

**Committee/Board Name and Date of Meeting:**  
Audit, Standards and Risk Committee

**Meeting Date:**  
27 January 2022

**Report Title**  
Integration Assurance Update

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<b>Is the paper exempt from the press and public?</b>	No
<b>Reason why exempt:</b>	Not applicable
<b>Purpose of this report:</b>	Monitoring/Assurance
<b>Is this a Key Decision?</b>	No
<b>Has it been included on the Forward Plan?</b>	No

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**Executive Summary**

This paper reports on the assurance activity for the Integration Programme.

**What does this mean for businesses, people and places in South Yorkshire?**

The decision to formally integrate the PTE and MCA was made in order to ensure greater political oversight and decision making of passenger transport services in South Yorkshire.

**Recommendations**

The Committee are asked to consider the report and verbal update provided by the Chair of the Audit, Standards and Risk Advisory Panel in seeking assurance on the progress towards integration.

**Consideration by any other Board, Committee, Assurance or Advisory Panel**

Appendix 1 of this report was considered by the Audit and Risk Advisory Panel 13<sup>th</sup> January 2022.

## **1. Background**

- 1.1 The Audit, Standards and Risk Advisory Panel terms of reference include undertaking assurance of the Integration Programme. This report updates the Committee on the assurance received by the Panel at its last meeting held on 13<sup>th</sup> January. The report also provides an update on the progress of the Integration Programme.

## **2. Key Issues**

### **2.1 Programme Progress**

The Programme Plan for Integration set out two key milestones:

- Integration of two organisations into a single MCA Executive (operational by 01.04.22)
- Legal dissolution of the PTE via a statutory order (by 31.03.22)

The first of these milestones is on track to be achieved within timescales set out. The second will not be achieved as government have confirmed that they are unable to progress the statutory process to dissolve the PTE prior to the May elections.

The implications of this are that the legal identities of the two organisations will continue into the new financial year. Work has been undertaken that sets out the implications of the delay to the statutory order for consideration by the Programme Board and scrutiny by the ASRC Panel. An example of this is that 2 sets of accounts will still be required to be produced in 22/23. The mitigation plan was agreed by the Programme Board on 11th January.

### **2.2 Programme Governance and Assurance Activity**

The Advisory Panel on 13<sup>th</sup> January, considered a summary of the assurance activity undertaken by the Programme Management Office since the Panel last met in October. This included:

- An overview of the Programme Governance meetings held and their remit and outputs
- The actions taken to strengthen Programme Management (including the introduction of a formal change management process)
- The outputs from the Phase One Programme Review activity at the end October/beginning of November which included lessons learned recommendations and change requests
- An overview of the business areas requiring workarounds due to the delay of the dissolution Order
- The outline timetable for the next phase of the Programme which is focussed on mobilising the new structure and operating model.

- 2.3 The Panel also received a presentation that focussed on the overall condition or health of the Programme by examining key indicators including:

- Critical milestones – are these being met?
- Change Requests – are we making a significant number of changes to the programme plan and will this impact on achievement of objectives/benefits realisation and timescales?

- Slippage – are we managing to stick to our plan and any slippage brought back on line?
- Resources – is the Programme resourced appropriately and keeping within budget?
- Engagement - how are we making sure our people are on board, do they understand what's going on and why and what it means for them?

#### 2.4 **Next Steps**

Work is continuing to fully implement the new integrated structure before commencement of the new financial year, and thus conclude the formal integration.

In addition, but largely separate to the integration programme plan work has continued to scope the next phases of work for the new organisation, including planning the activity that will begin to transform the organisation - in essence the integrated 2022/23 business planning activity that is currently underway. The third strand - 'Realisation', deals with driving the longer-term benefits we aim to achieve from the Programme.

### 3. **Risks and Mitigations**

- 3.1 Programme workstream risks are reviewed on a fortnightly basis and updated risk registers are provided to the Programme Board at their monthly meetings. The risk profile of the Programme will be reviewed following confirmation of the approach to phase 3 delivery and any impacts on staffing due to the prevalence of Covid in South Yorkshire.
- 3.2 The Panel also received a report on the work in progress to combine the risk registers of the MCA and the PTE into a new risk framework. The Integration project and its current risk rating appears on the combined risk register for the integrated organisation – included on today's agenda.

### 4. **Consultation on Proposal**

- 4.1 This report is provided for update and assurance.

### 5. **Timetable and Accountability for Implementing this Decision**

- 5.1 This report is provided for update and assurance.

### 6. **Financial and Procurement Implications and Advice**

- 6.1 There are no direct financial implications of this update. The Budget and Programme Board reports, report on spend on integration.

### 7. **Legal Implications and Advice**

- 7.1 No direct implications as a result of this update.

### 8. **Human Resources Implications and Advice**

- 8.1 No direct implications as a result of this update.

**9. Equality and Diversity Implications and Advice**

9.1 No direct implications as a result of this update.

**10. Climate Change Implications and Advice**

10.1 No direct implications as a result of this update.

**11. Information and Communication Technology Implications and Advice**

11.1 No direct implications as a result of this update.

**12. Communications and Marketing Implications and Advice**

12.1 An internal communication plan and stakeholder plan has been agreed by the Programme Board.

**List of Appendices Included**

1 Slide deck presented to Audit, Standards and Risk Advisory Panel Report 13<sup>th</sup> January 2022