilience Forum - as well as building in resilience across all policy areas.

Thematic leads

- 28 Following discussion with members of the Joint Committee, the following themes and leads are recommended.
- 29 These themes are not precisely the same as those outlined in the White Paper but rather reflect the wider issues and priorities for Cheshire and Warrington and are based on Whitehall Departments. For example, the opportunity of double devolution may be explored and we will want to ensure issues are considered from perspectives of both our rural and urban communities. Alignment between themes and the White Paper are highlighted below.

Table 1:

Themes	White Paper 'competencies'	JC Lead	Councils' lead	Business Advisory Board	Senior officer sponsor
Transport	Transport and local infrastructure	Cllr Mundry (WBC)	<p>Member leads from Cheshire West and Chester Council and Warrington Borough Council will be the relevant Cabinet Member for the portfolio, or an identified alternative if the Joint Committee lead also holds the portfolio.</p> <p>For Cheshire East, the Chair (or Deputy Chair if the Joint Committee Lead is also the Chair) of the following Committees:</p> <p>Highways and Transport Economy and Growth Adults and Health Environment and Communities.</p>	Business lead for 'Infrastructure group'	CEO - Warrington Borough Council
Place	Housing and strategic planning	Cllr Mannion (CEC)			Executive Director of Place - Cheshire East Council
Health, Employment, Skills & Inclusion	Skills and employment support Health and wellbeing	Cllr Shore (CWaC)		Business lead for 'Community and Employment group'	CEO – Cheshire West and Chester Council
Rural, Culture & Communities	Public service reform Public safety	Cllr Flaherty (WBC)			Director of Growth – Warrington Borough Council
Natural Capital, Environment & Net Zero	Environment and climate change	Cllr Gittins (CWaC)		Business lead for 'Net Zero group'	Executive Director of Place and Growth – Cheshire West and Chester Council
Business & Innovation	Economic development and regeneration	Cllr Gorman (CEC)		Business lead for 'Sectors and Investment group'	CEO – Cheshire East Council

Comments from the Business Advisory Board

- 30 The Cheshire and Warrington Business Advisory Board (BAB) supports an approach which ensures that the business community works alongside Members and other stakeholders to shape the best possible impacts and outcomes for the subregion. To maximise the opportunities of devolution to help new and existing businesses to invest, thrive and grow - and in turn offer exceptional and accessible local employment alongside the best learning and skills opportunities for all residents.

Reasons for Recommendations

- 31 To ensure a collective and collaborative approach in exploring the impacts of devolution for Cheshire and Warrington, the report outlines a number of ways in which the Joint Committee can lead a wider discussion on its potential impacts.

Other Consultation and Engagement

- 32 Subject to the recommendations being supported, the various aspects of involvement and collaboration across the thematic areas will be embedded into the emerging Cheshire and Warrington Communications and Engagement Plan.

Implications and Comments*Legal implications*

- 33 The report sets out the role of the Joint Committee in starting conversations about and developing the devolution themes and shaping the framework for future Cheshire and Warrington Devolution.
- 34 The report goes on to set out a number of proposed avenues by which Officers and Members will collaborate across the three Councils to develop the themes. Table 1 of the report names Officer and Member roles who will lead both in relation to developing the themes in the wider engagement of Members across the three Councils.
- 35 The Joint Committee does not have formal decision powers and any framework developed as a result of this collaboration and engagement will require the approval of each of the three individual Councils via their individual internal processes.

Finance implications

- 36 There are no direct financial consequences arising from the strategic recommendations in this paper. Building a greater understanding of the scope, costs and funding for a new MSA and the impact across the thematic areas will be part of the planned activity to inform final decisions. The initial costs of developing the plans for devolution in the subregion are set out in the accompanying Devolution Work Programme paper.

Risk Management

- 37 Risks associated with this paper will form part of the overall risk register for the devolution work programme and will be updated and reported by escalation to the Joint Committee and Devolution Steering Group every month.

Equality, Diversity and Inclusion

- 38 There are no immediate ED&I impacts. It should be noted that ED&I would form a key element of any final devolution agreement, subject to councils' decision.

Policy

- 39 Any devolution agreement would support the Cheshire and Warrington vision to be the healthiest, most sustainable, inclusive and growing economy in the UK.

Access to Information	
Contact Officer:	Gemma Davies, Chair, Cheshire and Warrington Growth Directors/ Director Economy and Housing, Cheshire West and Chester Council Gemma.Davies@cheshirewestandchester.gov.uk
Appendices:	Appendix A: English Devolution White Paper: Detailed overview
Background Papers:	NA

Cheshire & Warrington

English Devolution White Paper: Detailed overview

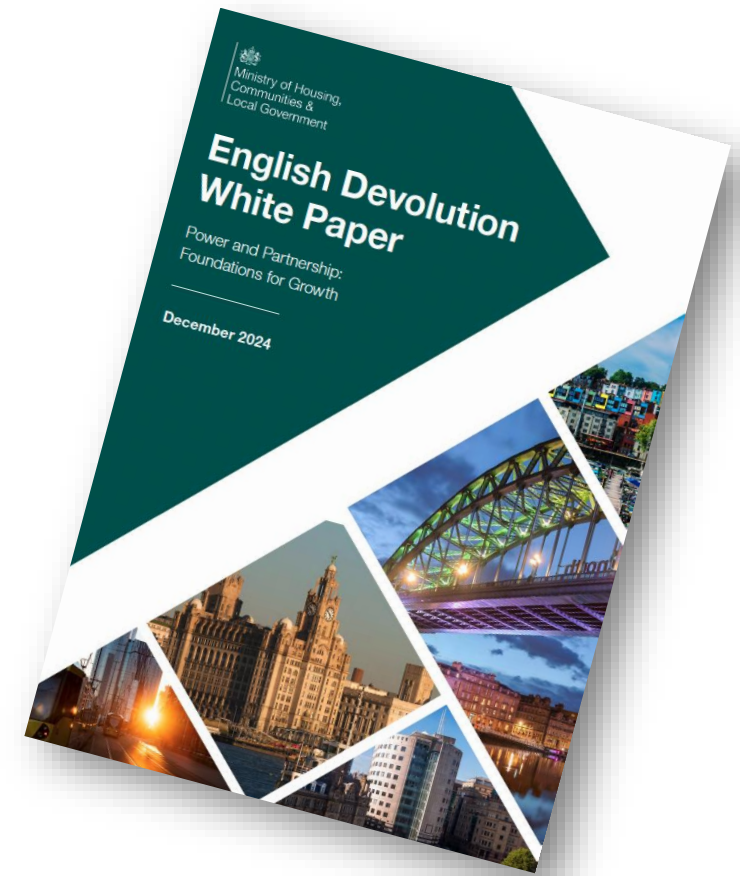
ANNEX A

Joint Committee 31st January 2025

Overview

The following slides start to develop detail across the Devolution White Paper as it impacts Cheshire and Warrington (C&W).

*NB: Given the early stage in devolution development in C&W, this section considers content based on a devolution agreement with a ‘**Foundation**’ Strategic Authority (i.e. non-mayoral) and a Mayoral Strategic Authority.*



Overview: Aims of the Devolution Framework

High quality transport infrastructure supporting growth and opportunity. Bringing decisions about transport closer to people is key to improving the transport networks we rely on every day.

Skills and employment provision that is more relevant to local jobs.

More houses, served by the necessary infrastructure, and more social housing with Mayors becoming responsible for strategically planning for housing growth, backed by devolved funding.

More investment in local areas through fuller devolution of business support. A clearer role for Strategic Authorities in innovation and on domestic growth, exports and investment.

Strategic Authorities at the heart of making Britain a Clean Energy Superpower, with a strategic role in the delivery of the Local Power and Warm Homes Plans.

NB: Areas with Mayoral Authorities and areas in the Priority Programme will take part in an early evaluation of the framework with HMG during English Devolution Bill development.

Responsibilities

Creating a mandate for Strategic Authorities to act strategically to drive growth *and* support the shaping of public services where strategic level coordination adds value

Transport & Local Infrastructure

C&W Strategic Authority becomes the Local Transport Authority, with transport functions including the ability to introduce a local bus franchise. This would all come under one area-wide transport plan.

Devolution Framework

Functions	Impacts
A single transport settlement for C&W (via the SA)	Enables greater flexibility to focus resources on local priorities. More flexibility if Mayoral SA.
Introduce bus franchising and decarbonising the local bus fleet	Bringing bus services into local control to help improve services across C&W – with flexibility to adopt approaches that would best serve the region and its mix of urban and rural communities.
Priority for new rail partnerships with Great British Railways	To influence the local rail offer and maximise the benefits/mitigate the impacts of strategic rail proposals to the region.
Statutory role in governing, managing, planning and developing the rail network – and increased local control of rail stations	Achieving better alignment to our local economies, places and communities across the sub-region – putting us on an equal footing with the likes of Manchester and Liverpool in terms of engagement and influence.
Increase local decision making on consents	Supporting local priorities and speeding-up decision making – ending the requirement to seek Secretary of State approval for a number of functions, including ‘stopping up orders’ and lane rental Schemes.
A duty to establish a ‘Key Route Network’ on the most important local roads plus a formal partnership with National Highways.	To ensure consistency of maintenance and management across the network - especially for accessing key towns/ employment locations and improved integration with the national Strategic Road Network.
Active travel	Additional support for active travel schemes across C&W.

Skills & Employment Support

C&W Strategic Authority works across the sub-region and jointly owns the C&W Local Skills Improvement Plan (with employers) as well as responsibility for developing a local 'Get Britain Working' Plan. Devolved adult skills funding – alongside a clear role in employment support.

Devolution Framework

Functions	Impacts
Joint Ownership of the C&W Local Skills Improvement Plan (with Employer Rep Bodies).	C&W SA to develop the plan (must include sector skills plan) and ensure it's fully aligned to the Local Growth Plan. SA to designate a new Employer Rep Body to ensure strong employer voice in its development. As well as a focus on existing skills needs, 'future skills' will form a key part of the plan.
Devolution of core Adult Skills Funding	As below – but a more limited offer...
Devolution of all non-apprenticeship adult skills functions via a consolidated pot (2026/7+)	Offer local residents and local employers easier access, to more flexible support and training that is less reliant on traditional delivery models and enables us to target key sectors that have hard to fill job vacancies and people with complex needs. This would increase our ability to spend and, over time, increase our share of the national budget (currently very low).
Central youth careers provision	A locally-targeted offer of high quality careers education which would provide a service that is integrated with other support/progression programmes. Making sure there are clearer pathways into work - aligned to local labour market needs. Provide a consistent quality of careers provision across all schools, colleges, independent training providers, etc.
Post 16-19 education leadership for C&W – informing HMG and college provision.	Encourage further collaboration and specialisations in our growth sectors across our colleges and University including by co-investment in specialist equipment and facilities. Providing a clear progression from education to FE/HE which supports local employment opportunities (and aligns to LSIP & careers provision).
Develop local Get Britain Working Plan for C&W	Accelerate a more locally-led and joined-up approach to tackling economic inactivity, including young people 16-24, 50+, and ex-offenders, at risk of becoming economically inactive and/or on low incomes get the support they need to overcome barriers to work. Support an efficient move from tax credits to Universal Credit including minimising fraud and errors in the system.
Devolved supported employment funding	
Co-designing any future non-Jobcentre Plus employment support	Greater engagement and involvement of partners in the design of programmes so they meet local need. This will mean more people can benefit from better targeted employment services

Housing & Strategic Planning

C&W Strategic Authority leads the sustainable development growth agenda for the sub-region – working to a C&W Local Growth Plan, a ‘universal system’ of strategic planning and supporting delivery of ‘the right homes in the right places’, including affordable and social housing.

Devolution Framework

Functions	Impacts
Devolved funding for regeneration and housing	Allow us to have greater influence on our housing market to ensure homes are delivered that respond to our needs and growth aspirations. Align this with a regeneration focus, unlocking brownfield land and supporting positive impacts for people and places.
Duty to produce a Spatial Development Strategy (SDS)	A strategic approach to spatial planning with the support of the majority of all constituent councils. (NB: areas without a Strategic Authority will also be required to develop these strategies). For C&W the SDS will align with the Growth Plan and help to frame investments (public and private) supporting sustainable growth across the sub-region.
Compulsory Purchase Powers (with HE)	'Building-in' local mechanisms to support delivery of the SDS - ensuring pace and certainty to increase investment, bringing forward the right infrastructure for sustainable development and creating an environment which is delivery focused.
Ability to establish a Mayoral Development Corporation	
Ability to make Mayoral Development Orders	
Ability to raise a Mayoral Community Infrastructure Levy to fund strategic infrastructure (once SDS in place)	
Strategic development powers (once SDS in place)	
Strategic Place Partnership with Homes England	Creation of a joint development pipeline and shared delivery planning - HE will be moving to a regional and place-based operating model to support this process.

Economic Development & Regeneration

C&W Strategic Authority leads a strong partnership working nationally and regionally to support productivity and growth. Attracting inward investment, supporting business to thrive and grow and helping create vibrant places where people want to live and work

Devolution Framework

Functions	Impacts
Partnership with Department for Science, Industry and Technology and UK Research and Innovation to strengthen local research and innovation capacity	Supporting innovation-led growth through direct connections with UK R&I via a network of specific points of contact.
Develop joint innovation action plans and collaboration with Innovate UK to shape long-term strategies and investments	Working directly with Innovate UK (and additional access to data and information) to develop a long-term innovation strategy and shape investment opportunities – with a particular focus on the C&W transformational cluster and sector priorities.
Responsibility as the accountable body for the delivery of Growth Hubs	Mayoral Strategic Authorities will take the lead role in managing and focusing local business support – as well as delivering business growth products (via Growth Hubs).
A Strategic Partnership with the Department for Business and Trade (DBT) focused on domestic growth, exports, investment and delivery of local growth priorities.	Aligning priorities set out within the C&W Local Growth Plan with national policy-making and a bilateral; partnership with DBT to support effective delivery. Working alongside DBT on a new approach to business support (via the UK Small Business Strategy), including a new Business Growth Service. Delivering the roll out of a tailored export programme for C&W (as part of the North) targeting small businesses with export potential as well as closer working with the Office for Investment to support on large scale inward investment.
Partnership working with Department for Culture, Media and Sport Arm's Length Bodies to maximise culture, heritage, and sport spending in place.	Following the DCMS review currently underway, increase joint working and align national investment and priorities with delivery of the C&W Local Growth Plan

Environment & Climate Change

C&W Strategic Authority will be a key partner in achieving the government's clean power mission to transition Great Britain to a low-cost, clean power energy system by 2030, and in implementing the Warm Homes Plan. Working to deliver decarbonisation, including innovative approaches to heat and power under local arrangements (via a Local Power Plan and heat network zones). Working collectively to provide environmental leadership and stewardship – particularly in biodiversity enhancement and nature recovery.

Devolution Framework

Functions	Impacts
Devolution of retrofit funding (this parliament subject to a successful transition period).	Whilst this is not expected to come fully on-stream until 2028+, it will include the Warm Homes: Local Grant, the Warm Homes: Social Housing Fund and the Public Sector Decarbonisation Scheme.
Heat network zoning coordination role	Zoning coordinators within Strategic Authorities will be able to designate areas as heat network zones.
Coordinating local energy planning to support development of regional network energy infrastructure	Engaging directly with the National Energy System Operator to develop Regional Energy Strategic Plans and provide a transparent route for local insights to inform energy system planning.
Green jobs and skills coordination role	Align future (and current) skills needs via the LSIP (and skills delivery).
A strategic role on net zero in collaboration with government, including on Great British Energy's Local Power Plan and Warm Homes Plan	Working alongside Great British Energy through the Local Power Plan to support the roll out of small-medium renewable energy projects across C&W. This is expected to deploy up to 8G W of additional power from small-medium sized generation projects by 2030 – alongside a locally-driven pipeline of projects.
Responsibility for coordinating delivery and monitoring of Local Nature Recovery Strategies	Providing local, place-based environmental leadership.

Health, Well-Being & Public Service Reform

C&W Strategic Authority (a Marmot Region) will use its strategic role and statutory duty to ensure that health is a key driver for social and economic progress and a cornerstone for the region's development. Reducing health inequalities is therefore an essential component to deliver the vision. Working alongside the C&M ICB to prevent ill health, tackle health inequalities, and improve the lives of poorest the fastest. Doing this by focussing on the prevention agenda: Improving living and working conditions, reducing poverty and promoting healthy behaviours.

Under these functions, local impacts include:

Functions	Impacts
A bespoke statutory health improvement and health inequalities duty	Using the overarching role of Strategic Authorities to take action across the social determinants of health, through the exercise of their functions, in areas such as transport, housing, and planning, and through working with other local leaders to move away from traditional forms of service delivery to a holistic approach, organised around service users.
Mayors engaged during the Integrated Care Boards chair appointment process	Work to increase alignment and closer working between (M)SA and ICB. There may be some discussion around boundary alignment to improve public service delivery.
Mayors as members of local Integrated Care Partnerships, and consideration for position of chair or co-chair	
A role in convening partners and driving cross-cutting public service reform, including looking at areas such as multiple disadvantage	Working alongside government and Councils, work in partnership to deliver public service reform and prevention – seeking innovation and improvement to support delivery of better public services across C&W.

Public Safety

C&W Strategic Authority, working in close partnership with the Police and Crime Commissioner, Fire and Rescue Service and Local Resilience Forum.

Under these functions, local impacts include:

Functions	Impacts
Mayors accountable for the exercise of Police and Crime Commissioner functions where police force and mayoral boundaries align	C&W will not be seeking to align PCC and FRA functions at this stage. However, it is anticipated the Police and Crime Commissioner within the Strategic Authority geography would sit as non-constituent member of the Strategic Authority.
Mayors accountable for the exercise of Fire and Rescue Authority functions where fire and rescue service and mayoral boundaries align	
A clear and defined role in local resilience, working with the Local Resilience Forum to embed resilience into broader policy and delivery	Subject to the 2024 national resilience review, it is expected that the SA will have an increased role in the work of the LRF – as well as ‘building in’ resilience across all policy areas.

Beyond the first 18 months...

Focus for the future. After 18 months, and as long as effective governance and financial mechanisms are in place, Mayoral Strategic Authorities can move to 'Established' Strategic Authority status. The following highlights additional devolution opportunities for C&W beyond 2027.

Additional functions/investment - examples:

Functions	Impacts
Multi-departmental, long-term integrated funding settlement	A single systematised approach to spending controls and a single, streamlined, overarching assurance and accountability framework coordinated by the Ministry for Housing, Communities and Local Government.
Removal of gateway review from the investment process	
A 'right to request' further devolution	A right to request further rail devolution, up to full devolution of defined local services.
Multi-modal integrated ticketing	Bringing integrated ticketing across different forms of transport.
Additional devolved employment support and alignment of Jobcentre Plus boundaries	All funding via the integrated settlement.
Ability to set the strategic direction of any future programme to support affordable housing provision	Setting the strategic direction of any future affordable housing programme in their area, including shaping the tenure mix and identifying priority sites for housing development to be supported by grant (via HE)
Public sector land commission	Ability to establish across multiple Government Departments and Agencies.
Ful devolution of Growth Hubs funding	Via the integrated settlement.

Investment

Financial devolution to C&W

Additional investment streams:

Funds – all subject to 2025 Spending Review	
Devolution Priority Programme – set-up/capacity funding	
One-off capital fund (TBC)	
Mayoral Investment Fund (TBC)	
30-year Investment Fund	
Single Transport Settlement	
Adult Skills Funding (<i>core or all except apprenticeship funds</i>).	
Regeneration & Housing Programme (inc. Brownfield Land Funding)	
Growth Hubs	
Retrofit Programme	

OPEN

31 January 2025

Devolution Work Programme

Report of: Growth Directors of Cheshire West and Chester Council, Warrington Borough Council and Cheshire East Council.

Report Reference No: CWJC/12/24-25

Significant/Key Decision?	Yes/No
Cheshire West and Chester	No
Warrington	No
Cheshire East	Yes

Purpose of Report

- 1 This report provides details of the steps needed to be taken following the publication of the Devolution White Paper and the Cheshire and Warrington Leaders proposal to be included in the Government's devolution priority programme. It seeks permission to move ahead via a programme management approach with a clear programme structure, an initial implementation plan as part of a wider work programme and agreement for an initial budget and implementation costs to end of March 2025.

Executive Summary

- 2 Following publication of the Government's Devolution White Paper, the benefits of devolution for Cheshire and Warrington are now more clearly outlined. These are summarised in the English Devolution White paper: Implications for Cheshire and Warrington Joint Committee report.
- 3 Leaders of Cheshire and Warrington's three councils have written to Government to formally open conversations about potential new powers and funding, as well as inclusion in the priority programme for devolution following invitation from Government for non-devolved areas to put themselves forward. This underlines the commitment of the three authorities to continue to work in strong partnership to progress a devolution agreement and establish a Mayoral Strategic Authority by May 2026, subject to individual agreement by the three constituent Local Authorities.

- 4 Any formal devolution agreement and associated governance would need to be agreed by each council, taking into consideration residents, communities and business views. To support this consultation and decision-making process, comprehensive development work will now need to progress at pace to understand and assess the implications for Cheshire and Warrington.
- 5 This report outlines the activities, budget and reporting structures required to progress the devolution process ahead of final decisions. These are broad and significant in scale. We will be required to respond to each area of a potential future devolution agreement, each devolved funding stream and each function, whilst creating a new organisation, the Mayoral Strategic Authority. Working across multiple organisations, there is a clear need for a programme structure which provides the necessary governance, transparency and accountability during this transitional period.

RECOMMENDATIONS

The Joint Committee is recommended to:

1. Approve the programme management reporting structure as outlined in the report, noting that the Joint Committee will receive detailed and regular reporting across all elements of the work programme for direction and oversight.
2. Note the anticipated overall programme timeline.
3. Approve the initial implementation workstreams and headline priorities between January and March 2025.
4. Approve the devolution programme budget to March 2025 as outlined in the report and note the anticipated future budget to March 2026 which will be brought back to the Joint Committee in detail at its February 2025 meeting.
5. Approve initial programme costs to March 2025 as detailed in the report, including the use of a Programme Director.
6. Request each of the Councils of Cheshire East (CEC), Cheshire West and Chester (CWaC) and Warrington (WBC) amend the Cheshire and Warrington Joint Committee Terms of Reference to extend the rotation of the current Chair (CWaC) for a further 12 months to May 2026 and amend accordingly the dates for the following rotations by the same period namely CEC until May 2028, WBC until May 2030 and that it then continue in that rotation.

Report Detail

- 6 Subject to confirmation that Cheshire and Warrington (C&W) is part of the Government's devolution priority programme, we recognise that meeting the overall timescales to work towards a Mayoral Strategic Authority by 2026 will

be challenging. It is also recognised that this process is subject to formal approval from the three councils.

- 7 Officers are currently liaising with Government to understand the devolution priority programme in more detail, including detailed timescales, required formats for any business case development and the terms under which powers and funding are devolved. This will help to shape the required approach in detail and, via the proposed reporting structure below, the Committee will be asked to maintain an on-going leadership role across the programme. At this stage, we can outline the *initial* priority actions, costs and budget. This is subject to any changes when and if Cheshire and Warrington is included in the priority programme.
- 8 It is proposed that a small group of officers, drawn from the councils and ECW, will form the programme team, supported by officers located in each organisation and specialist external support where required. The funding for these arrangements in financial year 2024/5 is proposed to come from the subregional programmes fund within the ECW budget as previously agreed by the Joint Committee on 8th April 2024. As detailed in the finance section of this report, funds for activity across 2025/6 are anticipated to come from ECW and an expected capacity fund from Central Government as part of confirmation of inclusion in the devolution priority programme. We would seek to mitigate any 'at risk' expenditure by an early in principle decision to proceed from each of the councils no later than May 2025. We will need to undertake work at risk before this date in order to ensure a comprehensive assessment and analysis of the impacts of devolution for Cheshire and Warrington to present to councils as part of their decision making.

Programme Management Structure

- 9 To support the pace required and to effectively manage the complexity of the programme, it is recommended that a clear programme management structure is adopted.
- 10 Under its revised Terms of Reference¹ it is recommended that the Joint Committee should act as the Programme Board for the devolution programme. Reporting to the Joint Committee will be via reports for strategic direction and oversight across the devolution programme. It should be noted that any formal decisions required will be recommended by the Joint Committee to councils. Regular briefings will take place via the informal group of Leaders and Chief Executives (LaCE), including the Police and Crime Commissioner and Chair of the Business Advisory Board.
- 11 The Joint Committee would be supported by Chief Executives who will provide advice, guidance and support to ensure effective delivery of the

¹ See Terms of Reference Amendments Report

programme. Chief Executives (CEXs) will take any escalated operational programme decisions within the overall programme envelope.

- 12 Given the diary constraints on all CEXs, it is recommended that the subregional lead CEX (Cheshire West and Chester/CWaC) and the Devolution Steering Group chair (Growth Director CWaC) meet with the programme lead weekly for briefing and any urgent operational decisions. This meeting would be open to council leads (Executive Directors/Directors/ECW CEX).
- 13 It is recommended that a Devolution Steering Group is established to make operational decisions within the agreed overall programme envelope. Comprising Growth Directors, the programme team and workstream leads, it would oversee all operational programme delivery via progress and review Highlight Reports. It would prepare for and finalise all key documents for the Joint Committee, including agreeing mitigations for any emerging / increasing risks or issues. It would also oversee appropriate stakeholder management. Chaired by the subregional lead Growth Director (CWaC). If approved, Terms of Reference will be developed and shared.
- 14 To support effective programme delivery, it is recommended that a small team is brought together, under the leadership of an experienced Programme Director, to implement the programme - working closely with officers across all councils, ECW and relevant stakeholders to discuss progress, budgets and raise any emerging issues or risks. Under the direction of the Programme Director, specific, specialist workstreams² of relevant officers will come together to take forward detailed implementation as required.
- 15 It should be noted that a much wider engagement and advisory structure will wrap around the core programme structure to ensure a range of organisations are supporting the development of content and outcomes. These include cross-party Member groups, the Cheshire and Warrington Business Advisory Board and the Cheshire and Warrington Leaders Board.
- 16 The three councils across Cheshire and Warrington have established joint member working groups since summer 2024 to ensure effective political engagement and input into all early discussions. Officers will be working to increase the regularity and detail of these meetings - and develop cross-council Member briefings in agreement with Leaders.

² See below

Overall structure:



Anticipated Programme Timeline

- 17 Whilst we are still awaiting confirmation of Cheshire and Warrington as part of the Government's devolution priority programme, we do not as yet have a confirmed detailed programme timeline. Nonetheless, we can make a number of assumptions based on discussions with Government to date which would suggest a broad overall timeline³ outlined below.
- 18 Given the anticipated pace and complexity of the programme to May 2026 it would be helpful to maintain consistency in a number of areas, including extending the rotation of the current subregional lead local authority and Chair of the Joint Committee (Cheshire West and Chester Council) for a further 12 months to May 2026, before rotating to Cheshire East Council to recommence rotations on a two year basis.

Period	Highlight activity
January - March 2025	<ul style="list-style-type: none"> Confirmation by HMG that C&W become part of the devolution priority programme HMG-led Public Statutory Consultation undertaken (<i>awaiting details</i>) Local engagement plan commences (Members, stakeholders, residents, business) Commence mobilisation and start of devolution development programme (<i>see priority actions in section below</i>)
April - June 2025	<ul style="list-style-type: none"> Local decision making: Councils to consider 'in principle' decision to proceed to Mayoral Strategic Authority (MSA) - including assessment of consultation responses. <p><i>Depending on outcome:</i></p> <ul style="list-style-type: none"> Commence shadow/interim arrangements Start initial MSA 'build process' - primarily governance, finance and organisational design. Spending Review (confirms C&W devolution investment package)
July - September 2025	<ul style="list-style-type: none"> Finalise the C&W Devolution Agreement and investment package

³ Subject to change

	<ul style="list-style-type: none"> • Complete all work required for Parliamentary processes to create the MSA • Council (x3) decisions to formally submit to Government.
October - December 2025	<ul style="list-style-type: none"> • Parliamentary process for the C&W MSA • Continued 'build phase' for the new Authority • Commence staff transfer/recruitment processes • Commence prep for Mayoral elections
January - March 2026	<ul style="list-style-type: none"> • Prep for Mayoral elections • Complete prep for the new Authority to 'go live' • Pre-election period commences • Strategic Authority operational (by 12th March 2026)
April - June 2026	<ul style="list-style-type: none"> • 7th May 2026 - Mayoral Elections • Mayoral Strategic Authority operational.

Programme Priorities: January to March 2025

- 19 The Committee will be kept updated on the emerging work programme and budget at every meeting via formal performance reporting.
- 20 One of the critical outstanding points of detail to understand from Government is the timing and content of the English Devolution Bill. We anticipate that the Statutory Instruments and Government Orders associated with a number of devolution powers will be codified as part of the Bill's parliamentary process. Once law, we then expect these powers to be automatically 'passported' to a potential future Cheshire and Warrington Mayoral Strategic Authority. Whilst this process will save considerable time and resource for Cheshire and Warrington in terms of development, it should be noted that we will need to wait for the Bill to secure Royal Assent and any secondary legislation - which could be Summer 2026 or beyond - until the new Authority receives all of its initial powers.
- 21 Nonetheless, we will still need to work through the implications of delivery - and how this will work in practice. Whilst we won't know the quantum of investment until after the Spending Review (due to conclude June 2025 with confirmation on investment package August/September 2025), we do know which programmes will be devolved, as well as a 30 year Cheshire and Warrington Investment Fund.

- 22 For the first quarter of 2025 (January to March) we anticipate the following priority activities delivered via a number of specialist officer 'workstream' groups:

WORKSTREAMS	PROGRAMME CONTENT
Communications & engagement <i>Communications leads from all Councils and Marketing Cheshire</i>	<ul style="list-style-type: none"> Stakeholder/community engagement plan delivery Prep/delivery of Statutory Consultation with MHCLG
Governance <i>Monitoring Officers (or their nominated leads), democratic services and legal council officers, Finance Director ECW. Specialist legal advice may be required for specific actions.</i>	<ul style="list-style-type: none"> Local decision making processes Consideration of MSA future organisational design and governance. Set-up for shadow arrangements (including any shadow assurance frameworks) Prep for national approval (SA Constitution/Orders) - initial scoping of the systems and procedures required.
Workforce <i>Council Human Resources leads and Finance Director ECW</i>	<ul style="list-style-type: none"> Initial scoping of future workforce requirements. Ensure full and proper engagement with Trade Unions regarding the devolution process/ journey. Consideration of MSA future organisational design.
Finance <i>Section 151 Officers (or their nominated leads), Finance Director ECW.</i>	<ul style="list-style-type: none"> Determine budgets and funding streams for delivering devolution in C&W Establish a financial framework to manage the costs and resources required to support devolution through to the formation of a MSA . Identify potential financial impacts/asks of the programme on all partner organisations.

	<ul style="list-style-type: none"> Alignment with governance workstream on initial scoping of future financial procedures/ systems
Growth Plan <i>Chief Executive ECW, Council Growth Directors and officers from across the councils with specialist areas of expertise (transport, skis, etc).</i>	<ul style="list-style-type: none"> Develop overall narrative for growth and devolution Develop content across thematic areas (transport, development, skills etc) and increase Member and stakeholder engagement across themes. Preparation of delivery priorities and early investment opportunities.

Programme Budget

- 23 The following section sets out the overall budget for programme development from January to March 2025 and sets out an initial budget for 2025/6 which will be confirmed once Cheshire and Warrington has confirmation it is part of the Government's devolution priority programme. Approval is sought for the budget and initial implementation costs to March 2025. A further report will be brought to the Committee in February 2025 outlining financial year 2025-6 budget and anticipated costs.
- 24 As noted in the timeline above, we would seek to mitigate any 'at risk' expenditure by seeking an early in principle decision to proceed from each of the councils no later than May 2025. We will need to undertake some work at risk before this date, in order to ensure a comprehensive assessment and analysis of the impacts of devolution for Cheshire and Warrington is available to present to councils as part of their decision making.
- 25 We would then also go back to the councils for a formal decision to progress (following confirmation of a Devolution Agreement and investment package) no later than October 2025. The majority of expenditure associated with the new Authority 'build phase' will only be incurred after this decision date.
- 26 A budget of £350,000 to support subregional activity has been made available from within the Cheshire and Warrington Enterprise Zone (EZ) funds, managed by Enterprise Cheshire and Warrington; £100,000 of this budget has already been committed for wider subregional activity, with the remaining £250,000 being available to support the initial implementation of the devolution programme from January to March 2025.
- 27 We anticipate a further £500,000 will be available from EZ funds in financial year 2025-26. Subject to inclusion in the devolution priority programme, we

anticipate Government will also support devolution development with a capacity fund. Whilst this is subject to the programme and official confirmation, Government has previously provided upfront support to preparing for devolution and we would expect to receive funding from financial year 2025-26.

- 28 If additional funds are required, consideration may need to be given to temporarily 'borrowing' money from the Growing Places Fund, for future reimbursement by the Strategic Authority once it is established. This arrangement would need to be underwritten by the Local Authorities should the Strategic Authority not proceed as planned or should it be unable to reimburse the funds in a timely manner. Entering into such a commitment would require the approval of the councils.
- 29 As noted, a full budget report dealing with the period April 2025 to March 2026 will come to the Joint Committee at its February meeting when we expect to have confirmation of the devolution priority programme and a more detailed forecast breakdown of future costs. The programme team are currently holding a series of meetings with the leads of various workstreams to establish the resources that will be required to meet both statutory responsibilities and the requirements related to maximise future investment funds via the devolution agreement.
- 30 Funding beyond March 2026 is to be confirmed by Government after the Spending Review later this year. The financial model and operating budget of the Mayoral Strategic Authority will be established through a working group of the constituent councils and brought back for oversight and review (subject to agreement by the councils to proceed). Consideration will also be given to establishing a Medium Term Financial Plan, but this will be subject to further consideration and approvals as the devolution agreement progresses.

Comments from the Business Advisory Board

- 31 The Cheshire and Warrington Business Advisory Board (BAB) supports an approach which would deliver the benefits of devolution at the earliest opportunity. Empowering the Joint Committee to drive an 'at pace' programme which makes recommendations around devolution to the Cheshire and Warrington Councils in 2025 would be the preference of the business community.

Reasons for Recommendations

- 32 Given the potential importance of the devolution programme for Cheshire and Warrington, and the complexities associated with its delivery, it is critical to ensure an effective programme management approach. This will support a comprehensive approach to inform Council decisions.
- 33 The recommendations allow us to move forward at pace - but also provide enough flexibility to evolve as details on the devolution priority programme

become clearer. They also follow a phased approach to mitigate risk on abortive spend as far as possible.

Other Consultation and Engagement

- 34 Communications and engagement will be a critical part of the programme and we will ensure that stakeholders across Cheshire and Warrington are fully informed of the process and how they can get involved. Key stakeholders include our residents, communities, businesses, council staff, Members, MPs, the voluntary and community sector and others identified through a detailed stakeholder mapping exercise.
- 35 We understand that Government will be leading a statutory consultation in the confirmed devolution priority programme areas from late January/early February to the end of March/early April 2025. We will work closely with Government to ensure that this consultation reaches far and wide, to ensure as many people as possible are able to have their say.
- 36 In parallel with this statutory consultation, we will run our own communications and engagement activity in the region. This will ensure we are having meaningful conversations with our stakeholders to inform devolution for Cheshire and Warrington.
- 37 Before beginning any engagement activity, we will be clear about why it is happening, what the community can and cannot influence, and how we will use the information gathered through our engagement activity.
- 38 Our communications and engagement approach will ensure we gather a broad and representative range of responses from across the region, including the views of people from different backgrounds, groups and organisations. We will use a mixture of appropriate methods tailored to different audiences to help to reach as wide a range of stakeholders as possible. We will consider barriers to engagement, such as accessibility, apathy and transport issues.
- 39 We will use a variety of formats to engage. It is essential that everyone is able to participate via their preferred route, so we will be ensuring that all information is available in accessible formats.
- 40 We will build on our approach to joint working, strengthened by encouraging further collaboration and partnership working, with recognition of the knowledge and expertise of others such as the voluntary and community sector and business community. This will include promoting opportunities for shared communications and consultation activities. Where relevant, we will use existing structures, forums and groups to make the most efficient use of resources and to build on existing contacts and networks.
- 41 We will provide feedback to the community about the engagement activities we carry out and will explain how the community's input contributed to the decision-making process. As part of that process we will monitor and review

the engagement activities we carry out to ensure that all sections of the community can engage should they chose to, particularly those whose voices are often not heard, and change our practices accordingly.

- 42 We will also be running a series of Member engagement sessions - building on the engagement to date via cross-party working groups across all councils. We anticipate holding all-council briefing sessions to enable more Member dialogue between the councils across Cheshire and Warrington. As well as the governance implications of the devolution programme, it is important to focus on content and the economic, social and environmental impacts of devolution for Cheshire and Warrington. We therefore propose to work with Joint Committee leads on additional Member engagement in the thematic work associated with the emerging Growth Plan/Devolution Agreement.
- 43 The results of the statutory consultation and feedback from the engagement programme will be critical elements in understanding the implications of devolution when councils make their decisions.

Implications and Comments

Legal implications

- 44 The governance workstream includes legal officers to ensure that the programme is legally compliant and well governed. It is currently anticipated that the existing legislative framework will be initially relied upon to exercise relevant powers to establish the Mayoral Strategic Authority until such time as the English Devolution Bill comes into force and powers are passported. Further guidance will continue to be taken from MHCLG in this regard. Should any external legal expertise be required, steps are being taken to ensure that this would be commissioned at pace.
- 45 The current terms of reference provide for the rotation of the chair between the councils every two years. It is being proposed that the current chair remain for a further year (until 2026) and this will require an amendment to the Terms of Reference which needs to be approved via the governance processes of each Council. The Joint Committee is being asked to recommend this proposed change to their respective Councils.

Finance implications

- 46 A finance workstream has been established to confirm the costs and resourcing required to support the effective delivery of devolution within the subregion. Given the relatively short implementation timetable, it is likely that some costs will need to be incurred at risk, pending the confirmation of the value and timing of any interim/future funding from government. These risks will be quantified and outlined in a future report to the Joint Committee.
- 47 Initial costs are being funded from the ECW budget, using retained business rates Enterprise Zone monies, in accordance with the purpose of investing in

subregional activity. If Cheshire and Warrington withdrew from the devolution process, these funds would not be recoverable.

48 *Risk Management*

49 A full risk register is currently in development and will be updated and reported by escalation to the Joint Committee and Devolution Steering Group every month.

50 We have built two key decision points into the programme (in quarters 2 and 3 in 2025). To mitigate the risk of abortive expenditure, we will minimise costs as far as possible before these key decision points.

Equality, Diversity and Inclusion

51 There are no immediate ED&I impacts. It should be noted that all elements of the programme (via workstreams) will ensure that ED&I is reflected in outcomes.

Policy

52 Any devolution agreement would support the Cheshire and Warrington vision to be the healthiest, most sustainable, inclusive and growing economy in the UK.

Access to Information	
Contact Officer:	Gemma Davies, Chair, Cheshire and Warrington Growth Directors/ Director Economy and Housing, Cheshire West and Chester Council Gemma.Davies@cheshirewestandchester.gov.uk
Appendices:	NA
Background Papers:	NA

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JOINT COMMITTEE FORWARD PLAN 2024/25
Version 31st January 2025

PART A/B	Joint Committee (Dates tbc)	Venue	Title (draft where not complete)	Purpose of Report	Member Lead	Officer Lead	NOTES
B	31/01/25	WBC	JC Terms of Reference Amendments	To report the outcome of the recommended changes to the ToR by Councils.	Cllr LG	Growth Directors	
B			Devolution White Paper	To report the detail of the devolution White Paper published by the Government in December 2024.	Cllr LG	Growth Directors	
B			Devolution Work Programme	To report details of the proposed Devolution Work Programme for C&W.	Cllr LG	Growth Directors	
B			Enterprise Zone	Report on a £1m Enterprise Zone Grant		ECW (Philip Cox)	
A/B			Joint Committee Forward Plan	Update and seek direction	Cllr LG	SRPO (Peter Jones)	

JOINT COMMITTEE FORWARD PLAN 2024/25

Version 31st January 2025

PART A/B	Joint Committee (Dates tbc)	Venue	Title (draft where not complete)	Purpose of Report	Member Lead	Officer Lead	NOTES
B	28/02/25 (Special Meeting)	tbc	Devolution Agreement and Work Programme	To seek agreement on various devolution commissioned reports	tbc	Growth Directors	
A			ECW Finance	Report to seek changes to the financial processes relating to ECW.	Cllr Gittins	Cheshire East Council	
A	28/03/25	CEC	TBC – ECW Shareholder items	TBC		ECW (Philip Cox)	
A			ECW AGM	AGM of Local Authority Owned Company		ECW (Philip Cox)	
A			ECW budget and business plan 2025/26	Approval of the ECW budget 25/26.		Philip Cox	Draft Plan to IJC in January 2024
A			Sustainable and Inclusive Economic Strategy (SIES)	To consider the outcome and response to the		Philip Cox	

JOINT COMMITTEE FORWARD PLAN 2024/25

Version 31st January 2025

PART A/B	Joint Committee (Dates tbc)	Venue	Title (draft where not complete)	Purpose of Report	Member Lead	Officer Lead	NOTES
				consultation of the SIES.			
B			Business Advisory Board update	Report to update on progress	BAB Chair	ECW (Philip Cox)	
A/B			Joint Committee Forward Plan	Update and seek direction	Cllr LG	SRPO (Peter Jones)	

Notes

Part A = Shareholder functions of the Committee

Part B = Other functions of the Committee.

Informal 31st January 2025 – Growth Plan and ECW Budget

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