

## Mayoral Combined Authority Board

15 November 2021

### Integration Update

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

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#### **Executive Summary**

This paper provides an update on the programme of activity being undertaken to create a single integrated MCA organisation able to respond to the challenges and opportunities for South Yorkshire.

#### **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**

Members consider the update and identify any issues.

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

None specifically regarding this update report, however scrutiny of integration planning is provided by an Internal Programme Board and is part of the ToR for the Audit, Standard and Risk Committee Advisory Panel who provide assurance to the Committee that Programme governance arrangements are effective.

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## 1. Background

- 1.1 The MCA, at its meeting 27th July 2020, agreed to begin the process for integrating the South Yorkshire Passenger Transport Executive (SYPTTE) and the MCA, moving away from the current Group Structure of the MCA with a legally separate public transport Body. Since this point a detailed plan to integrate has been developed and is being delivered, and a governance framework implemented to oversee progress towards integration.
- 1.2 This report provides Members with an update on activity to date and planned next steps and programme governance and assurance activity.

## 2. Key Issues

- 2.1 The MCA Corporate Plan identified March 31<sup>st</sup>, 2022 as the date to have integrated the PTE into the MCA corporate structure.

As part of our planning towards this, there is a fundamental milestone to be achieved.

- 31st October 2021– Top tier operating model developed and agreed

At this point the plan is progressing and there is confidence that the first milestone will be achieved.

For the formal dissolution of the PTE to align with the above date, there is a landing point, identified for the parliamentary order to commence.

- 7th January 2022 – Confirmation from Government of progression of the Order to dissolve the PTE

This is largely the decision of government. However, planning is due to commence November 2021, to ensure that if the Order is not passed at the end of the financial year, that the integration can largely be enacted with some minor workarounds due to the PTE legally remaining.

### 2.2 Activity Implemented towards Integration

Development of operating model, to integrate PTE into MCA corporate structure and HR planning

- Work is progressing to meet the deadline of end October 2021 to have this developed, agreed with the Mayor and outlined to the Trades Union.
- A detailed implementation plan has been developed to implement the change programme.

Governance Arrangements

- Work to integrate decision making in the TEB has already been implemented
- Officer delegations have been unified and agreed by the MCA
- The two Audit Committees have been unified into a single committee, supported by an Advisory Panel focused on detailed assurance of integration and operational transport risk management

Financial Planning

- Preparation for repatriation of all banking arrangements from SCC are in place
- Financial systems have been aligned to enable integrated budgeting and processing
- Full review of assets and management processes across the group

#### Communications

- Name change has been implemented and a planned programme of change is in place
- Internal Communications has moved to a single internal communications approach

#### Information Technology

- Work to support changes to communications, branding and systems has been implemented

### 2.3 **Planned Future Activity**

#### HR and Next Steps

- Consultations with the Trades Unions
- Detailed work to integrate employees into team structures and job specific role profiles

#### Governance Arrangements

- Single approach to risk management developed and implemented

#### Financial Planning

- Revised Financial Regulations and Contract Procedure Rules to be developed
- Harmonised project and programme management processes to be developed
- Harmonised financial processes to be developed
- Harmonised approach to asset management to be developed

#### Communications

- Planning and implementation of a single website

#### Information Technology

- Supporting the development of the MCA website
- Implementation of other shared systems eg HR, Travel Portal etc
- Scoping, developing and implementing a revised approach to document management and data storage, mindful of amended data requirements, and use of technology to support the effective delivery of services and corporate processes.

### 2.4 **Programme Governance and Assurance Activity**

Assurance of the programme of activity is multi-layered, through a range of Boards or activity:

#### **1. Audit, Standards and Risk Committee and its Advisory Panel**

The Audit, Standards and Risk Advisory Panel scrutinise the plan and risks associated with integration both in terms of the process to integrate and the longer-term risks of changes to governance and management.

#### **2. Programme Board**

An internal Management Board, Chaired by Head of Paid Service, who meet monthly to review the plan, progress, slippage, escalating risks and issues and consider any changes to the plan.

#### **3. Steering Group**

Officers, leading particular tasks in the plan, meeting fortnightly to share progress, interdependencies and operational challenges.

#### **4. Integration PMO**

Operational team, meeting lead officers weekly to ensure governance Boards have the information they need to make timely decisions and derive assurance from the plan against desired outcomes and agreed benefits.

### **3. Options Considered and Recommended Proposal**

3.1 This paper does not have a range of alternative options to consider as it is providing an update for Members only.

#### **3.2 Risks and Mitigations**

Workstream risks are reviewed on a fortnightly basis and updated risk registers are provided to the Programme Board at their monthly meetings.

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

4.1 This report is provided for update and assurance. All actions regarding the future organisation will be subject to consultation with Trades Union and employees.

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

5.1 The desired date for implementation of the integrated organisation and the legal dissolution is April 1<sup>st</sup> 2022. A detailed plan to achieve integration by this date is in place. The deadline for the parliamentary order has increased risk as this is a government decision, however work continues with departments to gain greater clarity over the government timetable.

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

6.1 Financial resource to enable the integration exercise was considered as part of the 2021/22 budget setting process and supplemented at Budget Revision 1.

Resource has been made available from core funding and the Bus Improvement Project reserve that was set-up to support the implementation of the Bus Review recommendations.

The Programme Board receives a monthly update on the budget for the programme and updates are provided to MCA Board through the quarterly budget revision process.

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

7.1 There are no legal implications directly relating to this report and legal issues are being managed as they arise. The legal work related to the Order required to dissolve the PTE and changes to the constitution are being led by the Monitoring Officer.

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

8.1 The integration of the MCA Executive and PTE organisation has considerable HR implications that are being managed through the Programme. These considerations form a detailed element of the programme plan, and form part of regular discussions with the Trade Union.

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

9.1 There are no equality and diversity implications related to the production of this report, however data and statistics are monitored as part of regular HR monitoring.

## **10. Climate Change Implications and Advice**

10.1 No implications as a result of this aspect of integration.

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

11.1 The integration exercise requires significant IT systems and infrastructure change to enable the efficient operation of the new organisation. A dedicated integration workstream has been established, led by the Head of IT.

11.2 Work is also underway, with the support of an external partner (Grant Thornton) to consider the operating model for IT and the areas where technology can better support the effective delivery of services.

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

12.1 Communications and Marketing is a dedicated workstream of the integration plan and is supported by a detailed Internal Communications Plan.

### **List of Appendices Included**

None

### **Background Papers**

None