

Draft Regulations laid before Parliament under section 252(4) of the Levelling-up and Regeneration Act 2023, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2024 No.

LOCAL GOVERNMENT, ENGLAND

**The Combined Authorities (Finance)
(Amendment) Regulations 2024**

Made - - - -

Coming into force in accordance with regulation 1(2)

The Secretary of State makes these Regulations in exercise of the powers conferred by sections 41(1), (3), (5) and (6) and 252(1) and (2) of and paragraph 7 of Schedule 3 to, the Levelling-up and Regeneration Act 2023(1) (“the 2023 Act”).

In accordance with section 252(4) of the 2023 Act, a draft of the instrument was laid before Parliament and approved by a resolution of each House of Parliament.

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Combined Authorities (Finance) (Amendment) Regulations 2024.

(2) These Regulations come into force on the day after the day on which they are made.

(3) These Regulations extend to England and Wales.

Amendment of the Combined Authorities (Finance) Order 2017

2.—(1) The Combined Authorities (Finance) Order 2017(2) is amended in accordance with this regulation and regulation 3.

(2) In article 2 (interpretation) in the appropriate places insert—

““the 2023 Act” means the Levelling-up and Regeneration Act 2023;”;

““CCA” means a combined county authority established by regulations made under section 9(1) of the 2023 Act;”;

(1) 2023 c. 55.
(2) S.I. 2017/611.

““mayor” means the mayor for a mayoral combined authority (3) or, as the case may be, the mayor for a mayoral CCA;”;

““mayoral CCA” means a CCA for an area for which provision is made in regulations made under section 27(1) of the 2023 Act for there to be a mayor;”.

- (3) In the heading of Part 2 after “combined authorities” insert “and mayoral CCAs”.
- (4) In article 3 (costs of mayor to be met from precepts)—
 - (a) in paragraph (1) omit “for the area of a combined authority”;
 - (b) at the end of paragraph (2) insert “or in regulations made under Part 2 of the 2023 Act (local democracy and devolution)”.
- (5) In the heading of Part 3 after “combined authority’s” insert “or CCA’s”(4).
- (6) In article 5 (mayor to notify combined authority of proposed budget: general component)
 - (a) in the heading after “combined authority” insert “or CCA”;
 - (b) in paragraph (1) after “combined authority” insert “or CCA as the case may be”;
 - (c) in paragraph (3)—
 - (i) after ““the combined authority”” insert “or to the CCA as the case may be”;
 - (ii) for “the mayor” substitute “a non-constituent member, an associate member or the mayor”(5).
- (7) In article 6 (combined authority to review budget)—
 - (a) in the heading after “Combined authority” insert “or CCA”;
 - (b) in paragraphs (1), (2), (3)(a) and (4) after “the combined authority” insert “or CCA as the case may be”.
- (8) In article 7 (mayor’s consideration of report) after “combined authority”, in both places it occurs, insert “or CCA as the case may be”.
- (9) In article 8 (combined authority’s decision on budget)—
 - (a) in the heading, after “Combined authority’s” insert “or CCA’s”;
 - (b) in paragraph (1)—
 - (i) after “the combined authority”, in the first place where it occurs, insert “or CCA as the case may be”;
 - (ii) in sub-paragraph (b) for “combined authority’s recommendations” substitute “recommendations of the combined authority or of the CCA as the case may be”;
 - (c) in sub-paragraph (3), after “the combined authority” insert “or CCA as the case may be”;
 - (d) in paragraph (4), for “combined authority’s recommendations” substitute “recommendations of the combined authority or of the CCA as the case may be” and after “combined authority”, insert “or CCA as the case may be,”;
 - (e) in paragraph (6), (7) and (8) after “the combined authority” insert “or CCA as the case may be”;

(3) See section 107A(8) of the Local Democracy, Economic Development and Construction Act 2009 (c. 20) for the definition of “mayoral combined authority”.

(4) For the meaning of general functions in relation to the mayor of the area of a Combined Authority see section 107D(2) of the Local Democracy, Economic Development and Construction Act 2009 (c. 20). For the meaning of general functions in relation to the mayor of the area of a CCA see section 30 of the Levelling-up and Regeneration Act 2023 (c. 55).

(5) See section 41(7) of the Levelling-up and Regeneration Act 2023 and section 107G(6A) of the Local Democracy, Economic Development and Construction Act 2009 as inserted by section 64(12) of the Levelling-up and Regeneration Act 2023 for exclusion of non-constituent and associate members from the definition of members of a CCA and Combined Authority.

(f) in paragraph (9) (b), after “the 2009 Act”, insert “or in regulations made under Part 2 of the 2023 Act”.

(10) In article 9 (calculations and amounts to be used in setting precept) in paragraph (1) after “the combined authority” insert “or CCA as the case may be”.

Amendment of the Schedule to the Combined Authorities (Finance) Order 2017 relating to modification of council tax legislation in respect of precepts for PCC functions

3. The Schedule to the Combined Authorities (Finance) Order 2017 (modification of council tax legislation in respect of precepts for PCC functions) is amended as follows—

- (a) in each of paragraphs 1, 6, 7 and 8 after “mayoral combined authority” occurs, insert “or a mayoral CCA”;
- (b) in paragraph 10—
 - (i) after “mayoral combined authority” insert “or a mayoral CCA”;
 - (ii) after “mayoral combined authority’s” insert “or the mayoral CCA’s as the case may be” at both places where it occurs;
- (c) in paragraph 14—
 - (i) in sub-paragraph (b) after “mayoral combined authority’s” insert “or a mayoral CCA’s” at both places where it occurs;
 - (ii) in sub-paragraph (c)(i) and (ii) after “mayoral combined authority” insert “or a mayoral CCA”, at both places where it occurs;
 - (iii) in sub-paragraph (d) after “mayoral combined authority” insert “or a mayoral CCA”, including in the heading of the inserted text.

Transitional provision relating to disapplication of power to issue precepts for the financial year 2024/2025 and subsequent years in certain cases for a mayoral CCA

4.—(1) The costs of a mayor for the area of a CCA that are incurred in, or in connection with, the exercise of mayoral functions in the financial year commencing on 1st April 2024 are not to be met from precepts issued by the authority under section 40 of the Local Government Finance Act 1992 (issue of precepts by major precepting authorities)(**6**).

(2) The costs of a mayor for the area of a CCA that are incurred in, or in connection with, the exercise of mayoral functions in a financial year commencing on or after 1st April 2025 (“the relevant year”) are not to be met from precepts issued by the authority under section 40 of the Local Government Finance Act 1992 if the first election of a mayor for the area of the CCA occurs during the relevant year.

(3) The costs of a mayor for the area of a CCA that are incurred in, or in connection with, the exercise of mayoral functions in the financial year that immediately follows the relevant year are not to be met from precepts issued by the authority under section 40 of the Local Government Finance Act 1992 if the first election of a mayor for the area of the CCA occurs after 23rd January in the relevant year.

(6) 1992 c. 14. Section 40 was amended by section 83 of the Greater London Authority Act 1999 (c. 29), section 79 of and paragraph 7 of Schedule 17 to the Localism Act 2011 (c. 20) and section 5 of the Cities and Local Government Devolution Act 2016 (c. 1).

Signed by authority of the Secretary of State for Levelling Up, Housing and Communities

Date

Name
Parliamentary Under Secretary of State
Department for Levelling Up, Housing and
Communities

EXPLANATORY NOTE

(This note is not part of the Regulations)

Chapter 1 of Part 2 of the Levelling-up and Regeneration Act 2023 (c. 55) (“the 2023 Act”) provides for the establishment of combined county authorities (“CCAs”) for areas consisting of the whole area of a two-tier county council, plus a minimum of one or more whole areas of another two-tier county council, unitary county council or unitary district council in England. CCAs are bodies corporate which may be given power to exercise specified functions of a local authority under section 18 of the 2023 Act, and of a public authority under section 19 of that Act.

The Secretary of State may provide for there to be a mayor for the area of a CCA where the constituent councils of the CCA (each county or unitary council whose area is within the area of the CCA) and any existing CCA consent under section 28 of the 2023 Act. Such authorities are referred to as “mayoral CCAs”.

Mayoral CCAs are major precepting authorities for the purposes of setting council tax under the Local Government Finance Act 1992 (c. 14).

The Combined Authorities (Finance) Order 2017 (“the Order”), S.I. 2017/611, makes provision for various matters connected with precepting for combined authority mayoral functions.

These Regulations amend the Order so that a mayor of a combined county authority will have the same powers to issue precepts as for combined authority mayors.

Regulation 4 disapplies the power to precept in respect of the financial year commencing in 2024 and in subsequent years in certain cases.

An impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sectors is foreseen.