

#OneYorks

One Yorkshire devolution

Governance and route map

One coherent economy

One shared identity

One historic opportunity

October 2018

GOVERNANCE AND ROUTE MAP

Introduction and context

The One Yorkshire governance arrangements as detailed below have been approved for submission to Government by all 18 One Yorkshire Leaders and the Sheffield City Region Mayor. These proposals build on Leaders' One Yorkshire deal proposition submitted to Government in March 2018.

The proposed governance model is based on a 'form follows function' principle, which is therefore shaped around the opportunity to maximise the benefits from a One Yorkshire devolution deal. The economic rationale for devolving to Yorkshire (Steer Economic Development, September 2018) presents the following key findings:

- Yorkshire is a coherent and interconnected economic area
- Yorkshire-level devolution will create opportunities to reduce significantly the sizeable gaps in productivity which exist between Yorkshire and the UK average
- There are considerable advantages from devolving from Whitehall to the Yorkshire level a number of higher level policy functions, including: Innovation, Exports, Higher-level skills, specialised business support and specific elements of transport, such as ticketing.

The findings of the Economic study (submitted with this document) demonstrate that the Yorkshire geography makes sense with distinct industrial specialisms and broad economic alignment across Yorkshire but, also significant diversity; fostering economies of scale and scope as well as economic resilience.

A summary of the steps which could be taken by local partners and Government in order to secure and fully implement a One Yorkshire devolution deal by May 2020, in line with Leaders' March submission to Government, is also provided. Also considered is how the 2015 Sheffield City Region (SCR) deal could be implemented in parallel.

A governance framework to enable devolution and growth: releasing Yorkshire's potential

Key to the success of devolution will be an appropriate and deliverable governance framework for engagement and decision-making, which must create the conditions to drive Yorkshire's growth. This must enable the right type of decisions to be taken at the right spatial level within Yorkshire to ensure that we release every dimension of economic growth, from the major internationally significant industrial, connectivity and infrastructure decisions, to the micro decisions needed to release latent economic potential at local community level.

This principle is central to the One Yorkshire devolution proposition; not an added layer of unnecessary bureaucracy, but an added value element that completes the picture and enables Yorkshire to punch its weight on a national and international scale. Our governance framework does just this. It will create clear shared goals, clear roles, coherence and confidence across our county. Crucially, it provides a structural and deliberate connection between major economic and growth decisions to the inclusion and life chances of all Yorkshire citizens.

Our Starting Point...

In our first submission to Government in March 2018, we in One Yorkshire agreed to:

- **Streamlined and robust governance** arrangements which create no additional cost burden on the tax payer and comprise the following key elements:
- **A directly elected Yorkshire mayor with a clear economic leadership remit**, including skills, business and trade and investment;
- **A Yorkshire Combined Authority (YCA)** where everybody has a seat at the table, based on consensus and having a shared vision and focus on economic, social and environmental challenges including strategic transport, place making / regeneration and public service transformation; and
- **Flexible sub-regional arrangements** 'lifting and shifting' into the new YCA and building on existing collaborative arrangements across Yorkshire's linked functional economic areas. These would mirror the revised LEP geographies following the Government's LEP review. As committees of the YCA, these will foster flexibility to enable authorities to sit on more than one as required. To illustrate this, we have set out diagrammatically how the Yorkshire Mayor and Combined Authority will work in tandem with localised arrangements. Further detail is contained below.

Design Principles for a governance model

Seven design principles have guided the development and collective agreement of our governance model.

1. **Ambition** – the governance model drives the level of ambition that we have for Yorkshire, embracing the new and the bold alongside the best of local practice in decision making and accountability.
2. **Strong visible leadership** – the model establishes and enables inspirational leadership which directly contributes to delivery of our objectives; this is not a symbolic figure head role, but a role with real authority and accountability to lead change and growth.

3. **A single, inclusive Combined Authority** – the model establishes unified political leadership across Yorkshire, providing legitimate political consensus to agree and focus on delivery of the collective goals of the Authority, and Yorkshire.
4. **Receiving and making better use of power and resources coming down from Westminster** – the model will utilise some central powers and resources to deliver more and better growth through local decision making. That the model is not established to ‘suck up’ power and resources from local Councils.
5. **Consensus based decision making** – the model will enable collective agreement on strategic direction and decisions that can drive growth across Yorkshire.
6. **Subsidiarity** – the model will enable decisions to be made at the most appropriate spatial level, based on judgements about impact on Yorkshire’s goals and objectives, against the simple principle of ‘only do what only you can do’.
7. **Trust and common endeavour** – the model will facilitate transparent and inclusive decision-making in the delivery of Yorkshire objectives.

A Yorkshire Combined Authority

The elected Yorkshire Mayor will Chair the Yorkshire Combined Authority, where all members are represented and can have a say. The YCA will discharge all functions collectively and consistently, in keeping with the One Yorkshire design principles. Decision-making committees of the YCA will discharge functions appropriately and efficiently while ensuring delivery takes place at the most appropriate spatial level.

To help achieve this, a Budget and Policy framework will be established at the YCA level as a reference point for ensuring consistency of decision making. The Policy framework will incorporate the key strategies that will deliver Economic impact, for example:

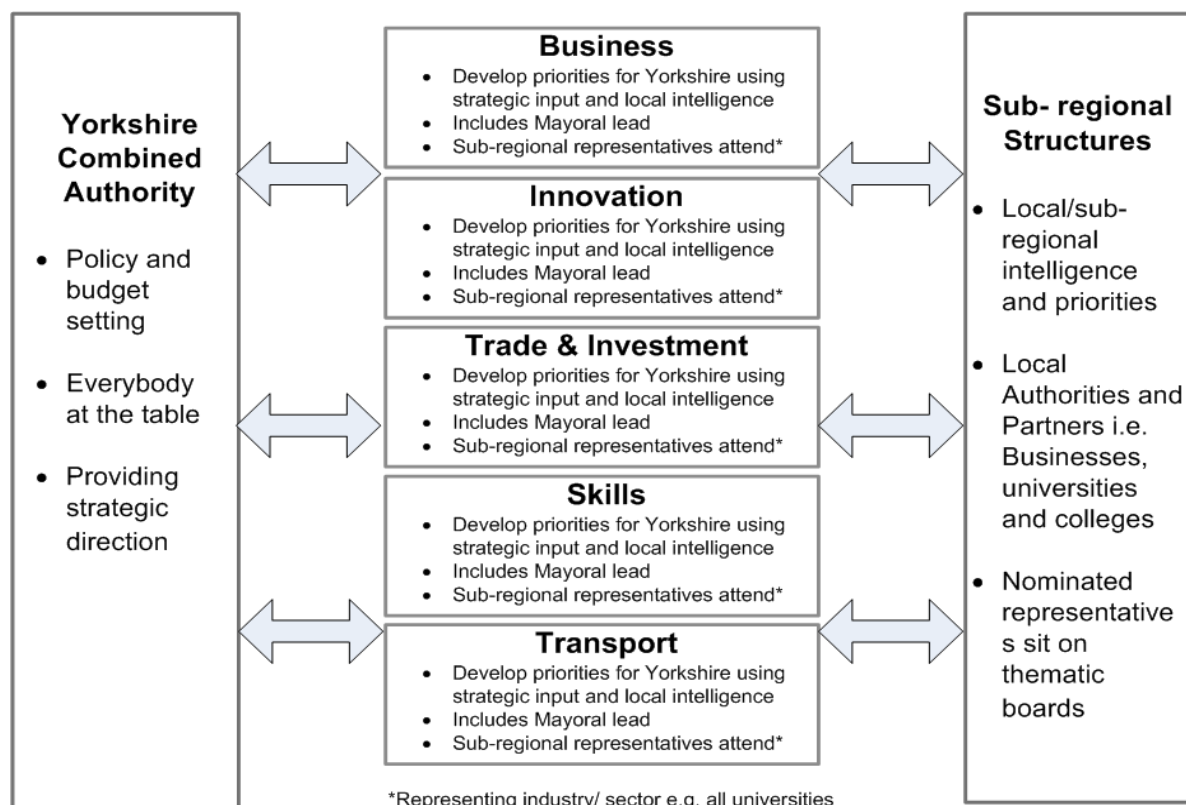
- a. Yorkshire Industrial Strategy
- b. Yorkshire Skills and Employment Strategy
- c. Yorkshire Trade and Inward investment Plan
- d. Yorkshire Strategic Transport Plan

The budget framework will also be agreed at YCA level and will resource the delivery of agreed strategies/plans. The Mayor will present their budget and policy framework annually to the YCA for approval.

A Yorkshire-wide Industrial Strategy will be the mechanism through which the Combined Authority will make full use of all the economic assets across the region; for the first time, Yorkshire’s Ports, Airports and In-land Ports can be harnessed in a way that City Region devolution is unable to. The YCA will be ideally placed to make

infrastructure investment decisions that link these economic assets to the rest of Yorkshire in a way that truly maximises their potential, demonstrating the scale and scope of opportunity that only One Yorkshire devolution can achieve. The Yorkshire CA also offers economies of scale and more efficiency through reduced administrative costs with sub-committees/LEPs managed through a single entity with improved policy and delivery coherence through a regional industrial strategy that will improve productivity, economic growth and social mobility.

Committees of the YCA would be established, **thematically** and **sub-regionally**, to discharge functions of the Mayor and YCA. Mayoral leads will work within the thematic and sub-regional structures of the YCA drawing on local intelligence, data and delivery infrastructure to deliver for the people of Yorkshire.



Pan-Yorkshire Thematic Boards

Pan-Yorkshire Thematic Boards will have a county-wide remit and include the Mayor or Mayoral lead, sub-regional representatives and key partners such as Universities, relevant Government Departments and Business representatives for example Chambers of Commerce. These decision-making Boards will:

- Develop **Investment priorities** that fulfil the overarching budget and policy framework,
- **Commission the delivery** of activity to meet those priorities through sub-regional structures
- **Monitor** the economic and social impact including the distribution of resources.

Sub-Regional Structures

Sub-regional structures will ensure that decision-making takes place at the lowest possible spatial level. Strategic leadership e.g. a Yorkshire Industrial Strategy will be led by the YCA and Mayor, leaving sub-regional committees to focus on commissioning, oversight and delivery that meets the unique needs of that sub-region. This is crucial in ensuring devolution works for our communities, towns, cities, sub-regions and wider Yorkshire.

These sub-regional structures will:

- Provide local intelligence, data and insight
- Oversee delivery of activity in their sub-region
- Maintain a real place-based focus, ensuring that the range of functions discharged by the combined authority work for all parts of the region.

These sub-regional committees will mirror the same geographic footprint as Yorkshire Local Enterprise Partnerships, as far as practicable. This model is consistent with the One Yorkshire design principles of subsidiarity and inclusivity. It is also flexible and adaptable as non-constituent members of the YCA can be co-opted onto these committees (for example authorities on the South bank of the Humber). Local authorities who wish to be represented on more than one sub-regional committee would be free to do so.

How will this work in practice? Skills: A demonstrative example

Yorkshire and Humber has an above average proportion of workers with no qualifications and only 33% of employees have an NVQ 4+; which is 5 percentage points below the national average; a significant drag on productivity and earnings.

The One Yorkshire economic study concludes that coordination of effort on higher-level skills at Yorkshire level can add significant value with sub-regional arrangements focusing on the delivery of relevant vocational skills and qualifications.

There are some issues where it makes sense to respond at a Yorkshire level, for example higher level qualifications. There are some issues where it makes sense to respond at a more local spatial level, for example lower level and vocation qualifications. This model allows flexibility to do just this as set out below:

Skills at the Yorkshire CA level

The Yorkshire Industrial Strategy identifies the high level skills issues faced by the region so the CA and Mayor approve a skills policy framework which includes an objective to increase the number of employees qualified to NVQ4+ and to close the national performance gap. A budget (funded from devolved revenue Gainshare) is also allocated to the delivery of this priority at both regional and sub-regional level.

Skills at thematic Board level

The pan-Yorkshire Skills Board develops a region-wide skills plan that reflects this shared priority, which includes specific activity to improve the number of employees qualified to NVQ4+. The Board oversees the commissioning of pan-Yorkshire activity and monitors progress toward the achievement of this priority.

Skills at the sub-regional level

Working with local partners, sub-regional committees ensure that wider skills needs are met including higher level skills and lower level vocational skills. This will ensure clear progression routes are in place for residents to develop higher and more transferrable skills while also improving the mobility of the labour market across the region.

Transport functions

There is a clear case for a regional focus on transport:

- Over the long-term, Yorkshire-level devolution could lead to uplift in transport investment.
- There is significant commuting between sub-regions which may be being suppressed by fare structures and service offers. These could be addressed most effectively at regional level.
- Yorkshire has notable strategic transport assets, such as Humber Ports. Sub-regional SEPs tend to focus their attention on local assets which limits the potential for wider promotion and development of strategic assets which are both regionally and nationally significant.

There are a number of key principles that will guide our approach and recognise both the existing arrangements and our longer term ambitions to provide a more joined up approach to transport across the region. These include the following:

- The Yorkshire Mayor would hold ultimate responsibility for franchised bus services across all or part of the Combined Authority area¹, and for integrating smart ticketing across all forms of transport.
- The strategic integration of transport and other infrastructure will be co-ordinated at the pan-Yorkshire level through a non-statutory spatial investment plan.
- Transport delivery at a sub-regional basis will reflect the most appropriate and effective delivery mechanism which may comprise both sub-regional structures and arrangements with existing individual Local Transport Authorities. In this regard reference is made to existing solutions which have been developed elsewhere to address similar scenarios e.g. North of Tyne, which we are confident can be utilised for One Yorkshire.
- There is no intention to take existing powers from local authorities, including transport powers, without agreement.

¹ by virtue of the Bus Services Act 2017

Overview and Scrutiny

Overview and Scrutiny arrangements will be fully embedded within the Yorkshire CA which will embrace both the CA and the LEP structure.

Route Map

Timely implementation against the route map is dependent on various specific activities being undertaken by local One Yorkshire partners, SY local partners and by Government, including the following:

- *Local One Yorkshire partners*
 - Negotiating with Government a One Yorkshire deal by October/November
 - Making two key decisions:
 - (a) November 2018 - ratification of a One Yorkshire deal and authorisation to undertake a statutory governance Review; and
 - (b) October 2019 - local consents to the Order/s needed to establish the One Yorkshire Mayoral CA.
 - Between January and April 2019 undertaking a full consultation on a statutory governance Review which had concluded changes are needed, and on specific proposals for a One Yorkshire Mayoral CA contained in a Scheme
 - Developing an operational transitional plan in June 2019, including transport arrangements
 - Between January and May 2020 to establish the One Yorkshire Mayoral CA, issue the notice of election, and oversee the election of a Yorkshire Mayor.
- *SY local partners and SCR Mayor*
 - In October, the SY local authorities and SCR Mayor would reach agreement in principle to consent to an SCR Mayoral Powers Order, providing sufficient progress is made in negotiations with Government on a One Yorkshire deal and SCR agreement for Barnsley and Doncaster to leave.
 - In December, consenting to the SCR Mayoral Powers Order
- *Government*
 - In October, agreement to negotiate on and conclude a One Yorkshire deal on the basis that the SCR deal will be fully delivered and that any or all SY authorities would not be prevented from joining the One Yorkshire deal by May 2020 at the outset.
 - In December, secure local SY consent to an SCR Mayoral powers Order, and make the Order by April 2019, fully implementing the SCR deal;
 - Between July and September 2019 to prepare draft Order/s for establishing the One Yorkshire Mayoral CA, and secure One Yorkshire local consents to the Order/s by October 2019
 - By March 2020 to make the One Yorkshire Order/s after passing through Parliament.

The above processes are consolidated below into an at-a-glance tabular route map.

Timeline		Action
2018	Oct	<ul style="list-style-type: none"> One Yorkshire Leaders submit the following to Government: the independent economic case; governance proposals.
	Oct - Nov	<ul style="list-style-type: none"> SY authorities and SCR Mayor agree in principle to consent to an SCR Mayoral Powers Order, providing sufficient progress being made in negotiations with Government on a One Yorkshire deal based on the election of a Yorkshire Mayor by 2020. One Yorkshire devolution deal is duly signed, including Government's commitment to enable any or all SY authorities to join from day 1 in 2020, subject to prior implementation of the SCR deal.
	Nov	Council/CA ratification of One Yorkshire devolution deal and authorisation to undertake statutory governance Review (subject to setting up any special meetings/ accepting late agenda items, where needed).
	Dec	<ul style="list-style-type: none"> Review concludes a Mayoral Yorkshire CA needs to be established in order to effect an improvement the exercise of devolved functions which will in turn improve local economic conditions. Draft One Yorkshire Scheme is prepared, setting out the new governance arrangements (including proposals to amend boundaries of existing CAs or dissolve those arrangements). SCR Mayor and SY Authorities consent to SCR Order.
2019	Jan-April	<ul style="list-style-type: none"> Councils/CA undertake full public consultation on One Yorkshire Scheme, to be completed by April 2019, subject to this activity being considered permissible during purdah. SCR Order is made, fully implementing the SCR Deal.
	May	Leaders finalise One Yorkshire Scheme and submit it - together with a summary of consultation findings - to the Secretary of State.
	June	CXs develop and implement a One Yorkshire Transition Plan, covering all operational and delivery issues (including transport).
	July - Sept	Secretary of State considers One Yorkshire Scheme and prepares draft One Yorkshire Order/s establishing the Mayoral Yorkshire CA.
	Oct	Council/CA consents to One Yorkshire Order/s, (may require special meetings/late items).
	Nov - Dec	One Yorkshire Order/s laid before Parliament.
2020	Jan - Mar	<ul style="list-style-type: none"> One Yorkshire Order/s made. Yorkshire Mayoral CA established (to enable issuing notice of Mayoral election).
	May	Election of Yorkshire Mayor.