

Report to: West Yorkshire Combined Authority

Date: 22 April 2021

Subject: **MCA Committee arrangements**

Director: Angela Taylor, Director, Corporate Services

Author: Caroline Allen Head of Legal & Governance

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1. Purpose of this report

- 1.1 This report puts forward proposals for changes to be made to the Combined Authority's decision-making arrangements to better reflect the changed role and responsibilities of the Authority following the appointment of a Mayor for West Yorkshire.

2. Information

Background

- 2.1 The current decision-making arrangements for the Combined Authority and LEP Board have successfully formed an integrated and cohesive whole which has operated well to date, aligning policy development across both bodies, combining the knowledge, insight, and expertise of both the public and private sector in the public interest and for the benefit of those living and working within West Yorkshire. These arrangements are shown at Appendix 1.
- 2.2 However, the step change in 2021 to becoming a Mayoral Combined Authority, with the election of a Mayor for West Yorkshire in May, who will both chair the Combined Authority and will be a member of the LEP Board, together with the expansion of functions that sit with the Authority and the

Mayor provides an opportunity to review the current arrangements in order to ensure that these best support the new ways of working moving forwards.

- 2.3 A key driver for change is the expanding agenda of new functions and responsibilities which will require appropriate governance, transparency and pace of decision making. Of particular relevance are the following factors:-
- The desire to retain and deepen the valued and valuable partnership engagement with business and the private sector.
 - The need to create additional capacity within the decision-making arrangements to accommodate new functions and responsibilities.
 - The need to increase the agility for the Authority to take decisions more quickly whilst ensuring that the Authority continues to make consistent, transparent, and prudent decisions.
 - The need for the Combined Authority to delegate greater autonomy and accountability to its committees to increase the breadth of the Authority's decision-making arrangements and broaden the pool of members involved in decision making.
 - The desire to align decision making more closely with those members who have or develop a level of expertise within that remit across an increased number of areas/priorities as with the Transport Committee.
 - To create a framework that is flexible for future needs.

Proposal Overview

- 2.4 The proposal for changes to the current committee arrangements put forward for Members' consideration is attached at Appendix 2. The key features of this proposal are as follows:-
- The close alignment of the LEP Board and the Combined Authority is retained with thematic committees feeding into both bodies and membership continuing to be drawn in part from both bodies¹.
 - Retaining private sector membership of the Combined Authority committees as well as on the Combined Authority through the LEP chair. This embeds the voice of the private sector in all MCA decision making.
 - Transport Committee is retained in its current form (pending review, see below) reflecting the significance of the transport agenda going forward and the role of the Combined Authority as the statutory local transport authority.
 - To reformulate the Investment Committee as a 'Resources Committee', and to extend its remit to reflect a broader scope. It is proposed that this committee not only takes decisions and make recommendations as appropriate on projects and programmes, including scope to take urgent decisions on project spend which may be required in between cycles of thematic committees, but also has a wider role in relation to financial, organisational, and corporate matters as required. This could include for example a role in the process of budget setting and monitoring, and oversight of funding streams and delegations that flow from this.

¹ See more detail on the membership in paras 2.20-2.25 below.

- The current thematic advisory committees known as panels, comprising Business, Innovation & Growth, Green Economy, Employment & Skills and Place to become decision making 'portfolio' committees, including decision making in relation to project spend and delivery in accordance with the Assurance Framework with scope and terms of reference amended to reflect these changes.
- Inclusive Growth to be embedded as a 'golden thread' through all committees and decision making and therefore not to continue as a stand-alone panel. Each committee would have explicit inclusive growth indicators relevant to its portfolio.
- Re-convening the 'Leeds City Region Partnership Committee' as a forum for deepening collaboration with surrounding authorities such as North Yorkshire (and its districts) and York.

2.5 The proposal is set out in more detail in the sections of the report below.

Portfolios

- 2.6 It is proposed that formal CA member portfolio leads are established, reflecting the principles of the executive arrangements within partner councils. This approach aligned with respective decision-making committee arrangements would facilitate the strengthening of decision making at a level below the Combined Authority providing greater capacity, autonomy and accountability at committee level.
- 2.7 Portfolios would be agreed annually at the Combined Authority Annual Meeting. Delegations to decision making committees would also be made at the Annual Meeting. No decisions on this form part of this paper.

Decision Making Committees

- 2.8 Under this proposal, portfolio leads would each chair a decision-making committee, with the exception of Transport Committee where it is proposed that the existing arrangements are retained for the time being. Reflecting the Authority's priorities, the following thematic committees are proposed:-
- Transport Committee
 - Finance, Resources and Corporate Committee
 - Place, Regeneration and Planning Committee
 - Carbon and Energy Committee
 - Skills and Employment Committee
 - Business, Economy, and Innovation Committee
- 2.9 **Transport Committee** is currently a decision-making committee. The transport agenda nationally is currently in a high degree of flux and is an extremely complex and demanding one requiring significant input, particularly from the Chair of the Committee outside of the committee cycle itself. The statutory role of the Combined Authority as the Transport Authority also brings with it specific responsibilities and duties that play into this complex and changing picture. In addition, the Combined Authority resolved at its last

meeting to extend the number of Overview and Scrutiny committees to include a Transport Scrutiny Committee.

- 2.10 It is important that careful consideration is given to the terms of reference of both committees to avoid duplication and to ensure an effective, efficient, and value-added approach reflecting the different roles of both committees and having regard to the transport agenda for the Combined Authority going forward. It is therefore proposed that the Transport Committee terms of reference and roles are not revised now, except in so far as there may be consequential changes flowing from changes to the decision making in relation to investment decisions currently taken by the Investment Committee. However, the recommendation is that this is reviewed during the early part of the next municipal year reporting back to the Combined Authority with any recommendations for change. It may be possible to introduce some changes during the course of the year, recognising that substantive changes may need to be introduced from the following Annual Meeting.
- 2.11 Inevitably, there will be an interrelationship with the scope of the role of the proposed Transport Scrutiny Committee. However, the Transport Scrutiny Committee is intended to have a wider remit than just transport and therefore it is proposed that this is appointed at the Annual meeting, but that the extent of its work programme is phased in during the course of the municipal year, having regard to the proposals flowing from the review and reflecting the intention of a phased approach to moving to an enhanced scrutiny arrangement.
- 2.12 **Finance, Resources and Corporate Committee** is a proposed new committee remit which could be chaired by the Mayor or under delegation from the Mayor. Its terms of reference could include roles and responsibilities which have currently been carried out informally for example the role of the budget working group and new roles such as assisting the Authority and the Mayor with the setting of their budgets and subsequent monitoring of spend and outcomes. It could also provide a level of decision making around organisational and staffing matters, plus corporate projects which currently sit either with the Combined Authority or officers. In addition, this committee will meet frequently and could take urgent decisions around capital projects and oversee capital programmes. It is proposed that the terms of reference are drawn broadly to enable the committee to have sufficient breadth of responsibility which can be reviewed following implementation.
- 2.13 It is proposed that the remaining **four thematic decision-making committees** have terms of reference which encapsulate the scope of the policy remit that the current panels have but extend this to provide for these committees to also undertake the role currently carried out by Investment Committee which fall within their scope in terms of overseeing the progress of programmes and projects within scope. Decision making could also be extended as appropriate to the functions and circumstances of each committee. For example, this model would allow for the Skills and Employment Committee to take decisions around the Adult Education Budget which presently sit either with the Combined Authority or Officers as there is

no decision-making committee in-between. The Business, Economy and Innovation Committee could also discharge functions in relation business support programmes.

- 2.14 **Governance and Audit Committee** is a statutory committee, and it is proposed that this remains unchanged.

Advisory Committees and Sub-Committees

- 2.15 The **Leeds City Region Partnership Committee** is an advisory committee of the Combined Authority which has historically been used for consultative purposes largely in relation to previous LEP Board funding. It is proposed that this is reconvened and going forward holds meetings approx. twice per annum to discuss priority issues of mutual importance across the wider Leeds City Region.

- 2.16 **Business Investment Panel** is an advisory sub-committee to Investment Committee. Given its specific role in considering grant applications it is proposed that this is retained but under the Business, Economy, and Innovation Committee.

- 2.17 **The 5 District Consultation sub-committees** are advisory sub-committees to the Transport Committee. These perform an important role for consultation with the public but may not provide the most flexible model to achieve that. Given the wider review proposed for decision making arrangements in relation to the transport agenda it is proposed that the role and particularly the model is considered as part of that wider review and therefore that these remain unchanged at the present time.

Scrutiny Arrangements

- 2.18 Proposals for changes to the Scrutiny arrangements were approved by the Combined Authority at its meeting on 9 March 2021 to be introduced in a phased approach. These comprise 3 Scrutiny Committees namely:-

- Transport
- Economy
- Corporate

- 2.19 Given the context of this wider proposal however, as set out at paragraph 2.11 above it is proposed that the work programme of the Transport Scrutiny Committee is phased in to align with the review of the respective roles of Transport Committee and Transport Scrutiny Committee proposed to be carried out during the early part of the next municipal year.

Membership

- 2.20 The current membership of the Combined Authority's committees is set out at Appendix 3.

- 2.21 A number of the current panels have a broader **local authority membership** representing districts outside of West Yorkshire on the previous LEP footprint. Given the revised geography for the LEP Board to that of West Yorkshire it is recommended that local authority membership of the new thematic decision-making committees is aligned to that of West Yorkshire plus York recognising York's role as a non-constituent member of the Combined Authority. The recommendation is that one member is appointed from each of the constituent councils and the non-constituent council, who is either the relevant portfolio holder or another suitable member.
- 2.22 In relation to **private sector membership**, it is recommended that initially the respective membership (and the roles of advisory non-voting representatives) of the equivalent panels is rolled over to the new thematic decision-making committees to reflect the remaining terms of membership previously agreed by the Combined Authority.
- 2.23 It is proposed that each of the thematic decision-making committees (with the exception of Transport Committee as referenced at paras 2.9 and 2.10 above) is chaired by the relevant CA member portfolio holder supported by a LEP Board member as Vice-Chair who is given voting rights. Other LEP Board members, and other private sector representatives who cannot legally be given voting rights would become non-voting members.
- 2.24 Proposed membership across the new committee arrangements are set out in the table at Appendix 4 for Members' consideration.
- 2.25 It is further proposed that no changes are made to the current scheme of member allowances (with the exception of that for scrutiny committees which is to be considered pursuant to a separate item on the agenda) at the current time, given the timescales, and the proposed review of roles and responsibilities in relation to transport referenced elsewhere in this report.

Relationship with the LEP Board

- 2.26 The linkages between the Combined Authority and the LEP Board and the shared membership and relationship is one of the key strengths of both bodies and remains valued and valuable. The perspectives and diversity brought together through an integrated model of both public and private sector representatives has brought effective check and challenge and enhanced an aligned policy framework which provides resilience to both bodies to face new challenges and opportunities that may come forward. It is intended that these proposals would be considered by the LEP Board in April.
- 2.27 This proposal seeks to not only retain that level of integration and close working but to further enhance that responsibility and accountability by maintaining a public/private membership within an extended decision-making framework. It is also intended to increase the engagement mechanisms with the wider private sector, in particular to facilitate early shaping of policy, strategy and delivery programmes.

Police and Crime Commissioner functions

- 2.28 The police and crime commissioner functions that transfer to the Mayor on 10 May 2021 sit outside and are unaffected by the arrangements outlined in this report.

Alternative Options considered

- 2.29 Alternative options were considered prior to this proposal being put forward to Members, including:-
- Retaining the status quo;
 - Revising portfolios but retaining advisory panels;
 - Considering different portfolio models;
- 2.30 These options were considered by the West Yorkshire Leaders in the context of the new functions and funding arising from the West Yorkshire devolution deal.
- 2.31 After consideration of the options, the approach set out in this paper was considered to present the best balance of retaining what currently works well, including the close working with the LEP Board with the aim of placing the Combined Authority in a more resilient position to embrace both the opportunities and challenges which come with the new functions and changing national landscape. It allows for a phased progression recognising that there is further work to be done over the next few months.

Next Steps and Timeline

- 2.32 If Members support this proposal, officers will continue to work up the detail of the governance arrangements to enable the revised committee arrangements to be put in place at the Annual meeting of the Combined Authority in June.
- 2.33 Members agreement to both the proposed structure and membership is sought as part of this report to enable constituent councils to make the necessary nominations to committees in advance of the Annual Meeting. However, Members are asked to note that further work is required in advance of the Annual Meeting, particularly in relation to the terms of reference and scope of decision making of the new committees to ensure that these are fit for purpose.

3. Tackling the Climate Emergency Implications

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

4. Inclusive Growth Implications

- 4.1 There are no inclusive growth implications directly arising from this report.

5. Equality and Diversity Implications

- 5.1 There are no equality and diversity implications directly arising from this report.

6. Financial Implications

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

7. Legal Implications

- 7.1 There are no legal implications directly arising from this report.

8. Staffing Implications

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

9. External Consultees

- 9.1 No external consultations have been undertaken.

10. Recommendations

- 10.1 That the Combined Authority considers the proposals outlined in this report for changes to be made to the Combined Authority's decision-making arrangements, including in relation to structures and membership, following the election of a Mayor for West Yorkshire and, subject to any comments or revisions, agrees the proposals put forward.
- 10.2 Subject to agreement being reached as set out at Recommendation 10.1, that the Combined Authority asks officers to work up the detail of the governance arrangements including terms of reference for the committees, the scope of delegated authority to be exercised by each of the decision-making committees and frequency of meetings to enable this to be approved and implemented at the Annual Meeting of the Combined Authority on 24 June.
- 10.3 Further, that the Combined Authority notes that to enable the Authority to make the necessary appointments to the new committee arrangements at the Annual Meeting, officers will be required to liaise with Constituent Councils following the local elections to seek nominations based on the proposed committee structure and membership in anticipation of the formal appointment of the same on 24 June.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Current committee arrangements

Appendix 2 – Proposed committee arrangements
Appendix 3 – Current committee membership
Appendix 4 – Proposed committee membership