

Sir Howard Bernstein
Chief Executive
Manchester City Council
Town Hall
Albert Square
Manchester
M60 2LA

16th November 2010

Dear Sir Howard,

We are writing in relation to the Review of city region governance in Greater Manchester you submitted in March this year and the Scheme which accompanied it proposing to establish a Combined Authority.

Following the consultation government conducted on the proposal to establish the Combined Authority, we have been considering its merits. As you know, we have to be confident that in establishing a Combined Authority it would be likely to improve:

- the exercise of statutory functions relating to economic development, regeneration and transport in the area
- the effectiveness and efficiency of transport in the area; and
- economic conditions in the area.

We also have to have had regard to the need to reflect the identities and interests of local communities and to secure effective and convenient local government.

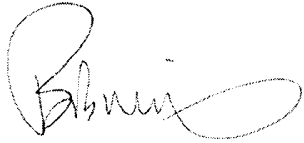
We are pleased to be able to tell you that, taking into account both the material in the Review document and the responses to the consultation, these conditions have been met. We therefore intend to proceed by laying an Order to establish the Greater Manchester Combined Authority.

The Order will set out the voting arrangements as proposed in the submitted Scheme. However, as part of our considerations, we propose to include in it specific voting arrangements which would apply in regard to proposals for road user charging schemes. We intend for the voting arrangements on any proposed charging scheme which covers the Combined Authority's area and which comes before the Authority for decision to require a unanimous (10-0) vote for it to be passed.

This is because the relatively recent referendum in Manchester on road user charging and the overwhelming response to it has led us to believe that any introduction of a charging scheme should be on the clear basis that any charging scheme is endorsed by all the constituent councils.

We would like to take this opportunity to congratulate both you, for your personal determination to pursue reform, and the Greater Manchester conurbation as a whole for seizing the initiative and deciding to make changes for the better.

We are copying this letter to the Chancellor of the Exchequer and Lord Peter Smith, Chair of the Association of Greater Manchester Authorities.

A handwritten signature in black ink, appearing to read 'Bob Neill', with a large, stylized initial 'B'.

BOB NEILL MP

A handwritten signature in black ink, appearing to read 'Norman Baker', with a large, stylized initial 'N'.

NORMAN BAKER MP