

<b>BUSINESS BOARD</b>	<b>AGENDA ITEM No: 4.5</b>
<b>25TH NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

## **ASSURANCE FRAMEWORK**

### **1.0 PURPOSE**

- 1.1. At its meeting on 28<sup>th</sup> May 2019 the Business Board agreed a revised single Assurance Framework for the Combined Authority and the Business Board in order to comply with the National Local Growth Assurance Framework. The Assurance Framework was submitted to the Ministry of Housing, Communities & Local Government and they have required further amendments to be made to the Assurance Framework. This report seeks the Board's agreement to the adoption of the Assurance Framework as amended.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Austen Adams, Interim Chair of the Business Board</b>
<b>Lead Officer:</b>	<b>Dermot Pearson, Interim Legal Counsel and Monitoring Officer</b>
<b>Forward Plan Ref: N/A</b>	<b>Key Decision: No</b>
<p>The Business Board is recommended to:</p> <p>Agree the adoption of the Assurance Framework as amended to meet the requirements of the Ministry of Housing, Communities &amp; Local Government. [The amended Assurance Framework forms the Appendix to this report – amendments are highlighted in bold.]</p>	<p><b>Voting arrangements</b></p> <p>Simple Majority of All Members</p>

## 2.0 BACKGROUND

- 2.1. By adopting a single Assurance Framework the Business Board has a robust, singular framework that brings cohesion to the work of the Business Board, ensuring clarity, transparency and openness for Government, partners and members of the public around governance and compliance processes, and a singular approach to the recommendation and decision-making processes of both the Business Board and Combined Authority Board.
- 2.2. The background to the local Assurance Framework is set out in the report to the meeting of the Business Board on 28<sup>th</sup> May 2019. As the Assurance Framework applies to both the Combined Authority and the Business Board reports were taken to both the meeting of the Business Board on 28<sup>th</sup> May 2019 and the meeting of the Combined Authority Board on 29 May recommending the agreement of the Assurance Framework.
- 2.3. Following the agreement of the Assurance Framework by both the Business Board and the Combined Authority Board the Assurance Framework was submitted to Ministry of Housing, Communities & Local Government [MHCLG]. MHCLG, in consultation with the Department for Transport, have required further amendments to the Assurance Framework to ensure compliance with the National Local Growth Assurance Framework.
- 2.4. The Assurance Framework, as amended to meet the requirements of MHCLG, forms the Appendix to this report. The amendments are in bold and relate to the following issues:
  - a) Clarification that where potential changes result in significant divergence from approved local assurance frameworks, adjustments must be agreed by MHCLG as set out in the National Local Growth Assurance Framework guidance. (1.1.6)
  - b) Clarification that the Combined Authority will act in a manner that is lawful, transparent, evidence based, consistent and proportionate (3.2.1)
  - c) Inclusion of a paragraph on the role of the Mayor in allocating funding, especially the additional Investment Fund allocations. (3.2.10-11)
  - d) Paragraph expanded to explicitly explain how the Combined Authority will ensure rigour and data quality and projects are identified on need/opportunity and clear application of best practice. (3.4.9)
  - e) Inclusion of additional information on achieving best practice, (5.1) and section on ensuring value for money for transport projects (5.8)
  - f) Increased flexibility on Benefit Cost Ratios for transport schemes (5.1.1)
  - g) Further detail on value for money for transport schemes (5.8.2)

- h) Additional detail regards the monitoring and evaluation agreed at inception of projects appropriate to the value and complexity (7.3.3)
  - i) Additional detail regards monitoring and evaluation for projects of all value in accordance with relevant government policy and appropriate to value and complexity. (7.3.4)
- 2.5 By creating a single Assurance Framework, the Combined Authority and the Business Board will have a robust, singular framework that brings cohesion to the work of the single officer team, ensuring clarity, transparency and openness for Government, partners and members of the public around governance and compliance processes, and a singular approach to the recommendation and decision-making processes of both Boards.

### **3.0 FINANCIAL IMPLICATIONS**

- 3.1. All of the work has been carried out in-house, therefore there are no significant financial implications to this activity.

### **4.0 LEGAL IMPLICATIONS**

- 4.1. The approval of this document will ensure the Business Board and Combined Authority are compliant with the requirements of Government.

### **5.0 APPENDICES**

- 5.1. Appendix – Assurance Framework as amended

<u>Source Documents</u>	<u>Location</u>
Report to Business Board on 28 <sup>th</sup> May 2019 [Pages 194-239]	<a href="https://tinyurl.com/r3w7u5e">https://tinyurl.com/r3w7u5e</a>
Revised National Local Growth Assurance Framework - Guidelines for Mayoral Combined Authorities with a Single Pot and Local Enterprise Partnerships	<a href="https://www.gov.uk/government/publications/national-local-growth-assurance-framework">https://www.gov.uk/government/publications/national-local-growth-assurance-framework</a>