

**Appendix A**

**MCA Paper - Governance Arrangements to Support the Leadership of Thematic Priorities**

**Presented on 21 September 2020**

21<sup>st</sup> September 2020

**Governance Arrangements to Support the Leadership of Thematic Priorities**

**Purpose of Report**

This report seeks approval of governance changes (including changes to the Constitution) to the Thematic Boards.

**Thematic Priority**

Cross cutting.

**Freedom of Information and Schedule 12A of the Local Government Act 1972**

Under the Freedom of Information Act this paper and any appendices will be made available under the Combined Authority Publication Scheme. This scheme commits the Authority to make information about how decisions are made available to the public as part of its normal business activities.

**Recommendations**

Members approve the changes to the Thematic Boards set out in sections 2.2 to 2.6 below and approve the Monitoring Officer to make the consequential amendments to the Constitution by adopting the Terms of Reference at Appendices A-D.

**1. Introduction**

1.1 Thematic Boards were first established by the MCA in early 2019. The rationale for these Boards includes:

- Achieving an efficient, effective and transparent model for decision making;
- Collaborating to build collective and combined decisions to deliver the outcomes identified in the Strategic Economic Plan (SEP);
- Providing strong and accountable leadership in setting the agenda and delivering a defined programme of activity to rigorously realise the outcomes of the SEP; and
- Scrutinising the planned and ongoing activity to deliver the best outcomes for the region and value for money

1.2 The Boards have not been held in public, but the papers and minutes are made available to the public before the meeting and the public can submit questions. This allows for open policy discussion, whilst providing transparency. The MCA has now secured, by Parliamentary Order, the additional powers and gainshare funding agreed as part of the devolution deal. This has necessitated the Mayor, Leaders and the SCR Executive reviewing the effectiveness of the Thematic Boards and proposing amended arrangements to best

reflect a proposed new operating model, ensuring that the Members of the MCA, in conjunction with the private sector LEP Board Members, take a lead in driving forward MCA priorities. This paper seeks approval to make the required governance changes to achieve this (including changes to the Constitution) and to implement the changes set out in section 2.

## **2. Proposal and justification**

**2.1** The new operating model for the MCA will be based on the principle of the Thematic Board Co-chairs, supported by the cabinet members from the Districts, owning and leading on a policy theme, with Chief Executives providing advice, taking a city region wide perspective, to the Co-chairs. MCA Officers will engage consistently with Co-chairs, the lead Chief Executive and other Members in order to shape, craft and direct positions early and in advance of formal decision making. To ensure the effectiveness of this proposal, within a common framework, the detail of this engagement will be bespoke to the requirements of each thematic area and to the preferences of the Co-chairs.

Linked to the formal governance changes the Mayor, Leaders, Chief Executives and LEP Co-chairs are establishing arrangements to ensure that there is significant cross working and communication between Boards.

## **2.2 New Proposals**

The proposed new Thematic Board structure is as follows:

Number - the number of Thematic Boards to be reduced from 5 to 4 as follows:

- i. Business Recovery and Growth;
- ii. Education, Skills and Employability;
- iii. Transport and the Environment; and
- iv. Housing and Infrastructure.

The new policy areas and remit of these Boards, indicated by the title, reflect the priorities of the new Strategic Economic Plan (2020-2040) which is currently under consultation.

**2.3** Membership - the proposed Membership make up is as follows:

- i. Co-chairs (1 Constituent Council Leader and 1 LEP Board Member);
- ii. Lead Chief Executive from Constituent Council;
- iii. SCR Executive Officer (Chief Executive/Director level);
- iv. Elected Member from each Constituent Authority;
- v. Second LEP Board Member

### ***Membership of Non-Constituent Councils on Thematic Boards***

Following the LEP boundary review in 2019 the funding provided to the MCA will, from April 2021, (end of present LGF funding period), be exclusively related to South Yorkshire. It is therefore proposed that no non-constituent Council members are actual Members of the Boards, but that each Council is given the right to have an elected Member attend and participate, but not vote. This arrangement aims to recognise the role the non-Constituent Council areas play in the functioning economic geography of the city region and provides opportunity for representation on issues directly or indirectly affecting their localities.

**2.4** Initial Membership - the proposed actual Membership of each Board is as follows:

	<b>SCR Leader</b>	<b>LEP Member (Co-chair)</b>	<b>Lead Chief Executive</b>	<b>SCR Officer</b>	<b>Con Council Member x4</b>	<b>2<sup>nd</sup> LEP Member</b>
<b>Business Recovery and Growth Board</b>	Mayor Ros Jones	Neil MacDonald	Sharon Kemp	Dave Smith	TBD	Richard Stubbs
<b>Education, skills and employability Board</b>	Cllr Sir Steve Houghton	Nigel Brewster	Charli Adan /Kate Josephs	Dave Smith	TBD	Chris Husbands
<b>Transport and the Environment Board</b>	Cllr Chris Read	Peter Kennan	Sarah Norman	Mark Lynam	TBD	TBD
<b>Housing and Infrastructure Board</b>	Cllr Julie Dore	Owen Michaelson	Damian Allen	Mark Lynam	TBD	Tan Khan

**2.5** Terms of Reference - the proposed Terms of Reference for each Board are set out in Appendices A-D. The following matters are of note:

**Delegations** (section 3 of each Terms of Reference)

It is proposed that each Board is responsible for:

- formulating policy in its area of responsibility for agreement by the MCA
- agreeing investments up to £2m
- recommending investments over £2m to the MCA
- accepting grants up to £2m
- awarding contracts for the supply of goods/services up to £200,000.

These delegations remain unchanged from the arrangements currently in place.

**Frequency of Meetings** (section 5 of each Terms of Reference)

It is proposed that each Board meet at least on an 8-week cycle aligned to the 8-week MCA meeting schedule. This remains unchanged from the arrangements currently in place. Additional meetings, dependent on business need, will be agreed with Co-chairs and will observe publication requirements for papers, minutes and key decisions. Each Board may also determine to have informal intermediate meetings where discussion is required mid-cycle

**Transparency** (section 13 of each Terms of Reference)

It is proposed that:

- papers are made available to the public 5 clear working days before the meeting
- the public can submit questions and receive a written response.
- meetings will be held in private and minutes made available to the public within 10 working days of the meeting taking place.

These arrangements remain unchanged from those currently in place.

**2.6** **Advisory Boards** (section 12 of each of the terms of reference)

It is proposed that the following Advisory Boards formally report as follows (this will give the Boards a formal place in the governance arrangements of the MCA):

- Joint Assets Board (existing Board) – Report to the Housing and Infrastructure Board.

- Growth Hub Board (existing Board)–Report to the Business Recovery and Growth Board
- Skills Advisory Network Board (new Board)– Advisory Board reporting to the Education, Skills and Employment Board. **NB. The Skills Advisory Network Board is a requirement of Adult Education Budget devolution.**

### 3. Consideration of alternative approaches

- 3.1 Current arrangements could be maintained however these arrangements may not be effective in achieving the objectives of the MCA as set out in the new Strategic Economic Plan.

Formal Committees arrangements would be impractical due to the time pressures this would place on each of the 4 Leaders and the Mayor and would not allow for the effective involvement of the LEP Board Members e.g. through the co-chairing arrangements.

### 4. Implications

#### 4.1 Financial

The changes proposed will have no material effect on MCA finances but new arrangements will further strengthen governance processes around the allocation of funding to meet MCA priorities.

The proposed financial delegations for the Thematic Boards are set out in section 2.5 above and in each terms of reference.

#### 4.2 Legal

The constitution will be updated to reflect the changes to the Terms of Reference and the reduced number of Thematic Boards

Given these Boards are not formal sub-committees of the MCA (as they include Members who are not MCA Members) the formal decision making function is delegated to an officer of the MCA who will either act in accordance with the unanimous decision of the Board or refer the decision to the MCA/LEP.

#### 4.3 Risk Management

Robust decision-making processes and appropriate governance arrangements are key elements of the MCAs control framework. Arrangements that are not fit for purpose or not aligned to the priorities of the MCA could lead to poor decisions and a failure to achieve objectives.

#### 4.4 Equality, Diversity and Social Inclusion

There are no equality, diversity or social inclusion implications arising from the changes proposed.

### 5. Communications

- 5.1 Changes to Thematic Board arrangements will be communicated appropriately to local authority partners, publicly available information on the website will be updated as required.

## 6. Appendices/Annexes

### 6.1 Appendices A-D - Terms of Reference of the 4 Thematic Boards

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: