Draft Regulations laid before Parliament under section 23(10) of the Local Government Act 2003 for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2018 No.

LOCAL GOVERNMENT, ENGLAND

The Combined Authorities (Borrowing) Regulations 2018

Made - - - - ***

Coming into force in accordance with article 1

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 23(5) and 123(1) of the Local Government Act 2003(**a**) ("the 2003 Act").

In accordance with section 23(6) of the 2003 Act the councils whose local government areas are comprised in the areas of the Cambridgeshire and Peterborough, Greater Manchester, Liverpool City Region, Tees Valley, West Midlands and West of England Combined Authorities and the Cambridgeshire and Peterborough, Greater Manchester, Liverpool City Region, Tees Valley, West Midlands and West of England Combined Authorities have consented to the specification of the functions in regulation 2 for the purposes of Part 1 of the 2003 Act(**b**).

A draft of this instrument has been laid before, and approved by a resolution of, each House of Parliament pursuant to section 23(10) of the 2003 Act.

Citation, commencement and application

1.—(1) These Regulations may be cited as the Combined Authorities (Borrowing) Regulations 2018.

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

(3) These Regulations apply in relation to the following authorities—

(a) the Cambridgeshire and Peterborough Combined Authority;

(b) the Greater Manchester Combined Authority;

(c) the Liverpool City Region Combined Authority;

(d) the Tees Valley Combined Authority;

(e) the West Midlands Combined Authority;

(**a**) 2003 c. 26. Subsection (5) was inserted by the Local Democracy, Economic Development and Construction Act 2009 (c. 20) ("the 2009 Act"), section 119 and paragraph 117 of Schedule 6; subsection (5) was amended and subsections (6) to (10) were inserted by the Cities and Local Government Devolution Act 2016 (c. 1), section 9.

(**b**) Section 23(6) provides that a function of a combined authority may be specified in regulations under section 23(5) only with the consent of each county council or district council the whole or any part of whose area is within the area of the combined authority.

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(f) the West of England Combined Authority(**a**).

Borrowing

2. All functions of a combined authority other than its transport functions(**b**) are specified for the purposes of section 23(5) of the Local Government Act 2003 (power to borrow money for a purpose relevant to a function specified in regulations).

Signed by authority of the Secretary of State for Housing, Communities and Local Government

Name
Parliamentary Under Secretary of State
Date Ministry of Housing, Communities and Local Government

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations provide for mayoral combined authorities to borrow money for a purpose relevant to all of their functions.

Regulation 2 specifies the functions of the combined authorities (other than transport functions) to which the power under section 1 of the Local Government Act 2003 (power to borrow) is to apply.

A full regulatory impact assessment has not been prepared as this instrument will have no impact on the costs of business and the voluntary sector.

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(**a**) Mayoral combined authorities who, on or before 14th February 2018 have entered into a debt agreement with Her Majesty's Treasury, and whose constituent councils have given the consents required by section 23(6) of the 2003 Act. For the definition of "constituent council" see section 104(11) of the Local Democracy, Economic Development and Construction Act 2009 (c. 20). "Debt agreement" means an agreement between a combined authority and Her Majesty's Treasury which provides for annual maximum limits on the long term external debt (borrowing for more than 12 months) into which the authority may enter.

(**b**) Section 23(5) of the 2003 Act, as amended by the 2009 Act and the 2016 Act, confers borrowing powers on a combined authority in relation to purposes relevant to its transport functions and to any other functions specified in regulations by the Secretary of State.