

Agenda item 11

Appendix 1

GM Trailblazer project – Update

1. The government and the Greater Manchester Combined Authority (GMCA) are seeking to agree a trailblazer deeper devolution deal, which marks a step change in GMCA's devolution settlement and the governance of England. The original agreement to create a directly elected metro-mayor in 2014 with a range of powers around key policy areas such as transport, skills and economic development.
2. There have been a series of further devolution deals between GMCA and the government, with the most recent deal agreed in November 2017. The deals have led to number of functions being devolved to GMCA via secondary legislation, including transport, housing, and adult education budget functions. These previous devolution deals mean GMCA already has a wide - ranging functionality so is able to take on many of the new areas contained within the trailblazer agreement without the additional conferral of functions.
3. The most significant change contained within the new 'Trailblazer' proposal is the creation of a single settlement designed in the mould of government departments budgets. This will be a multi-year settlement and will be set at the time of the spending review and will be based on thematic functions. This will be delivered alongside a fiscal devolution package which will extend GMCA's 100% business rate retention pilot for a further 10-years.
4. Some of the key thematic areas for the trailblazer include:
 - A new rail partnership with GB rail to support ticket integration with other modes of public transport.
 - Local leadership of the affordable homes programme with greater powers and flexibilities
 - Devolution of non-apprenticeship adult skills funding and grant in the next spending review period
5. There are a range of commitments to work in a deeper partnership with central Government around business productivity, inward investment and business competitiveness, digital infrastructure, culture and public services reform.
6. Another key feature of the trailblazer deal is the establishment of a single accountability framework, which will be co-ordinated through the Department of Levelling Up, Housing and Communities. This would replace a system that would see each Government department have its own separate agreement with the GMCA.
7. Given that the single settlement period is multi-year, if a Government Department introduces new funding initiatives, the additional funding would be ported into GMCA on a formula basis. This approach should help build the number of programmes and initiatives covered by the single settlement.

8. The GMCA agreement will also enable a degree of flexibility in relation to how the programme is delivered, with an ability to vire some funds between the different devolved pots, and some limited powers around more flexible use of capital and revenue funding.
9. The changes laid out in the Trailblazer agreement will require several amendments to the GMCA governance frameworks to ensure they are fit for purpose to oversee the extended spending powers which are being proposed. These will be published as a part of the final agreement and will include improved scrutiny powers and commitments around transparency and the functioning of committees.