

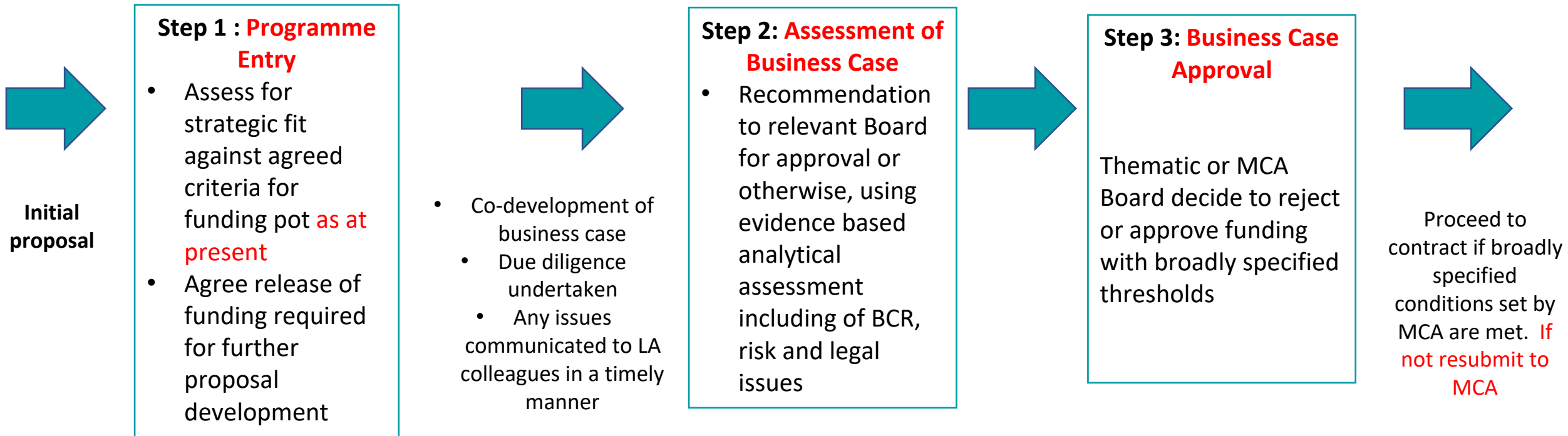
Assurance review

The existing assurance process has been described as bureaucratic, unresponsive and opaque. Changes are being proposed to improve the process in line with the following principles:

- The process needs to be simple, transparent and streamlined
- The process should support pragmatic decision making that acknowledges approvals already in place with government departments
- The process will add value and minimise duplication
- The process is compliant with government requirements
- Decisions will be taken by one Board only (Thematic Board for projects less than £2m and MCA Board for projects more than £2m)

Proposed process for project and programme approvals

Reduced touch-points and streamlined approval process:



Step 1: Programme Entry

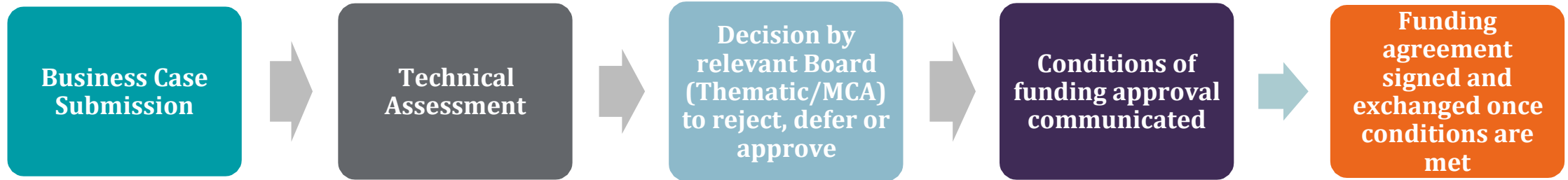
Identifying the right projects early in the process:



- Scheme promoter submits a **Mandate Form including** Statement of Strategic Fit to MCA. Project details will then be captured on Verto – the shared project management system.
- Mandate Form and Statement of Strategic Fit is **assessed** for:
 - **Fit with agreed MCA strategic objectives** (economic growth; social inclusion & inequalities; environmental sustainability)
 - **Contribution to agreed outcomes** as per the co-developed Outcomes Framework (see slides 6 and 7)
 - **Compliance with Government requirements** for the relevant funding pot (where applicable)
- Following approval, Grant Letter sent to scheme promoter confirming any early **release of development funding** to develop the project to **Business Case** stage.

Step 2: Project Development & Business Case Completion

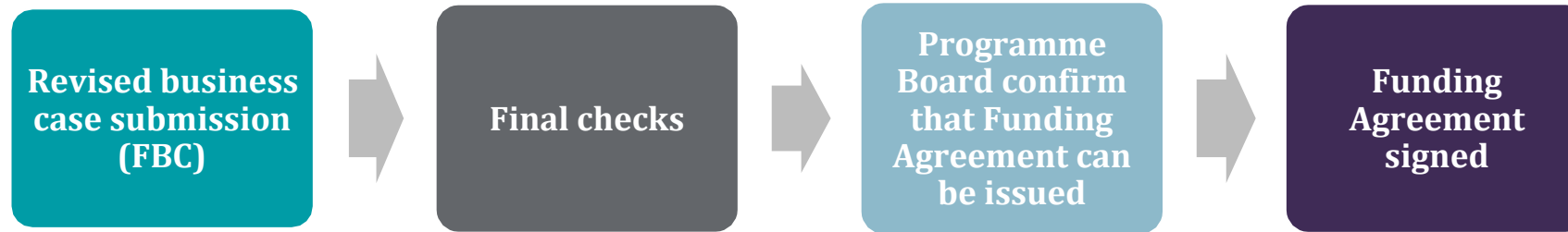
One business case and one decision point:



- Scheme promoter and MCA co-design and co-develop the project and prepare the **Business Case**
- Scheme promoter submits the **Business Case** to MCA technical assessment including
 - Confirmation of Value for Money
 - Suitability of preferred option
 - Financial and commercial due diligence
 - Confirmation of statutory processes (if any)
 - Risk and deliverability
- **Business Case** and other documentation submitted to relevant Board (Thematic Board for projects up to £2m or directly to MCA Board for projects over £2m) for consideration & approval
- Funding agreements are prepared in parallel
- Conditions of approval, including any tolerances and thresholds are communicated to scheme promoter
- Funding agreements are signed once conditions have been met and revised business case is submit for audit purposes.

Preparation for Contract

Preparing contracts as early as possible to support quick procurement:



- Scheme promoter confirms to MCA that all conditions have been met
- This triggers completion, signing and exchange of funding agreement

Responsibilities of scheme promoters/local authorities

- Regular Officer Liaison Meetings with the MCA, via the Programme Management Office (PMO), on the progress of projects and business cases to ensure any issues are flagged and resolved
- Each LA to confirm the establishment (or existence) and make-up of their own internal authorising arrangements. This is expected to be an officer-led group which provides the authorising environment for project progress, including check and challenge and gateway approvals.
- Co-design and co-develop schemes with the MCA
- Discuss and agree with the MCA how much funding is required for project development, project approval timings and other resource/support that will be needed to develop the project and business cases
- Seek advice from the Assurance and Evaluation Team on strategic fit, options assessment, Value for Money (VfM), modelling and any technical expertise that may be required
- Call-off technical or specialist expertise through the MCA's **Appraisal, Investment and Evaluation Framework** to help develop a project and/or Business Case – available from 1 April 2023

Expectations of the MCA

- Regular Liaison Meetings with the applicant, via the Programme Management Office (PMO), on the progress of projects and business cases to ensure any issues are flagged and resolved
- Ensure applicant is fully aware of all Board meeting cycle dates and any administrative processes that have a bearing on project timeline
- Confirm to applicant that MCA officers are available and ready to co-design and co-develop schemes. This includes guidance through the process, access to technical expertise the MCA may have on strategic fit, options assessment, Value for Money (VfM) and modelling
- Confirm with the applicant how much funding they may need for project development and the process for unlocking this
- Seek advice from the Assurance and Evaluation Team Call-off technical/specialist expertise and critical friend advice through the MCA's Appraisal, Investment and Evaluation Framework to help develop a project and/or Business Case – available from 1 April 2023
- Share draft Funding Agreement as early as possible, identifying any potential conditions that might have to be met

Background Information

Outcomes Framework – Core Outcomes

Indicator	Outcome	Data source	2040 target	Gap
Productivity per hour worked	A higher productivity workforce.	Labour productivity measured in GVA per employee. Annual Population Survey.	Parity with UK average	South Yorkshire: £28.3 UK: £35.2 GAP: £6.8 per hour
Economic inactivity	Fewer people are economically inactive	% who are economically inactive - aged 16-64 Annual Population Survey	Parity with UK average	South Yorkshire (24.0%) UK (21.8%)
Business density	A higher density shows	Nomis UK Business Counts 'Business density (businesses per 10,000 people'	Parity with England average	Barnsley (312), Doncaster (363), Rotherham (346), Sheffield (335), England (648)
High growth businesses	A larger proportion of high growth businesses.	Business Demography Table 7.1	Parity with UK average	South Yorkshire: 3.9% Range: Barnsley (3.3%) – S/R (4.0%) UK: 4.3%
Air quality	Improvement in air quality as measured by population-weighted annual mean concentrations ($\mu\text{g m}^{-3}$)	Air pollution: fine particulate matter - PM2.5	Parity with England average	South Yorkshire (range): 8.4 to 9.1 $\mu\text{g}/\text{m}^3$ England: 9.0 $\mu\text{g}/\text{m}^3$ Rotherham is 0.1 $\mu\text{g}/\text{m}^3$ higher, other LAs lower
Flooding	Flood risk demonstrably reduced overall by xx% compared to 2020 baseline.	TBC	TBC – to develop with Environment Agency	TBC
Carbon	Reduce carbon emissions.	UK local authority and regional carbon dioxide emissions national statistics	Parity with England average in each Local Authority	South Yorkshire (range): 3.8 to 6.4/capita England: 4.9/capita
Car usage	Car usage and motor traffic falls, indicating mode share and lower pollution due to transport.	Either using DfT source for miles driven, or more local (SYPTTE) data	TBC - net reduction in line with strategy	TBC

Outcomes Framework – Core Outcomes

Indicator	Outcome	Data source	2040 target	Gap
Qualifications & Skills	A higher proportion of working-age population (16-64) possess higher qualifications, indicating progression in education and employment.	NVQ 3 and above. Nomis.	Parity with GB average	South Yorkshire: 58.1% GB: 61.3% Gap: 2.8 p.p (equivalent to 12,000 people)
Wage levels	A lower proportion of employees on low earnings (further work to assess lowest pay gap within 20th percentile of earnings distribution).	Annual Survey of Hours and Earnings. Hourly pay (gross) all workers	Parity with UK average	South Yorkshire: £12.09 (range: £11.29 [Doncaster] to £12.50 [Barnsley]) UK: £13.74 Gap: £1.65
Health	Our population live increasingly long, healthy lives.	Healthy life expectancy at birth - PHE/ONS	Parity with England average	South Yorkshire: range 77.8-79.3, (male) 81.8-82.5 (female) England: 79.8 (male) 83.4 (female)
Personal Wellbeing	Estimated levels of worthwhile, life satisfaction, happiness and anxiety are indicators of personal well-being.	Self-reported wellbeing – people with high anxiety score (NHS Fingertips)	Parity with England average, or lower than 2020 level	South Yorkshire: range (20.1-24.1%) England 21.9%