

Report to: West Yorkshire and York Investment Committee

Date: 9 January 2019

Subject: **Governance arrangements**

Director(s): Angela Taylor, Director of Resources

Author(s): E Davenport

1. Purpose of this report

- 1.1 To note changes to the terms of reference for the Investment Committee, which authorise the Committee to make specified decisions to progress schemes under the Leeds City Region Assurance Framework.

2. Information

- 2.1 At its meeting on 13 December 2018, the Combined Authority approved amendments to the terms of reference for the Investment Committee. These are attached for information as appendix 1 to this report, with the amendments highlighted. The revised terms of reference provide for the Investment Committee to make decisions to progress any scheme under the Leeds City Region Assurance Framework, (including determining change requests), in accordance with any bespoke assurance pathway and approval route for the scheme. This should streamline decision-making, facilitating the delivery of schemes within funding programme timescales.
- 2.2 In practice, this means that the Combined Authority will continue to set the pathway and approval route for each scheme at decision point 2, but an approval route may now include approval of specified decisions by the Investment Committee, (including decisions at decision point 4 (final business case)), which to date have been taken by the Combined Authority. The Investment Committee's authority to make decisions does not, however, extend to making any decision which would result in a revised financial approval which exceeds the cumulative total of the financial approval and tolerance threshold agreed by the Combined Authority by more than 25%; any such decisions would be referred back to the Combined Authority. The Investment Committee may also refer back any decision to the Combined Authority for determination, for example, should any other significant change be proposed to a scheme (for example, in terms of scope, outputs, benefits risks or timescales).

- 2.3 The Combined Authority has also revised the existing approval routes for specific schemes to provide for decision-making by the Investment Committee in relation to these schemes, as set out in appendix 2 to this report.
- 2.4 The revised arrangements are of immediate effect, maximising the benefits that flow to all partners from more expeditious decision-making. As members are aware, to further streamline decision-making, the Investment Committee is now meeting monthly or as required, which has been welcomed by partners and scheme sponsors. Further changes to the Investment Committee's role and composition will be reviewed ahead of the annual meeting as part of the wider review of decision-making associated with the proposed LEP merger.

3. Financial Implications

- 3.1 There are no financial implications directly arising from this report.

4. Legal Implications

- 4.1 The change from advisory committee to decision-making does not affect the committee's current arrangements in terms of membership, voting or quorum.
- 4.2 Decisions now falling to the Committee in relation to schemes will be eligible for call-in, as they are when determined by the Combined Authority. The terms of reference for the Committee have therefore been further amended to reflect that the committee may need to respond to reports or recommendations from the Overview and Scrutiny Committee, should any of its decisions be called-in.

5. Staffing Implications

- 5.1 There are no staffing implications directly arising from this report.

6. External Consultees

- 6.1 No external consultations have been undertaken.

7. Recommendations

- 7.1 That the revised terms of reference for the West Yorkshire and York Investment Committee, attached as appendix 1 to this report be noted.
- 7.2 That the changes to the bespoke assurance pathways and approval routes for the schemes set out in appendix 2 to this report be noted.

8. Background Documents

None.

9. Appendices

Appendix 1 - Revised Terms of Reference for the West Yorkshire and York Investment Committee.

Appendix 2 – Amendments to approval routes