FURTHER DEVOLUTION TO THE LIVERPOOL CITY REGION COMBINED AUTHORITY AND TO THE DIRECTLY ELECTED MAYOR OF THE LIVERPOOL CITY REGION COMBINED AUTHORITY
Further devolution to the Liverpool City Region Combined Authority and to the directly elected Mayor of Liverpool City Region Combined Authority

1. Building on the agreement previously made between the government and the leaders of the Liverpool City Region on 17 November 2015 to devolve a range of powers and responsibilities to the Liverpool City Region Combined Authority and a new directly elected mayor for the city region, the government is now further strengthening the Liverpool City Region’s devolution arrangements. This demonstrates our ongoing commitment to devolution and building the Northern Powerhouse.

2. This agreement between the government and the leaders of the Liverpool City Region is subject to ratification from the Liverpool City Region local authorities. This agreement is also subject to the statutory requirements including parliamentary approval of the secondary legislation implementing the provisions of this agreement. As set out in November’s agreement, the Liverpool City Region Combined Authority will build on this governance model and adopt a model of directly elected city region mayor over the Combined Authority’s area with the first elections in May 2017.

Early Adopter of 100% Business Rates Retention

3. The government will pilot the approach to 100% business rates retention in the authorities in the Liverpool City Region Combined Authority area starting in 2017/18.

Health and Social Care

4. As committed to in the devolution deal agreed in November 2015, the Liverpool City Region Combined Authority and NHS partners have been in ongoing dialogue around greater health and social care integration including the prevention agenda. In order to engage fully in this process the clinical commissioning groups across the Liverpool City Region have formed a Committee in Common.

5. The city region, with the full engagement of health partners, will shortly publish an interim report on the case for change across a number of priority health conditions and will now develop a strategy for tackling the issues raised in the report. This will
be complemented by the sustainability and transformation planning process, whereby organisations across the locality are working in partnership with others to improve delivery and outcomes.

6. Where the city region believes devolution from the government is required to deliver shared objectives, city region partners will continue to work with the Department of Health, NHS England and Public Health England to develop proposals in this area.

**Children’s Services**

7. The government will support Liverpool City Region to undertake a fundamental review of the way that children’s services are delivered. The review will explore how integrated and more efficient ways of delivering services can be achieved by making best use of existing resources. The proposals will be developed from April 2016 within a framework of locally accountable leadership, delivery and commissioning arrangements, and specific proposals will be subject to Department for Education, HM Treasury and individual local authority approval.

**Housing**

8. Liverpool City Region will continue to work with the government to examine how national policies and funds can be best utilised to promote home ownership and housing supply in the context of the city region’s housing markets.

**Apprenticeships**

9. The Liverpool City Region Combined Authority and the government commit to working together to maximise the opportunities presented by the introduction of the apprenticeship reforms (including the levy). This will include: working with employers to recognise the value of apprenticeships in driving productivity; putting in place appropriate high quality careers education, information, advice and guidance so that apprenticeships are seen as an equally valuable progression route for all individuals leaving school/college; and specific work around Liverpool City Region public services
including health to generate high quality apprenticeships to drive demand and support public service reform.

10. The government and the Liverpool City Region will discuss how, within the national framework where individual employers have control of their levy contributions, public sector partners in the Liverpool City Region could collaborate to take full advantage of the government’s apprenticeship programme to support new ways of working in the public sector and stimulate progression pathways at all levels within Liverpool City Region.

11. The Liverpool City Region Combined Authority will assume responsibility for the Apprenticeship Grant for Employers (AGE). Funding is confirmed until the end of the 2016/17 academic year. The AGE funding must be used alongside mainstream apprenticeship participation funding to incentivise employers to offer apprenticeships, but the Combined Authority are free to vary the criteria associated with the grant (e.g. the size and sector of business) to meet local needs. The Skills Funding Agency will work with the Liverpool City Region area to identify an appropriate share.

**Transport**

12. The government will work with the Liverpool City Region Combined Authority and the Liverpool City Region Combined Authority Mayor to establish appropriate local traffic and highway powers which would be conferred on to the Mayor as part of the Key Route Network.

13. The government will work with the Liverpool City Region Combined Authority to explore ways in which the Liverpool City Region Combined Authority Mayor can be enabled to implement Clean Air Zones in the Combined Authority area. This will help achieve Air Quality Plan objectives at both the national and local level.

**Justice**

14. The Government will work with Liverpool City Region and Merseyside and Cheshire Police and Crime Commissioners to develop and strengthen the local role in commissioning joined up local criminal justice services.