



Department for  
Communities and  
Local Government

# DEVOLUTION: A MAYOR FOR GREATER MANCHESTER. WHAT DOES IT MEAN?

BOLTON | BURY | MANCHESTER | OLDHAM | ROCHDALE | SALFORD | STOCKPORT | TAMESIDE | TRAFFORD | WIGAN

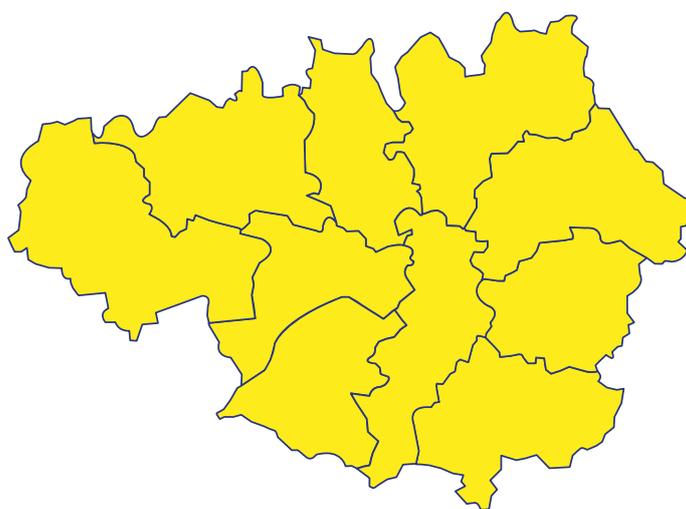


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# INTRODUCTION

In May 2017, there will be a major shift in the way we run our country. Powers, budgets and responsibilities will be passed down from central government to new directly-elected mayors in six regions across England, including in Greater Manchester.

On Thursday 4 May, the residents of Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford, and Wigan will elect the first ever Mayor for Greater Manchester. The Mayor will represent Greater Manchester across the country and around the world. They will work with leaders of councils and businesses to create jobs, improve skills, build homes and make it easier to travel.

The Mayor and the Greater Manchester Combined Authority will be able to:

- **invest in local priorities to improve Greater Manchester through an Investment Fund** worth £900 million over 30 years;
- **keep more of the business rates** that the councils collect from local businesses, to pay for local services;
- set the rules for local **bus services**, including the routes, timetables and fares (if the Bus Services Bill is approved by Parliament);
- manage **local transport funding** to help local people travel more easily;
- take on **Policing and Crime** and **Fire and Rescue powers** for Greater Manchester;
- work with partners to plan **health and social care services**;
- set out plans for **how land should be used** to meet the area's housing, employment and transport needs;
- design and deliver **support for unemployed people** in the area;
- give **grants to encourage and help local businesses** to employ apprentices;
- control **adult education services** to help local people get the skills they need (if Parliament approves the relevant legislation and Greater Manchester meets the conditions set by the Department for Education);
- lend money to support housing developments through a **Housing Investment Fund**; and
- support people and families with complex needs through a **Life Chances Investment Fund**.

This guide provides more information about the powers and budgets being passed to the Greater Manchester Combined Authority and Mayor, and who is responsible for what. At the end of the guide you can find a list of some of the words and phrases used in the document. The [devolution deals](#) originally agreed by the Greater Manchester Combined Authority and the Government can also be found online.

# HOW IS THE COMBINED AUTHORITY RUN?

The combined authority brings together the councils in the area to work together on issues that affect everyone in Greater Manchester. The Mayor will be a member of the combined authority and will chair its meetings. The combined authority works closely with the Greater Manchester Local Enterprise Partnership, a business-led partnership which aims to drive growth and jobs in the area.

The formal meetings of the combined authority must be open to the public, and agendas, discussion papers and minutes must be published online. Combined authorities are covered by the [Local Government Transparency Code](#), which explains how all local authorities must make information on their decisions available to the public. More information on this is available [here](#).

The Greater Manchester Combined Authority must establish at least one Overview and Scrutiny Committee to scrutinise the decisions of the combined authority and the Mayor. The majority of members of overview and scrutiny committees must be constituent local authority councillors. This committee can write reports and recommendations and can require the Mayor and combined authority members to answer its questions. It is able to challenge decisions that have been made but not yet carried out, and ask the Mayor and the other members of the combined authority to explain their reasons for making a decision. A separate Police and Crime Panel will scrutinise the Mayor's decisions relating to crime and policing.

The Greater Manchester Combined Authority, just like the councils which make up the area of the Greater Manchester Combined Authority, must be run in the way described in the [Local Government Accountability System Statement](#). This is a document that describes how the Accounting Officer for the Department for Communities and Local Government makes sure they are confident that all local authorities – including combined authorities – are managing their finances appropriately. It explains how local authorities must be careful with taxpayers' money and make sure that the law is followed properly at all times. The Accounting Officer at the Department for Communities and Local Government must make sure that the overall funding system for local authorities (the 'Local Government Finance System') meets the needs of local authorities, and that local authorities are being careful with taxpayers' money and following the law. If a local authority is not following the law or spending money properly, the Secretary of State for Communities and Local Government can step in and, as a last resort, take more control of how the local authority is run until the problems are resolved.

The costs of the combined authority's and Mayor's activities are funded through devolved budgets explained in this document and contributions from the member councils, who agree their contributions through their own budget setting process. The Mayor must set a budget for mayoral functions and may set a precept on council tax to fund these. The other members of the Greater Manchester Combined Authority can propose amendments to the Mayor's draft budget. The combined authority can insist amendments are made if at least two thirds of the combined authority members support a change.

The combined authority's Treasurer (section 151 officer) must make sure that the combined authority manages taxpayers' money properly and secures good value for money.

The combined authority must also establish an audit committee which is responsible for making sure that the combined authority's finances are properly managed. This must include at least one independent person.



# WHAT POWERS WILL THE MAYOR AND COMBINED AUTHORITY HAVE?

## OVERALL POWERS

### Functional power of competence

The Greater Manchester Combined Authority and the Mayor have a 'functional power of competence'. This means that the combined authority and the Mayor can legally do anything that individuals generally can do if it is necessary to exercise their functions, unless the law specifically prohibits it.

### Raising a precept

The Mayor will also have the power to set a 'precept' – a charge on council tax bills to help pay for the Mayor's work. The other members of the Greater Manchester Combined Authority can propose amendments to the Mayor's draft budget, including the amount of precept. They can also insist that amendments are applied if at least two thirds of the members support a change.

### Borrowing powers

In the 2016 Autumn Statement the Government confirmed that mayoral combined authorities would be able to borrow money, up to a cap agreed with the Government, to deliver their new responsibilities in areas such as economic regeneration and housing. Additional legislation will need to be agreed by Parliament for this to go ahead in Greater Manchester.

### Raising an infrastructure levy

Subject to Parliamentary approval, as part of the Local Government Finance Bill currently making its way through Parliament, the Mayor of the Greater Manchester Combined Authority will be able to ask for an additional payment of up to 2p in the pound from local businesses. This will allow the Mayor to raise funds for infrastructure projects that will promote economic development. The Mayor must set out how they plan to spend the additional money raised and consult with local business rate payers and others first.

## POLICING AND CRIME RESPONSIBILITIES

The Mayor will take on policing and crime powers for Greater Manchester.

### WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?

The Greater Manchester Mayor will take over all the main powers and responsibilities of the local Police and Crime Commissioner (PCC). Police and Crime Commissioners are elected representatives who work to make sure that police forces in England and Wales are running well.

The Mayor must, amongst other things, set and approve an annual police and crime plan; set the council tax precept to fund policing; and make decisions relating to appointing Chief Constables.

### WHAT MUST THE LOCAL AREA DO, AND HOW ARE DECISIONS MADE?

#### What must the local area do?

Local voters will be able to hold the Mayor to account for their decisions on the local approach to policing and tackling crime.

A new Police and Crime Panel will be created to scrutinise the decisions of the Mayor in relation to policing and crime.

#### How are decisions made?

Only the Mayor can carry out the Police and Crime Commissioner's functions. However, the Mayor will be able to appoint a Deputy Mayor for Policing and Crime to support them. This Deputy Mayor will be able to carry out police and crime commissioner functions, with certain restrictions. The Mayor may also arrange for another person (who is not the Deputy Mayor for policing and crime) to carry out police and crime commissioner functions, subject to certain restrictions.

The Mayor, Deputy Mayor for Policing and Crime and any other person or member who carries out Police and Crime Commissioner functions will be scrutinised by the Police and Crime Panel, made up of councillors and independent individuals from Greater Manchester. The panel will be able to review the Mayor's proposed appointees for the roles of Chief Constable and Deputy Mayor for Policing and Crime (and can veto the proposed appointment of a Chief Constable). They will also be able to review the policing and crime part of the precept on council tax set by the Mayor, and can veto this if at least two-thirds of panel members vote to do so.

**WHAT WILL THE GOVERNMENT DO?**

The Home Secretary is still accountable to Parliament for policing in England.

The Accounting Officer of the Home Office is accountable to Parliament for the money which is provided to Police and Crime Commissioners, and to the Greater Manchester Mayor, by central government (the police grant) and must report to Parliament regularly on this.

The Home Secretary makes grants to local policing bodies in England and Wales each year in order to fund policing, and must report on this each year to Parliament.

**HOW MUCH MONEY IS INVOLVED?**

Police and crime funding for the Greater Manchester Mayor comes from central government grants and a council tax precept. The council tax precept is raised locally and set every year. Last year (2016/17), the combined total direct funding was £544.7 million.

**WHEN DOES THIS START?**

May 2017 (following the election of the Greater Manchester Mayor).

## **FIRE AND RESCUE RESPONSIBILITIES**

The Mayor will take on fire and rescue powers for Greater Manchester.

**WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?**

The powers and responsibilities of delivering fire and rescue services in Greater Manchester will be given to the Greater Manchester Mayor.

The Mayor must set and approve a plan each year, which explains how the fire and rescue service will tackle risks to the community. The Mayor must also set the budget for the fire and rescue service, and appoint the Chief Fire Officer and senior management team who will oversee fire and rescue services in Greater Manchester on a day-to-day basis.

**WHAT MUST THE LOCAL AREA DO, AND HOW ARE DECISIONS MADE?**

**What must the local area do?**

The Mayor is legally responsible for a range of duties set out in law, including promoting fire safety, carrying out fire safety inspections, fire fighting and dealing with other emergencies.

**How are decisions made?**

The Mayor is responsible for the fire and rescue functions of the combined authority, but local councillors and officers may support the Mayor in the exercise of those functions. The Mayor will be able to arrange for a “fire committee” of up to 15 councillors to be appointed to carry out some fire and rescue functions, with some exceptions.

Local decisions relating to fire and rescue will be scrutinised by the Greater Manchester Combined Authority’s Overview and Scrutiny Committee(s).

**WHAT WILL THE GOVERNMENT DO?**

The Department for Communities and Local Government Accounting Officer must make sure that the Mayor is being careful with taxpayers’ money and following the law.

The Home Office Accounting Officer must report to Parliament on how money given to Greater Manchester for particular national projects has been spent. The Home Office Accountability System Statement sets out how the Home Office makes sure that this money is spent properly.

The Home Secretary must report to Parliament every two years to confirm whether authorities are following the law.

**HOW MUCH MONEY IS INVOLVED?**

The core funding for Greater Manchester’s fire and rescue functions comes from central government grant, from business rates and from a council tax precept.

**WHEN DOES THIS START?**

May 2017 (following the election of the Greater Manchester Mayor).

## HEALTH AND SOCIAL CARE RESPONSIBILITIES

The Mayor and Greater Manchester Combined Authority will be able to work with partners to plan health and social care services.

### WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?

Health and care leaders in Greater Manchester now have more say over the way that health services are planned, agreed and monitored in their local area. This will allow Greater Manchester to better plan health and care services around the needs of local people. Greater Manchester's agreement with the Government and NHS England (who oversee funding and planning of health services across the whole country) includes Greater Manchester taking more control over £6 billion of health and social care funding which is spent in the region each year.

### WHAT MUST THE LOCAL AREA DO?

Local partners involved in delivering health services (such as Clinical Commissioning Groups, councils and providers) still have the same responsibilities and expectations as anyone else working in health and social care across England. For example, all NHS hospitals are still subject to national targets and national expectations about the quality of services.

The Greater Manchester Health and Social Care Chief Officer is in charge of the Greater Manchester Health and Social Care Partnership. They are leading on the proposed transformation of the health and social care services across the whole of Greater Manchester. The Chief Officer is an employee of NHS England and as such is accountable to them, rather than to the Greater Manchester Combined Authority or the Mayor. However, the Chief Officer and other members of the Health and Social Care Partnership report on their progress every month to the Strategic Partnership Board in Greater Manchester.

£450 million has been given to Greater Manchester to fund their plans for improving their health and social care system. The Greater Manchester Combined Authority is jointly responsible, with Greater Manchester's Head of Paid Service for how this money is spent. The Greater Manchester Combined Authority is also responsible for how the Clinical Commissioning Groups in the city-region are performing.

In England, councils are responsible for planning their local public health and adult social care services. Local voters can hold their local councillors to account for these services, including through local elections. This has not changed in Greater Manchester. However, if Parliament agrees, the Greater Manchester Combined Authority will also be able to carry out these public health functions. This will allow the combined authority to plan public health programmes across the whole city-region. This does not take any powers or responsibilities away from the individual local authorities, which will work alongside the combined authority.

**WHAT WILL THE GOVERNMENT DO?**

The Greater Manchester Combined Authority and Greater Manchester Health and Social Care partnership are accountable to NHS England for how they use public money and the results they achieve. NHS England are in turn accountable to Ministers in the Department of Health. Ministers in the Department of Health remain accountable to Parliament for the performance of the NHS, and this is the same in Greater Manchester as it is in the rest of the country.

NHS Improvement and the Care Quality Commission (the health and care regulators in England) will also continue to monitor the safety, quality and finances of NHS organisations in Greater Manchester. All of these national organisations are working closely with Greater Manchester as their work progresses.

**HOW MUCH MONEY WILL BE INVOLVED?**

Greater Manchester now has more control over the £6 billion that is spent on health and social care in the city region every year. There is also a national 'Transformation Fund' available and Greater Manchester also has their share of this money – an additional £450 million to be spent on improving services between now and 2021.

**WHEN DOES THIS START**

This arrangement started on 1 April 2016. There are plans for Greater Manchester to take on more public health functions – health improvement and prevention – during 2017. These plans need to be debated and agreed in Parliament first.

## TRANSPORT POWERS

The Mayor and the Greater Manchester Combined Authority will be able to manage local transport to help people get around more easily.

**WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?**

### **Local Transport Plan**

The Mayor will be responsible for the Local Transport Plan for the area (subject to Parliamentary approval). This plan can include details of how transport will support local housing and jobs, and how the Mayor and combined authority will tackle problems like traffic jams and air pollution.

The combined authority can agree to work with the individual councils in the Greater Manchester Combined Authority area, and with Highways England (the national government agency) on building, improving and maintaining roads. The combined authority can promote road safety, in the same way as a local authority.

<p><b>WHAT MUST THE LOCAL AREA DO, AND HOW ARE DECISIONS MADE?</b></p>	<p><b>What must the local area do?</b></p> <p>The Mayor will be responsible for the Local Transport Plan for the area (subject to Parliamentary approval).</p> <p>The individual councils that are members of the Greater Manchester Combined Authority must continue to make sure that local roads are in a good state of repair, as required by law.</p> <p><b>How are decisions made?</b></p> <p>The Local Transport Plan must be agreed by 7 of the 10 members of the Combined Authority before it is adopted.</p>
<p><b>WHAT WILL THE GOVERNMENT DO?</b></p>	<p>Highways England must still look after the largest roads in the country, including motorways and key A roads.</p>
<p><b>HOW MUCH MONEY IS INVOLVED?</b></p>	<p>The combined authority and Mayor will control a transport budget, covering a range of local transport needs, as part of the Single Pot.</p>
<p><b>WHEN DOES THIS START?</b></p>	<p>The Mayor will take on these powers upon taking office.</p>

## BUS FRANCHISING POWERS

The Mayor and Greater Manchester Combined Authority will be able to set the rules for local bus services, including the routes, timetables and fares (if the Bus Services Bill is approved by Parliament).

<p><b>WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?</b></p>	<p>The Mayor will be able to decide which bus services should run in the Greater Manchester Combined Authority area. This includes deciding on routes, timetables and fares.</p> <p>These powers are known as ‘bus franchising powers’ and will be similar to the Mayor of London’s powers to make decisions about bus services in the capital.</p> <p>The powers for the Mayor to do this are part of the Bus Services Bill, which is currently passing through Parliament.</p> <p>The Mayor can make grants to bus service operators in Greater Manchester, supporting early engagement with bus operators, ahead of the proposed move to the local franchising model.</p>
<p><b>WHAT MUST THE LOCAL AREA DO?</b></p>	<p>If the Mayor decides to use these powers, local voters will be able to hold the Mayor to account for the quality of local bus services.</p>

**WHAT WILL THE GOVERNMENT DO?**

Central government provides some funding for bus services, but does not decide which bus services should run.

**HOW MUCH MONEY IS INVOLVED?**

The Government provides some funding towards bus services through the Bus Services Operator Grant and concessionary fares payments made as part of the Local Government Finance Settlement. If the Mayor decides to use bus franchising powers, the Bus Services Operator Grant that is currently paid to bus operators will instead be paid to the combined authority. The combined authority would then need to pay for the running costs of any franchised bus services.

**WHEN DOES THIS START?**

The Bus Services Bill is currently going through Parliament. If this becomes law, the Mayor of the Greater Manchester Combined Authority will be able to decide whether they would like to take responsibility for bus services in the area.

## LAND AND DEVELOPMENT

The Mayor and Greater Manchester Combined Authority will be able to set out plans for how land should be used to meet the area's housing, employment and transport needs.

**WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?**

### **Strategic plan**

The Greater Manchester Mayor will be responsible for preparing a spatial development strategy for the whole of Greater Manchester. The plan will set out a vision for the development of the whole area and how housing and other development can support the local economy, whilst addressing the need to protect the environment.

The Mayor's plan will not replace the local plans produced by the local councils in the area. However, in future, individual councils' local plans will have to make sure that they fit with the Mayor's strategic plan. The plan needs to be agreed by all of the council representatives who are members of the combined authority.

### **Compulsory purchase**

The Mayor and combined authority will have powers to acquire and dispose of land to build houses, employment space and infrastructure. This includes using 'compulsory purchase' powers – the power to acquire land without the owner's agreement, in return for compensation. The Homes and Communities Agency, which is a national government agency, will still have similar powers, and will be able to work with the Mayor and combined authority.

**WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO? (Continued)**

**Mayoral Development Corporations**

Subject to Parliamentary approval, the Mayor will be able to propose that particular areas should be included in ‘Mayoral Development Corporations’. A Mayoral Development Corporation is an organisation which has powers to acquire and develop land to deliver regeneration and economic development. Within the area covered by a Mayoral Development Corporation, the Corporation may take on the job of making local plans for the area or deciding on some or all planning applications.

**WHAT MUST THE LOCAL AREA DO?**

Local voters will be able to hold the Mayor to account for their planning and investment decisions.

**Strategic plan**

The combined authority, and each of the local councils in the Greater Manchester Combined Authority area, must make sure that the houses that the area needs are built, meeting targets set in local plans.

**Mayoral Development Corporations**

The Mayor will need the consent of the constituent council members who represents the areas to be included in a Mayoral Development Corporation. There will also need to be agreement of two thirds of combined authority board members, appointed by the constituent councils, before a proposal can be taken forward.

Before defining a Mayoral Development Corporation area and its powers there will need to be consultation with any local authority that contains part of the area to be included in a Mayoral Development Corporation; local elected representatives; and others the Mayor considers appropriate.

The Mayor must make sure that any Mayoral Development Corporations that may be set up are funded and run effectively.

**Compulsory purchase**

Before using compulsory purchase powers to acquire a particular piece of land, the Mayor must agree this with the combined authority member(s) who represent the local council area where that land is located.

**WHAT WILL THE GOVERNMENT DO?**

**Strategic plan**

The Mayor's plan must go through an expert inquiry before it is confirmed. The Secretary of State for Communities and Local Government can ask the Mayor to make changes to the plan, and can delay the plan being published until these changes are made.

**Compulsory purchase**

The Secretary of State for Communities and Local Government will still take the final decision to allow a compulsory purchase to go ahead.

**Mayoral Development Corporations**

To establish a Mayoral Development Corporation, the Secretary of State for Communities and Local Government must lay before Parliament an Order which will automatically become law unless there is an objection from either House of Parliament.

**HOW MUCH MONEY IS INVOLVED?**

Spending on these functions will be a decision for the Mayor and combined authority as part of their budget setting process.

**WHEN DOES THIS START?**

These powers and responsibilities have various start dates, but (subject to Parliamentary approval) all of the powers relating to strategic planning and Mayoral Development Corporations will be in place by the time that the Mayor is elected.



# WHAT BUDGETS WILL THE MAYOR AND COMBINED AUTHORITY HAVE?

## WORK AND HEALTH PROGRAMME

The Mayor and Greater Manchester Combined Authority will be able to design and deliver support for unemployed people in the area.

### WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?

The combined authority will receive funding to design and agree the contract for the Work and Health Programme in Greater Manchester, in partnership with the Department for Work and Pensions. This programme provides special help for jobseekers who have health conditions and disabilities and the long term unemployed. It is expected to support over 22,000 Greater Manchester residents.

The combined authority will ask for bids and agree contracts with providers to run the programme in the local area. Joint governance boards will be set up between the Department for Work and Pensions and the combined authority to manage the programme.

The local areas will also provide their own funding to increase the size of the programme.

### WHAT MUST THE LOCAL AREA DO?

The combined authority must make sure that benefit claimants and jobseekers are treated and supported properly, as required by law. The combined authority is responsible for making sure that the programme helps claimants get into work.

The combined authority will be responsible for entering into the contract for the delivery of the Work and Health Programme in Greater Manchester, with the chosen provider. Since it was set up, the combined authority has been involved in the delivery of a number of pilot employment support programmes in Greater Manchester. Learning from these pilot programmes, the combined authority is currently working with the Department for Work and Pensions to ensure that the Greater Manchester Work and Health Programme will help to meet the particular employment needs of Greater Manchester residents.

### WHAT WILL THE GOVERNMENT DO?

The Department for Work and Pensions is accountable to Parliament for the Work and Health Programme across the country, and must report to Parliament when required about how the programme is going.

### HOW MUCH MONEY IS INVOLVED?

Current estimates are that around £52 million will be available, for the five year life of the contract.

### WHEN DOES THIS START?

The Work and Health Programme in Greater Manchester is scheduled to start in January 2018.

## APPRENTICESHIP GRANT FOR EMPLOYERS

The Mayor and the Greater Manchester Combined Authority will be able to give grants to encourage and help local businesses to employ apprentices.

### WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?

The Mayor and the combined authority will be able to give out grant funding to encourage and help local businesses to employ apprentices. The combined authority decides on the amount of funding available to support different types of learner, the sizes and types of business that can apply, and the subject areas that will be supported through the grant.

### WHAT MUST THE LOCAL AREA DO?

The combined authority must make sure that the grant supports apprenticeships. Local voters and businesses can hold the combined authority to account for running the grant programme in a fair and open way.

### WHAT WILL THE GOVERNMENT DO?

The Accounting Officer of the Department for Education is accountable to Parliament for the outcomes of this funding, and must report to Parliament if required on the progress of its work to encourage and support apprenticeships.

### HOW MUCH MONEY WILL BE INVOLVED?

Over the period August 2015 to July 2017 the Greater Manchester Combined Authority will receive £12.282 million.

### WHEN DOES THIS START

This has already started, with funding commencing in August 2015 and coming to an end in July 2017.

## GREATER MANCHESTER HOUSING INVESTMENT FUND

The Mayor and Greater Manchester Combined Authority will be able to lend money to support housing developments through a Housing Investment Fund.

### WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?

A loan from the Government which Greater Manchester can lend to local developers to help them to fund quicker housing delivery in the local area. The Housing Investment Fund will help between 10,000 and 15,000 new homes to be built by private developers in Greater Manchester.

**WHAT MUST THE LOCAL AREA DO, AND HOW ARE DECISIONS MADE?**

Manchester City Council currently operates this fund on behalf of Greater Manchester and makes decisions, in line with a published, competitive process, on how funding is allocated. They must stick to a detailed written agreement with the Government and provide the required information on where the funding has been spent. The Finance Director of Manchester City Council must sign off all loan decisions each year and assure the Government that the money is being spent properly.

Subject to Parliamentary approval, the Greater Manchester Combined Authority will be able to borrow for housing. This would make it possible for the Mayor and combined authority to manage this fund directly if they chose to do so.

**WHAT WILL THE GOVERNMENT DO?**

The Accounting Officer at the Department for Communities and Local Government must make sure that local authorities are being careful with taxpayers' money and following the law.

**HOW MUCH MONEY IS INVOLVED?**

Greater Manchester will receive £300 million of loan funding from the Government over ten years.

**WHEN DOES THIS START?**

This has already started, with the first part of the funding paid in 2015. The local area must pay back a minimum of £240 million to the Government by 2028.

## LIFE CHANCES INVESTMENT FUND

The Mayor and Greater Manchester Combined Authority will be able to support people and families with complex needs through a Life Chances Investment Fund.

**WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?**

The combined authority will be able to bring together different budgets to support the life chances of people with complex needs in Greater Manchester, to create a more joined-up approach between different services. To start with, this will include money from the national Troubled Families programme; from the Working Well employment pilot funded by the Department for Work and Pensions; from the Department for Culture, Media and Sport's Life Chances social investment fund; and local funding from across the 10 councils in Greater Manchester.

**WHAT MUST THE LOCAL AREA DO, AND HOW ARE DECISIONS MADE?**

The combined authority will agree with the Government what the fund should achieve, and must make sure that the fund is spent to deliver these agreed outcomes. Within this, Greater Manchester will be able to make their own investment decisions.

The fund will be managed through an Investment Panel of combined authority representatives and external experts. This will make investment recommendations to the combined authority reform board, chaired by the Mayor. The final investment decisions will be signed off by the combined authority board. The Panel will also monitor how investments from the fund are making a difference in Greater Manchester, and update key partners on progress.

The combined authority will invite the Government to send a representative to the Investment Panel as an observer, and will update the Government every six months. Greater Manchester will also work with the Government to access relevant data to help direct the fund, and to consider whether there are other funding streams that could be included in the fund.

The Investment Panel will also prepare an Annual Report on the fund and there will be an annual review conversation to ensure the fund is making good progress on the agreed outcomes.

**WHAT WILL THE GOVERNMENT DO?**

The Department for Communities and Local Government Accounting Officer must make sure that local authorities are being careful with taxpayers' money and following the law.

If a Government Department is contributing to the fund, their Accounting Officer is accountable to Parliament for making sure that their funding has been spent properly, and must report to Parliament on this if required.

**HOW MUCH MONEY IS INVOLVED?**

The fund will initially be made up of:

- a) Up to £35 million of Troubled Families Programme funding;
- b) £6 million from the Department for Work and Pensions for the expanded Working Well pilot for jobseekers who have long-term health conditions;
- c) Up to £5 million from the Inclusive Economy Unit's £80 million Life Chances social investment fund; and
- d) Local funding (c.£40 million) from Greater Manchester councils' own resources.

**WHEN DOES THIS START?**

The fund will initially run for three years from May 2017 until May 2020.

## BUSINESS RATES PILOT

The Mayor and Greater Manchester Combined Authority will be able to keep more of the business rates that the councils collect from local businesses, to pay for local services.

<b>WHAT WILL THE LOCAL AREA BE ABLE TO DO?</b>	<p>The individual councils in the Greater Manchester Combined Authority area, as well as the Greater Manchester Combined Authority, will be able to keep all of the money which they collect from business rates, rather than giving some of it back to the Government.</p> <p>If businesses start or expand in the area, this may increase the amount of money available to the councils in the area.</p>
<b>WHAT MUST THE LOCAL AREA DO?</b>	<p>The combined authority Treasurer (section 151 officer) must make sure that the combined authority is careful with taxpayers' money and follows the law. Each council also has its own section 151 officer who must make sure that their council is careful with taxpayers' money and follows the law.</p>
<b>WHAT WILL THE GOVERNMENT DO?</b>	<p>The Accounting Officer at the Department for Communities and Local Government must make sure that the overall funding system for local authorities (the 'Local Government Finance System') meets the needs of local authorities, and that local authorities are being careful with taxpayers' money and following the law.</p>
<b>HOW MUCH MONEY IS INVOLVED?</b>	<p>The additional funding to Greater Manchester can only be calculated after the first year, because until then it is not possible to tell what the growth in business rates has been.</p>
<b>WHEN DOES THIS START AND END?</b>	<p>The pilot will run from April 2017 to March 2020. After this, a major change is planned to the way in which the Local Government Finance System works for all councils.</p>

## THE SINGLE POT

The Mayor and Greater Manchester Combined Authority will be able to:

- invest in local jobs and growth through a new Investment Fund grant worth £900 million over 30 years;
- manage local transport funding to help local people get around more easily; and
- control adult education services to help local people get the skills they need (if Parliament approves the relevant legislation and the Greater Manchester Combined Authority meets the conditions set by the Department for Education).

The Greater Manchester Combined Authority will have control of a ‘Single Pot’ of funding from the Government, made up of several different budgets. The Greater Manchester Combined Authority will be able to move funding between different types of projects, and spend it in different years, to support the local economy.

The different budgets from the Government which are included in Greater Manchester’s Single Pot are as follows:

THE SINGLE POT			
Investment Fund Grant	Transport Grant	Adult Education Budget (subject to forthcoming legislation)	Local Growth Fund (flexible element)

The local area must produce an assurance framework in line with [government guidance](#). This framework explains how the combined authority will make decisions on spending the Single Pot. The Accounting Officer for the Department for Communities and Local Government must agree the local assurance framework.

## THE SINGLE POT: INVESTMENT FUND GRANT

### WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?

The Mayor and combined authority will be able to invest £30 million per year in projects to improve the area. They will be able to use this funding to bring in further investment from elsewhere.

### WHAT MUST THE LOCAL AREA DO?

The local area must produce an assurance framework (see p.21).

### WHAT WILL THE GOVERNMENT DO?

The Accounting Officer for the Department for Communities and Local Government must agree the local assurance framework.

An independent expert group will report to the Government every five years on how the investments have made a difference to the local economy. The Secretary of State for Communities and Local Government will then decide whether or not the funding should continue for the next five years.

### HOW MUCH MONEY IS INVOLVED?

An annual payment of £30 million from the Department for Communities and Local Government to the Greater Manchester Combined Authority. The maximum value of Government funding will be £900 million, over a maximum of 30 years.

### WHEN DOES THIS START AND END?

This started under a previous agreement (the 'earn back' element of the Greater Manchester City Deal agreed in 2012). The first payment was made in April 2015.

## THE SINGLE POT: TRANSPORT GRANT

### WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?

The Mayor and combined authority will receive funding for local transport, which will come under the control of the Mayor as part of the Single Pot.

The grant will be made up of the following funding streams:

- a) Integrated Transport Block (formula funding);
- b) Highways Maintenance Block (formula funding);
- c) Highways Maintenance incentive funding;
- d) National Productivity Investment Fund (2017/18 only); and
- e) Pothole Action Fund.

The money will be paid to the combined authority. Funding is confirmed until the end of the 2020/21 financial year.

### WHAT MUST THE LOCAL AREA DO?

The Mayor and combined authority are responsible for setting the Local Transport Plan for Greater Manchester. This plan can include details of how transport will support local housing and jobs, and how the Mayor and combined authority will tackle problems like traffic jams and air pollution.

The individual councils that are members of the Greater Manchester Combined Authority must continue to make sure that local roads are in a good state of repair, as required by law.

The local area must produce an assurance framework (see p19).

### WHAT WILL THE GOVERNMENT DO?

The Accounting Officer for the Department for Communities and Local Government must agree the local assurance framework.

The Accounting Officer at the Department for Transport is accountable to Parliament, and must report to Parliament when required, on how they are confident that this funding is being spent properly.

### HOW MUCH MONEY IS INVOLVED?

An annual grant of £43.37 million each year from the 2016/17 financial year to the 2020/21 financial year, plus an additional £7.32 million in 2017/18 from the National Productivity Investment Fund.

### WHEN DOES THIS START AND END?

Funding amounts have been confirmed from April 2016 to March 2021.

## THE SINGLE POT: ADULT EDUCATION BUDGET AND POWERS (SUBJECT TO FORTHCOMING LEGISLATION)

### WHAT WILL THE MAYOR AND COMBINED AUTHORITY BE ABLE TO DO?

The combined authority will take responsibility for the Adult Education Budget in the Greater Manchester area. The Adult Education Budget provides funding for training and education to help people aged 19 and older to move into work, apprenticeships or further education. By law, this budget must also be used to pay for adults who do not have GCSE English or maths (or equivalent), and 19-23 year olds who do not have 5 GCSE passes or 2 A-level passes (or equivalent) to study for these qualifications. The Adult Education Budget also pays for other training for adults up to and including Level 2 (GCSE equivalent). This includes training for unemployed people, who are referred by the national welfare system, and community-based learning.

### WHAT MUST THE LOCAL AREA DO?

The combined authority will be responsible for how it decides to spend this budget and the outcomes achieved as a result.

The local area must agree an assurance framework with government (see p.21). This will need to cover adult education before the Adult Education Budget is devolved.

The combined authority and the Department for Education will need to agree the detail of who will be responsible for what. As part of this, the combined authority and the Department for Education will need to agree that the combined authority is ready to take on the Adult Education Budget. This is to make sure that:

- the area continues to have a suitable range of colleges and education and training providers;
- there are clear arrangements for dealing with cases where providers may be at risk of failing, and clear responsibilities for action if a college becomes insolvent;
- learners can expect minimum standards of education; and
- taxpayers' money is spent carefully and transparently.

The combined authority will then be able to take on responsibility to make sure that people aged 19+ have appropriate education. Parliament will need to agree before these duties can be transferred to the combined authority.

<p><b>WHAT WILL THE GOVERNMENT DO?</b></p>	<p>The Department for Education will still be in charge of apprenticeships and higher-level further education, supported by Advanced Learner Loans.</p> <p>The Accounting Officer for the Department for Communities and Local Government must agree the local assurance framework (see p.21).</p> <p>The Department for Education must report to Parliament on how the Adult Education Budget has been spent. The Department for Education will continue collecting education data nationally.</p> <p>The Government will still be able to step in if something is going wrong at the local level.</p>
<p><b>HOW MUCH MONEY WILL BE INVOLVED?</b></p>	<p>The Department for Education is currently working through how the appropriate portion of England's £1.5 billion Adult Education Budget will be calculated for local areas.</p>
<p><b>WHEN DOES THIS START</b></p>	<p>Subject to forthcoming legislation, and if the combined authority has met all the necessary conditions, then this will start from September 2018.</p>

## THE SINGLE POT: LOCAL GROWTH FUND

<p><b>WHAT IS IT?</b></p>	<p>A competitive fund for Local Enterprise Partnerships and council partners to invest in projects to improve Greater Manchester. The Local Growth Fund is made up of a range of different funding streams, including 'flexible' funding that can be spent on a range of local growth priorities, and funding for particular projects.</p> <p>Greater Manchester's Local Enterprise Partnership and their Strategic Economic Plan will help to decide how the Single Pot, including the Local Growth Fund, are spent. This is set out in Greater Manchester's Single Pot assurance framework.</p>
<p><b>WHAT MUST THE LOCAL AREA DO, AND HOW ARE DECISIONS MADE?</b></p>	<p><b>What must the local area do?</b></p> <p>The local area must produce an assurance framework (see p.21).</p> <p><b>How are decisions made?</b></p> <p>As part of the Single Pot, money must be allocated by the combined authority and decisions must be endorsed by the Local Enterprise Partnership. The Local Enterprise Partnership also has a role in setting the strategy for investments in the region.</p>

<b>WHAT WILL THE GOVERNMENT DO?</b>	The Accounting Officer for the Department of Communities and Local Government must agree the local assurance framework. The Government can hold back money if the agreed outcomes of the Local Growth Fund are not met.
<b>HOW MUCH MONEY IS INVOLVED?</b>	The total 'flexible' element of Greater Manchester's Local Growth Fund allocations for 2016/17 to 2020/21 is £406.6 million.
<b>WHEN DOES THIS START AND END?</b>	April 2016 – March 2021.

# ANNEX A: RELEVANT LEGISLATION

## Primary legislation

The power to create a Combined Authority is contained in the [Local Democracy, Economic Development and Construction Act 2009](#) (the 2009 Act). This gave the Government the power to establish combined authorities with powers to deliver transport functions and local authority functions relating to economic development and regeneration.

The [Cities and Local Government Devolution Act 2016](#) (the 2016 Act) became law on 28 January 2016. This changed the 2009 Act to allow combined authorities to receive a wider range of powers and functions and to have directly-elected mayors. By making secondary legislation, called an Order, the Government may:

- give any council power to a combined authority;
- give any public authority power (except for the power to make laws or to regulate the use of any powers that the combined authority itself uses) to a combined authority; and
- create an elected mayor for a combined authority's area, to take on particular responsibilities directly, and to work with and chair the combined authority.

## Secondary legislation

The legislation establishing the Greater Manchester Combined Authority, establishing the office of Mayor and transferring powers can be found online:

The Greater Manchester Combined Authority Order 2011 No. 908 – 22 March 2011  
<http://www.legislation.gov.uk/uksi/2011/908/contents/made>

The Transport Levying Bodies (Amendment) Regulations 2012 No. 213 – Made 30 January 2012 (negative procedure, laid 2 February 2012 came into force 24 February 2012)

<http://www.legislation.gov.uk/uksi/2012/213/contents/made>

The Greater Manchester Combined Authority (Amendment) Order 2015 No. 960 – 26 March 2015

<http://www.legislation.gov.uk/uksi/2015/960/contents/made>

The Greater Manchester Combined Authority (Election of Mayor with Police and Crime Commissioner Functions) Order 2016. No 448 – 29 March 2016

<http://www.legislation.gov.uk/uksi/2016/448/contents/made>

The Greater Manchester Combined Authority (Functions and Amendment)  
Order 2016 No. 1267 – 22 December 2016

<http://www.legislation.gov.uk/uksi/2016/1267/contents/made>

The Greater Manchester Combined Authority (Fire and Rescue Functions)  
Order 2017 No 469 – 24 March 2017

<http://www.legislation.gov.uk/uksi/2017/469/contents/made>

The Greater Manchester Combined Authority (Transfer of Police and Crime  
Commissioner Functions to the Mayor) Order 2017 No 470 – 24 March 2017

<http://www.legislation.gov.uk/uksi/2017/470/contents/made>

DRAFT: The Greater Manchester Combined Authority (Functions and  
Amendment) Order 2017 – Laid 20 March 2017

<http://www.legislation.gov.uk/ukdsi/2017/9780111157039/contents>

# ANNEX B: USEFUL WORDS AND PHRASES

This list explains some of the words used in this document.

<b>ACCOUNTABLE/ ACCOUNTABILITY FOR PUBLIC MONEY</b>	<p>Accountability, or being accountable, for public money means that a person or organisation is responsible for using public money in an appropriate way and within the law.</p> <p>Local councillors, government Ministers and other holders of public offices must answer for their decisions and how they spend public money.</p>
<b>ACCOUNTABILITY SYSTEM STATEMENT (FOR LOCAL GOVERNMENT)</b>	<p>A document written by a government department which sets out how their Accounting Officer ensures that funding is allocated and spent legally and in a way that represents good value for money for taxpayers.</p>
<b>ACCOUNTABLE BODY</b>	<p>An organisation with the responsibility for holding and spending public money legally and in a way that presents good value for money for taxpayers.</p>
<b>ACCOUNTING OFFICER</b>	<p>The most senior civil servant within a central government department who is personally responsible for assuring Parliament and the public that funding is being spent legally and in a way that represents good value for money for taxpayers.</p>
<b>AUDIT</b>	<p>An independent examination leading to an opinion on the financial accounts of an organisation. For local public bodies, an audit also leads to a conclusion on the organisation's arrangements to secure value for money in the use of its resources.</p>
<b>BEST VALUE DUTY</b>	<p>This is the legal duty for various types of organisation, including councils, to aim to make continuous improvement when making decisions, delivering services and spending money; and to take into account economy, efficiency and effectiveness. The duty is set out at Section 3 of the <a href="#">Local Government Act 1999</a>.</p>
<b>BUSINESS CASE</b>	<p>A document that sets out the case for spending money on a particular project.</p>
<b>COMBINED AUTHORITY</b>	<p>A corporate body formed of two or more local government areas (county councils or district councils in England) which may be given powers to exercise specified functions of both local authorities and public authorities.</p>

<b>CONSTITUENT COUNCIL/ CONSTITUENT MEMBER</b>	A constituent council, or a constituent member of a particular combined authority, is a local authority whose area is within the area of that combined authority. A combined authority's area is defined by its constituent council members.
<b>CONSTITUTION</b>	A set of principles and rules by which an organisation, such as a combined authority, is governed.
<b>COUNCIL (LOCAL AUTHORITY)</b>	A democratically elected organisation that is responsible for delivering various local public services.  They receive funding for these services directly from government and by raising money themselves locally (such as through council tax).
<b>(MAYORAL) DEVELOPMENT CORPORATION</b>	Organisations set up to improve a defined area using a range of powers, including planning powers and the powers to acquire land.
<b>DEVOLUTION</b>	When local areas take on new powers, budgets and responsibilities from the Government.
<b>DEVOLUTION DEAL</b>	An agreement between the Government and local areas in England to devolve new powers, budgets and responsibilities.
<b>GRANT FUNDING</b>	Grants are payments made from one organisation to another which do not need to be repaid. The Government is providing a range of grants to combined authorities as part of devolution deals. Depending on the terms of the grant, funds can be taken back by Government.
<b>LOCAL ENTERPRISE PARTNERSHIPS (LEPS)</b>	There are 38 Local Enterprise Partnerships (LEPs) in England which bring together business and council leaders to shape local decisions and prioritise investment in order to drive local growth. The close involvement of LEPs is very important to devolution deals and combined authorities.
<b>LOCAL GOVERNMENT FINANCE SYSTEM</b>	The way in which local government funding works, including the requirements which local authorities must follow to make sure that funding is being spent legally and in a way that represents good value for money for taxpayers.
<b>ORDER</b>	A type of 'Secondary Legislation'. Also referred to as a 'Statutory Instrument'.
<b>PRIMARY LEGISLATION</b>	A law passed by Parliament.

<b>PUBLIC AUTHORITY</b>	Generally, organisations including the Government, local authorities, combined authorities, etc.
<b>PUBLIC AUTHORITY FUNCTIONS</b>	Any public authority function can be transferred to a combined authority. These functions can include Government powers.
<b>SCRUTINY/ SCRUTINISE</b>	Scrutiny is the process of taking a close look at the decisions of an organisation (such as a local authority). All combined authorities must establish at least one overview and scrutiny committee and an audit committee to scrutinise the decisions of the Mayor and combined authority, to help make sure that the decisions being made are well thought-through and legal.
<b>SECONDARY LEGISLATION/ STATUTORY INSTRUMENT</b>	Additional legislation passed by Parliament which often puts primary legislation into action. For example, an Order is a type of secondary legislation which is needed to set up combined authorities and devolve powers to an area.
<b>SECTION 151 OFFICER</b>	The finance director of a council, named after section 151 of the <a href="#">Local Government Act 1972</a> . Section 151 of this Act sets out in law that the finance director must make sure that funding is being spent legally and in a way that presents good value for money for taxpayers.
<b>SINGLE POT</b>	An agreement in a devolution deal which brings together different sources of funding into one consolidated fund held by the combined authority.
<b>SINGLE POT ASSURANCE FRAMEWORK</b>	A document written by the combined authority which explains how decisions will be taken to invest in and monitor the progress of projects, to make sure that any such investments present good value for money for taxpayers.