

Mayoral Combined Authority Board

Tuesday, 12 September 2023

New Governance Model - Progress Report

Is the paper exempt from the press and public?	No
Reason why exempt:	Not applicable
Purpose of this report:	Governance
Is this a Key Decision?	No
Has it been included on the Forward Plan of Key Decisions?	Not a Key Decision

Director Approving Submission of the Report:
Steve Davenport, Director of Legal and Governance

Report Author(s):
Claire James, Head of Corporate Governance
Claire.james@southyorkshire-ca.gov.uk

Sarah Pugh, Democratic Services Officer
Sarah.pugh@southyorkshire-ca.gov.uk

Executive Summary

This report provides an update to Members on progress towards embedding the new MCA governance arrangements which were agreed by the Board in June 2023.

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

The new governance model will enhance openness and transparency, bring a new Mayor's Economic Advisory Council and a new Business Advisory Board to strengthen business engagement and ensure 'a strong, independent and diverse business voice' in policymaking.

Recommendations

That the MCA Board:

1. Note the contents of this report,
2. Agree the proposals as set out.

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

None.

1. Background

- 1.1 Following an MCA Review of governance arrangements, the MCA Board agreed a new governance model which consists of:
- A 'Cabinet' *style* Leadership model, with the South Yorkshire Mayor and Local Authority Leaders taking portfolio responsibilities.
 - A Business Advisory Board (BAB) and a Mayor's Economic Advisory Council (MEAC). The former will help maintain meaningful engagement with the private sector with a strong local, independent and diverse business voice. The latter will ensure proven economic growth expertise can be accessed to advise, challenge, and champion South Yorkshire nationally and globally.
 - Existing statutory Audit, Standards and Risk Committee and Overview and Scrutiny Committees.
- This model removed the four existing Thematic Boards and each of these has held its final meeting. The remaining actions have been subsumed into the MCA Board.
- In respect of the Local Enterprise Partnership (LEP), Members will be aware of Government policy to transfer the functions from Local Enterprise Partnerships to MCAs including withdrawing funding support for LEPs. This policy has now been formally confirmed in a Ministerial letter dated 4th August 2023. In South Yorkshire, the LEP's remit has been largely superseded with, for example, the end of Local Growth Funds. Other former LEP functions have been replaced in the new governance model. On Thursday 13th July 2023, the final South Yorkshire LEP Board meeting took place. The MCA Board recognises the valuable work undertaken by the LEP and the dedication of its members.
- 1.2 An open and transparent recruitment process has been undertaken over the Summer to the Business Advisory Board with 35 applications submitted to be part of the Board. The recommendations to appoint to the Board are set out in a separate paper being considered at this meeting.
- The first meeting of the Business Advisory Board will take place in November.
- A separate process is underway to appoint members to the Mayor's Economic Advisory Council. We anticipate the first meeting of the Mayor's Economic Advisory Council will take place later this year. A further update will be provided to the November MCA Board on prospective membership and work plans.
- The terms of reference for each group, as agreed at the MCA Board in June, are attached as Appendix A and B.
- 1.3 **Portfolio Leads** - The Board have agreed the main policy portfolios (recognising the centrality of economic growth to all policy areas) and agreed which Board Member will lead each portfolio, as follows:-

1. Economic Growth - Mayor Coppard.
2. Education, Training and Skills - Sir Steve Houghton CBE.
3. Travel and Transport - Mayor Coppard.
4. Net Zero and Environment - Mayor Coppard.
5. Infrastructure and Housing – Mayor Ros Jones CBE.
6. Creative, Culture and Digital - Cllr Tom Hunt.
7. Policy, Engagement and Impact - Cllr Chris Read.
8. Health Inequalities - Mayor Coppard.

1.4 **Meetings-** the formal Governance of the MCA will now consist of the following meetings:-

1. MCA Board- bi-monthly.
2. Business Advisory Board – bi-monthly.
3. Mayor’s Economic Advisory Council – tri-annually.
4. Overview and Scrutiny Committee – quarterly.
5. Audit and Scrutiny Committee – quarterly.

The Internal Audit plan for 23/24 includes an audit of the governance changes. This review will assess whether the changes have been effectively implemented and embedded and whether these are delivering the required outcomes. The audit will also consider the views and opinions of members on impact of the changes and to seek to identify further refinement. The fieldwork for this audit will commence at the end of January 2024.

Key Issues

1.5 **Wider engagement**

At the June meeting the MCA Board committed to ensuring that we put in place consistent engagement with Trade Unions. The regional Trades Union Congress (TUC) had previously been represented on the LEP Board.

In addition, the Mayor has agreed to co-host a triannual South Yorkshire Mayoral Trades Union Forum with the TUC Regional Secretary. This Forum will provide a space for the Mayor and the region’s trades unionists to share their respective priorities; and engage in a strategic discussion about the future of the region. It is not an alternative to or substitute for formal negotiations or consultation meetings with recognised unions.

The MCA agreed to retain a number of existing consultative groups, such as South Yorkshire Skills Advisory Board and the Enhanced Partnership Board with local bus operators. One of the co-chairs of the South Yorkshire Skills Advisory Board will also take up membership of the Business Advisory Board.

The MCA is working with expert partners to develop a new model for engagement with the VCSE sector and communities directly which will give these groups the greatest opportunity to identify opportunities for action and shape and influence programmes and projects. MCA officers continue to meet with VCSE representatives and groups and to work with LA partners to engage with residents while new models are developed.

Strengthening Overview and Scrutiny

- 1.6 In recent months the MCA executive has also been supporting the Overview and Scrutiny Committee to develop a robust and effective programme of work for the remainder of the year.

A workshop was delivered with Committee members on 24th July 2023, which produced a Committee Work Programme for 2023/24, attached as Appendix C.

This work programme focuses on the most significant upcoming change programmes at the MCA, and the areas of work which are high priorities for the Committee and South Yorkshire's communities. It remains flexible enough to accommodate any urgent, short-term issues that might arise during the year.

The Committee also raised the following ways in which they felt they could be supported by the MCA to make a tangible difference to the work of the authority, and maintain continuous engagement with MCA business:

- The possibility of relevant portfolio holders attending specific Committee meetings in support of agenda items,
- Informal briefings in advance of significant items on upcoming agendas, such as plans for Tram ownership, Police and Crime Commissioner powers, and Bus Franchising Assessment,
- Informal briefings on some separate, lower-priority issues outside the cycle of Committee meetings.

The Overview & Scrutiny Committee is independent of the MCA Executive and the Scrutiny Officer will liaise with the Committee Chair and MCA Executive senior management to agree how best the Committee's requests to scrutinise the work of the MCA can be accommodated.

3. Options Considered and Recommended Proposal

3.1 Option 1

N/A

3.4 Option 1 Risks and Mitigations

N/A

3.5 Option 2

N/A

3.8 Option 2 Risks and Mitigations

N/A

4. Consultation on Proposal

- 4.1 The proposals have previously been through the MCA, and Overview and Scrutiny Committee

5. Timetable and Accountability for Implementing this Decision

5.1 Immediate

6. Financial and Procurement Implications and Advice

6.1 None arising from this report

7. Legal Implications and Advice

7.1 All changes to the governance of the MCA are compliant with the MCA's governing legislation, and the proposals relating to business engagement are in line with the requirements of the March 2023 Government guidance relating to the Devolution Accountability Framework.

8. Human Resources Implications and Advice

8.1 None arising from this report

9. Equality and Diversity Implications and Advice

9.1 None arising directly from this report. These matters are being considered in respect of the makeup of and recruitment to the Business Boards

10. Climate Change Implications and Advice

10.1 None arising from this report

11. Information and Communication Technology Implications and Advice

11.1 None arising from this report

12. Communications and Marketing Implications and Advice

12.1 MCA employees, Local Authorities and Board Members have been regularly updated on the progress of the review.

List of Appendices Included:

A Business Advisory Board – Terms of Reference

B Mayors Economic Advisory Council – Terms of Reference

C Overview and Scrutiny Committee Work Plan 2023/24

Background Papers

1. The MCA Review and New Governance Model, MCA Board, 5th June 2023.
2. Amended MCA Constitution, MCA Board, 31st July 2023.