



Department for
Communities and
Local Government

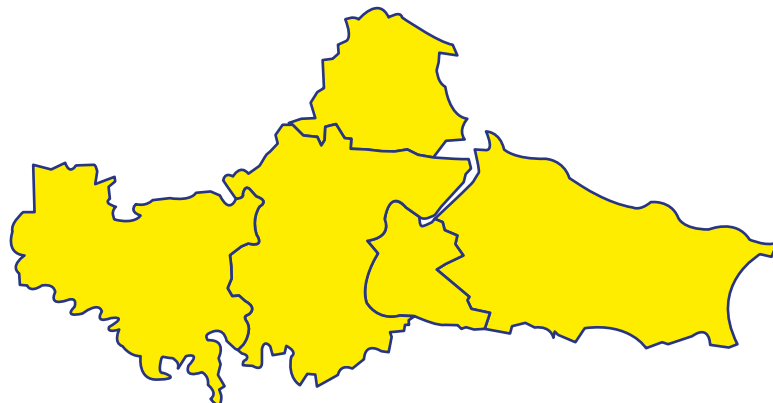
DEVOLUTION: A MAYOR FOR TEES VALLEY. WHAT DOES IT MEAN?

DARTLINGTON | HARTLEPOOL | MIDDLESBROUGH | REDCAR & CLEVELAND | STOCKTON-ON-TEES



CONTENTS

Introduction	3
How is the combined authority run?	5
What powers will the mayor and combined authority have?	7
What budgets will the mayor and combined authority have?	12
Annex A: Relevant legislation	19
Annex B: Useful words and phrases	20



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 Tees Valley.

On Thursday 4 May, the residents of Darlington, Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton-on-Tees will elect the first ever Mayor for the Tees Valley Combined Authority area. The Mayor will represent the Tees Valley 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 Tees Valley Combined Authority will be able to:

- **invest in local priorities to improve the Tees Valley area through a new Investment Fund**, worth £450 million over 30 years;
- set the rules for local **bus services**, including the routes, timetables and fares (if the Bus Services Bill is approved by Parliament);
- plan and manage **local transport** to help people get around more easily;
- help shape **how land is 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 Tees Valley meets the conditions set by the Department for Education).

This guide provides more information about the powers and budgets being passed to the Tees Valley 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 deal](#) originally agreed by the Tees Valley Combined Authority and the Government can also be found online.

STATEMENT FROM THE TEES VALLEY COMBINED AUTHORITY

Tees Valley Combined Authority's purpose is to drive economic growth and job creation in the area. The Tees Valley has a 20 year history of working together as an economic development partnership. The Local Enterprise Partnership is embedded within the combined authority and works closely with the business community and other partners to make local decisions to support the growth of the local economy.



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 the Tees Valley area. The Mayor will be a member of the combined authority and will chair its meetings. The combined authority also includes the Tees Valley 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 Tees Valley 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 Tees Valley Combined Authority, just like the councils which make up the area of the Tees Valley 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 Tees Valley Combined Authority can propose amendments to the Mayor's draft budget. The combined authority can insist amendments are made if at least three fifths of the combined authority members support a change.

The combined authority's Chief Finance Officer (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 Mayor and Tees Valley Combined Authority have a 'functional power of competence'. This means that the Mayor and Combined Authority can legally do anything that individuals generally can do if they consider this necessary to exercise their functions, unless the law specifically prohibits it.

Raising a precept

The Mayor of the Tees Valley Combined Authority will also have the power to set a charge, or precept, on council tax bills to help pay for the Mayor's work. The other members of the Tees Valley 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 three fifths of the other 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 the Tees Valley.

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 Tees Valley 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 Tees Valley Combined Authority will be able to plan and 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. 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.

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

What must the local area do?

The Mayor will be responsible for producing a Local Transport Plan.

The individual councils that are members of the Tees Valley 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?

Decisions on combined authority business are taken by the Tees Valley Combined Authority Cabinet. The Cabinet is comprised of the Tees Valley Mayor (who chairs the Cabinet) and the leaders of the five constituent authorities. Decisions at the Cabinet will be taken by consensus, with the Tees Valley Mayor working in collaboration with the Cabinet. Where a decision can not be reached by consensus, matters will be decided by a simple majority vote; however, the Mayor must be in the majority for the vote to be carried. The combined authority can reject the mayor's Transport Plan with a three-fifths majority.

The combined authority also has a transport committee, which advises the Cabinet on transport issues. It is chaired by the Cabinet Member with portfolio responsibility for the combined authority's transport functions, and is further comprised of executive members from each of the five constituent authorities with portfolio responsibilities for transport. The Cabinet may delegate any transport-related function to the transport committee.

WHAT WILL THE GOVERNMENT DO?

Central government (through the national government agency, 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 responsibilities, 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 Tees Valley 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 Tees Valley 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 contained in 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 services.

WHEN DOES THIS START?

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

LAND AND DEVELOPMENT

The Mayor and Tees Valley Combined Authority will be able to help shape how land is used to meet the area's housing needs.

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

Housing, regeneration and development

The combined authority will have specific powers to review housing needs with its partner local authorities.

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?

Housing, regeneration and development

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

Mayoral Development Corporations

The Mayor must make sure that any Mayoral Development Corporations that may be set up are funded and run effectively, and that they are careful with taxpayers' money and follow the law.

<p>WHAT MUST THE LOCAL AREA DO, AND HOW ARE DECISIONS MADE? (Continued)</p>	<p>How are decisions made?</p> <p>Decisions on combined authority business are taken by the Tees Valley Combined Authority Cabinet. The Cabinet is comprised of the Tees Valley Mayor (who Chairs the Cabinet) and the leaders of the five constituent authorities.</p> <p>Mayoral Development Corporations</p> <p>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 before a proposal can be taken forward. Before defining a Mayoral Development Corporation area and its powers there will need to be consultation with the combined authority, local elected representatives and others that the Mayor considers appropriate. The Mayor will also need the consent of the North York Moors National Park Authority if applicable. Any financial implications for the combined authority arising from a Mayoral Development Corporation will require Cabinet agreement. The Constitution of the Mayoral Development Corporation will require Cabinet agreement.</p>
<p>WHAT WILL THE GOVERNMENT DO?</p>	<p>Mayoral Development Corporations</p> <p>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.</p>
<p>HOW MUCH MONEY IS INVOLVED?</p>	<p>Spending on these functions will be a decision for the Mayor and combined authority as part of its budget setting.</p>
<p>WHEN DOES THIS START?</p>	<p>The combined authority is able to exercise the powers in relation to Mayoral Development Corporations, in advance of the Mayor's election. From May 2017, the Mayor will assume responsibilities for these powers.</p> <p>The combined authority will have powers to review housing need in the area from May 2017.</p>

WHAT BUDGETS WILL THE MAYOR AND COMBINED AUTHORITY HAVE?

APPRENTICESHIP GRANT FOR EMPLOYERS

The Mayor and Tees Valley 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 control a pot of grant funding to encourage and help local businesses to employ apprentices. The combined authority decides on the amount of grant 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 IS CENTRAL GOVERNMENT ACCOUNTABLE FOR, AND HOW?

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 Tees Valley Combined Authority will receive £1.536 million.

WHEN DOES THIS START?

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

THE SINGLE POT

The Mayor and the Tees Valley Combined Authority will be able to:

- invest in local priorities to improve the Tees Valley area through a new Investment Fund grant, worth £450 million over 30 years;
- manage local transport 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 the Tees Valley meets the conditions set by the Department for Education).

The Tees Valley Combined Authority and Mayor will have control of a ‘Single Pot’ of funding from government, made up of a number of different budgets. The Tees Valley Combined Authority 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 government which are included in the Tees Valley Combined Authority’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 up to £15 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 will consider advice from business leaders (via the Local Enterprise Partnerships) and from council officers, and will follow a clear and open process for choosing what projects they will deliver.

The local area must produce an assurance framework (see p.13).

How are decisions made?

Decisions on Combined Authority business are taken by the the Tees Valley Combined Authority Cabinet. The Cabinet is comprised of the Tees Valley Mayor (who chairs the Cabinet) and the leaders of the five constituent authorities. Decisions at the Cabinet will be taken by consensus, with the Tees Valley Mayor working in collaboration with the Cabinet. Where a decision can not be reached by consensus, matters will be decided by a simple majority vote; however, the Mayor must be in the majority for the vote to be carried.

WHAT WILL THE GOVERNMENT DO?

The Accounting Officer for the Department for Communities and Local Government must agree the local assurance framework (see p.13).

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 £15 million from the Department for Communities and Local Government to Tees Valley Combined Authority. The maximum value of government funding will be £450 million, over a maximum of 30 years.

WHEN DOES THIS START?

The first payment was made in September 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 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 drawing up the Local Transport Plan for the Tees Valley Combined Authority 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 individual councils that are members of the Tees Valley 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.13).

How are decisions made?

Decisions on combined authority business are taken by the Tees Valley Combined Authority Cabinet. The Cabinet is comprised of the Tees Valley Mayor (who chairs the Cabinet) and the leaders of the five constituent authorities. Decisions at the Cabinet will be taken by consensus, with the Tees Valley Mayor working in collaboration with the Cabinet. Where a decision can not be reached by consensus, matters will be decided by a simple majority vote; however, the Mayor must be in the majority for the vote to be carried. The combined authority can reject the mayor's Transport Plan with a three-fifths majority.

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 £13.930 million each year from the 2016/17 financial year to the 2020/21 financial year, plus an additional £2.298 million 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 Tees Valley Combined Authority 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.13). 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.13).

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

<p>WHAT IS IT?</p>	<p>A competitive fund for Local Enterprise Partnerships and council partners to invest in projects to improve the Tees Valley area. 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>The Tees Valley 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 local Single Pot assurance framework.</p>
<p>WHAT MUST THE LOCAL AREA DO?</p>	<p>The local area must produce an assurance framework (see p.13).</p>
<p>WHAT WILL GOVERNMENT DO?</p>	<p>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.</p>
<p>HOW MUCH MONEY IS INVOLVED?</p>	<p>The total 'flexible' element of the Tees Valley Local Enterprise Partnership's Local Growth Fund allocations for 2016/17 to 2020/21 is £103.129 million.</p>
<p>WHEN DOES THIS START AND END?</p>	<p>April 2016 – March 2021.</p>

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 Tees Valley Combined Authority, establishing the office of Mayor and transferring powers can be found online:

The Tees Valley Combined Authority Order 2016 No. 449 – 29 March 2016

<http://www.legislation.gov.uk/uksi/2016/449/contents/made>

The Tees Valley Combined Authority (Election of Mayor) Order 2016 No. 783 – 19 July 2016

<http://www.legislation.gov.uk/uksi/2016/783/contents/made>

The Tees Valley Combined Authority (Functions) Order 2017 No. 250 – 2 March 2017

<http://www.legislation.gov.uk/uksi/2017/250/contents/made>

The Tees Valley Combined Authority (Functions and Amendment) Order 2017 No. 431 – 16 March 2017

<http://www.legislation.gov.uk/uksi/2017/431/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 of a council, named after section 151 of the Local Government Act 1972 . 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.
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.