



Department for
Communities and
Local Government



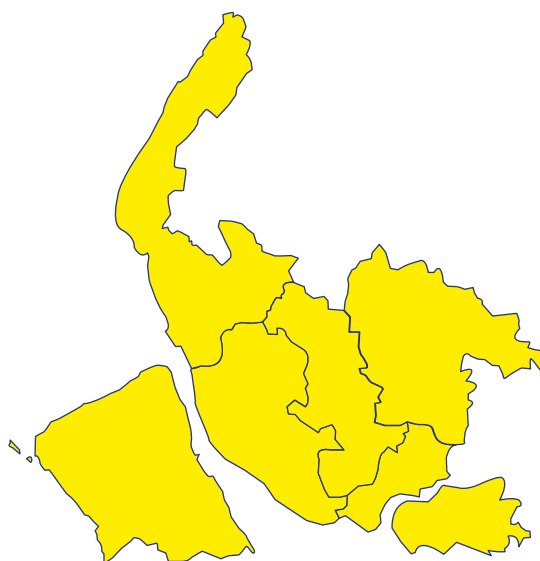
DEVOLUTION: A MAYOR FOR LIVERPOOL CITY REGION. WHAT DOES IT MEAN?

HALTON | KNOWSLEY | LIVERPOOL | SEFTON | ST HELENS | WIRRAL



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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 the Liverpool City Region.

On Thursday 4 May, the residents of Halton, Knowsley, Liverpool, St Helens, Sefton and the Wirral will elect the first ever Mayor for the Liverpool City Region. The Mayor will represent the Liverpool City Region across the country and around the world. They will work with leaders of local councils (including the Mayor of Liverpool) and businesses to create jobs, improve skills, build homes and make it easier to travel. The Liverpool City Region Mayor is a separate role to that of the Mayor of Liverpool. The Mayor of Liverpool will continue to have responsibility for running Liverpool City Council services.

The Liverpool City Region Mayor and the Liverpool City Region Combined Authority will be able to:

- **invest in local priorities to improve the Liverpool City Region through a new 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** and the **most important local roads** to help people get around more easily;
- set out **plans for how land should be used** to meet the area's housing, employment and transport needs;
- give **grants to encourage and help local businesses to employ apprentices**; and
- control **adult education services** to help local people get the skills they need (if Parliament approves the relevant legislation and the Liverpool City Region meets the conditions set by the Department for Education).

This guide provides more information about the powers and budgets being passed to the Liverpool City Region Combined Authority and the 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 Liverpool City Region Combined Authority and the Government can also be found online.

HOW IS THE COMBINED AUTHORITY RUN?

The combined authority brings together the local councils in the area to work together on issues that affect everyone in the Liverpool City Region. The Liverpool City Region Mayor will be a member of the combined authority and will chair its meetings. The combined authority also includes the Liverpool City Region 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 councils must make information on their decisions available to the public. More information on this is available [here](#).

The Liverpool City Region 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.

The Liverpool City Region Combined Authority, just like the councils which make up the area of the Liverpool City Region 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 Liverpool City Region 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 Liverpool City Region 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 they consider this 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 charge, or precept, on local council tax bills to help pay for the Mayor's work. The other members of the Liverpool City Region Combined Authority can propose amendments to the Mayor's draft budget, including the amount of precept. They can also insist that an amendment is 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 or housing. Additional legislation will need to be agreed by Parliament for this to go ahead in Liverpool City Region.

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 Liverpool City Region 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 ratepayers and others first.

TRANSPORT POWERS

The Mayor and Liverpool City Region Combined Authority will be able to manage local transport and the most important local roads 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. 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 Mayor can agree to work with the individual councils in the Liverpool City Region Combined Authority area, and with central government (through the national government agency, Highways England), on building, improving and maintaining roads.

Key Route Network

The Mayor and combined authority will be able to set up a 'Key Route Network' of the most important local roads and help decide how these roads are managed.

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

What must the local area do?

The Mayor of the Liverpool City Region Combined Authority will be responsible for producing a Local Transport Plan.

Local voters can hold the Mayor to account for the quality of the roads that are part of the Key Route Network.

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

How are decisions made?

The Local Transport Plan and the plans for the Key Route Network can be rejected by a two-thirds majority of the members of the Liverpool City Region Combined Authority.

WHAT WILL THE GOVERNMENT DO?

Highways England must still look after the largest roads in the country, including motorways and key A roads.

HOW MUCH MONEY IS INVOLVED?

The combined authority and Mayor will control a transport budget, covering a range of local transport needs, as part of the Single Pot.

WHEN DOES THIS START?

This can start as soon as the Mayor has been elected.

BUS FRANCHISING POWERS

The Mayor and Liverpool City Region 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).

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

The Mayor will be able to decide which bus services should run in the Liverpool City Region Combined Authority area. This includes deciding on routes, timetables and fares.

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.

The powers for the Mayor to do this are part of the Bus Services Bill, which is currently passing through Parliament.

WHAT MUST THE LOCAL AREA DO?

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.

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 take responsibility for bus services, 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 Liverpool City Region 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 Liverpool City Region 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 Liverpool City Region Mayor will be responsible for preparing a strategic plan for the whole of Liverpool City Region by 2020. 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 public will be asked for their views on the plan.

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.

Decisions on important planning applications

Once the Mayor's plan is in place, the Mayor will be consulted on specific important planning applications. The Mayor will be able to tell the local planning authority to refuse an application, or to take over and make the decision on an application.

Compulsory purchase

The 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.

Mayoral Development Corporations

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 planning applications.

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

What must the local area do?

Strategic plan

The combined authority, and each of the local councils in the Liverpool City Region 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 must make sure that any Mayoral Development Corporations in the area are funded and run effectively, and that they are careful with taxpayers' money and follow the law.

How are decisions made?

Strategic plan

The Mayor's plan will be developed in several stages and the public will be asked for their views. All members of the combined authority, representing each of the individual authorities, will need to agree the Mayor's plan.

Decisions on important planning applications

Before taking over and making a decision on an application, the Mayor must agree this with the Combined Authority member(s) who represent the local council area where that land is located.

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.

Mayoral Development Corporations

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

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

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 AND END?

The Mayor and the combined authority will have these powers and responsibilities from May 2017. The Mayor will not be able to take decisions on planning applications until the Mayor has produced a draft plan.

WHAT BUDGETS WILL THE MAYOR AND COMBINED AUTHORITY HAVE?

APPRENTICESHIP GRANT FOR EMPLOYERS

The Mayor and Liverpool City Region 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 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 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 IS INVOLVED?

Over the period August 2016 to July 2017 the Liverpool City Region Combined Authority will receive £3.077 million.

WHEN DOES THIS START?

This has already started, with funding commencing in August 2016 and coming to an end in July 2017.

BUSINESS RATES PILOT

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

WHAT WILL THE LOCAL AREA BE ABLE TO DO?

The individual councils in the Liverpool City Region Combined Authority area, and the combined authority, will be able to keep all of the money they collect from business rates, rather than giving some of it back to the Government.

If businesses start or expand in the area, this may increase the amount of money available to the councils in the area.

WHAT MUST THE LOCAL AREA DO?

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.

WHAT WILL THE GOVERNMENT DO?

The Accounting Officer at the Department for Communities and Local Government must make sure that the overall funding system for councils (the 'Local Government Finance System') meets the needs of councils, and that councils are being careful with taxpayers' money and following the law.

HOW MUCH MONEY IS INVOLVED?

The additional funding to the Liverpool City Region 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.

WHEN DOES THIS START AND END?

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.

THE SINGLE POT

The Mayor and Liverpool City Region Combined Authority will be able to:

- invest in local priorities to improve the Liverpool City Region through a new Investment Fund worth £900 million over 30 years;
- manage local transport and the most important local roads to help people travel more easily; and
- control adult education services to help local people get the skills they need (if Parliament approves the relevant legislation and Liverpool City Region meets the conditions set by the Department for Education).

The Liverpool City Region Combined Authority and Mayor will have control of a ‘Single Pot’ of funding from the Government, made up of several different budgets. The Liverpool City Region will be able to move funding between different types of projects, and spend it in different years, to support the local economy. The Liverpool City Region refers to this approach as their ‘Single Investment Fund’.

The different budgets from government which are included in Liverpool City Region’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, AND HOW ARE DECISIONS MADE?

What must the local area do?

The combined authority, chaired by the Mayor, will consider advice from council officers and independent advisors and follow a clear process for choosing what projects they will invest in.

The local area must produce an assurance framework (see p.14).

How are decisions made?

All decisions on Liverpool City Region's Single Investment Fund are made by the combined authority in line with its local assurance framework and its Constitution.

WHAT WILL THE GOVERNMENT DO?

The Accounting Officer for the Department for Communities and Local Government must agree the local assurance framework (see p.14).

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 Liverpool City Region Combined Authority. The maximum value of Government funding will be £900 million, over a maximum of 30 years.

WHEN DOES THIS START?

The first payment was made in November 2016.

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 combined authority's Single Pot.

The grant will be made up of several existing 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, AND HOW ARE DECISIONS MADE?

What must the local area do?

The Mayor is responsible for setting the Local Transport Plan for the Liverpool City Region. 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 Liverpool City Region 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 p.14).

How are decisions made?

All decisions on Liverpool City Region's Single Investment Fund are made by the combined authority in line with its Single Pot assurance framework and its constitution.

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 £26.513 million each year from 2016/17 to 2020/21, plus an additional £4.372 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 Liverpool City Region 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.14). 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.

WHAT WILL THE GOVERNMENT DO?

The Department for Education will still be in charge of apprenticeships and higher-level further education, supported by Advanced Learner Loans.

The Accounting Officer for the Department for Communities and Local Government must agree the local assurance framework (see p.14).

The Department for Education must report to Parliament on how the Adult Education Budget has been spent. The Department for Education will also continue collecting education data nationally.

The Government will still be able to step in if something is going wrong at the local level.

HOW MUCH MONEY WILL BE INVOLVED?

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.

WHEN DOES THIS START

Subject to forthcoming legislation, and if the combined authority has met all the necessary conditions, then this will start from September 2018.

THE SINGLE POT: LOCAL GROWTH FUND

WHAT IS IT?

A competitive fund for Local Enterprise Partnerships and council partners to invest in projects to improve the Liverpool City Region. 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.

The Liverpool City Region 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 the Liverpool City Region Single Pot assurance framework.

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

What must the local area do?

The local area must produce an assurance framework (see p.14).

How are decisions made?

All decisions on Liverpool City Region's Single Investment Fund are made by the combined authority in line with its Single Pot assurance framework and its constitution.

WHAT WILL THE GOVERNMENT DO?

The Accounting Officer for the Department for 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.

HOW MUCH MONEY IS INVOLVED?

The total 'flexible' element of the Liverpool City Region's Local Growth Fund allocations for 2016/17 to 2020/21 is £247.56 million.

WHEN DOES THIS START AND END?

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 council 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 Liverpool City Region Combined Authority, establishing the office of Mayor and transferring powers can be found online:

The Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority Order 2014 No. 865. – 31 March 2014

<http://www.legislation.gov.uk/ukxi/2014/865/contents/made>

The Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority (Election of Mayor) Order 2016 No 782 – 19 July 2016

<http://www.legislation.gov.uk/ukxi/2016/782/contents/made>

The Liverpool City Region Combined Authority (Functions and Amendment) Order 2017 No. 430 – 16 March 2017

<http://www.legislation.gov.uk/ukxi/2017/430/contents/made>

ANNEX B: USEFUL WORDS AND PHRASES

<p>ACCOUNTABLE / ACCOUNTABILITY FOR PUBLIC MONEY</p>	<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>
<p>ACCOUNTABILITY SYSTEM STATEMENT (FOR LOCAL GOVERNMENT)</p>	<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>
<p>ACCOUNTABLE BODY</p>	<p>An organisation with the responsibility for holding and spending public money legally and in a way that represents good value for money for taxpayers.</p>
<p>ACCOUNTING OFFICER</p>	<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>
<p>AUDIT</p>	<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>
<p>BEST VALUE DUTY</p>	<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 Local Government Act 1999.</p>
<p>BUSINESS CASE</p>	<p>A document that sets out the case for spending money on a particular project.</p>
<p>COMBINED AUTHORITY</p>	<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>

CONSTITUENT MEMBER/ CONSTITUENT COUNCIL	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.
CONSTITUTION	A set of principles and rules by which an organisation, such as a combined authority, is governed.
COUNCIL (LOCAL AUTHORITY)	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).
(MAYORAL) DEVELOPMENT CORPORATION	Organisations set up to improve a defined area using a range of powers, including planning powers and the powers to acquire land.
DEVOLUTION	When local areas take on new powers, budgets and responsibilities from government.
DEVOLUTION DEAL	An agreement between government and local areas in England to devolve new powers, budgets and responsibilities.
GRANT FUNDING	Grants are payments made from one organisation to another which do not need to be repaid. 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.
LOCAL ENTERPRISE PARTNERSHIPS (LEPS)	There are 38 Local Enterprise Partnerships (LEPs) in England which bring together business and local 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.
LOCAL GOVERNMENT FINANCE SYSTEM	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.
ORDER	A type of 'Secondary Legislation'. Also referred to as a 'Statutory Instrument'.
PRIMARY LEGISLATION	A law passed by Parliament.

PUBLIC AUTHORITY	Generally, organisations including government, local authorities, combined authorities, etc.
PUBLIC AUTHORITY FUNCTIONS	Any public authority function can be transferred to a combined authority. These functions can include government powers.
SCRUTINY/ SCRUTINISE	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.
SECONDARY LEGISLATION/ STATUTORY INSTRUMENT	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.
SECTION 151 OFFICER	The finance director or treasurer of a local authority, named after section 151 of the Local Government Act 1972 . Section 151 of this Act sets out in law that this person must make sure that funding is being spent legally and in a way that presents good value for money for taxpayers.
SINGLE POT	An agreement in a devolution deal which brings together different sources of funding into one consolidated fund held by the combined authority.
SINGLE POT ASSURANCE FRAMEWORK	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.