

York and North Yorkshire Combined Authority

22 January 2024

Combined Authority Local Assurance Framework

Report of the Director of Transition

1.0 PURPOSE OF REPORT

- 1.1 The report seeks approval of a draft Local Assurance Framework for the York and North Yorkshire Combined Authority.

2.0 BACKGROUND

- 2.1 The York and North Yorkshire Combined Authority has now been created in January 2024 with a Mayor being elected in May 2024.
- 2.2 The Government requires Mayoral Combined Authorities with devolution deals to produce, submit and publish a Local Assurance Framework, setting out how all devolved and awarded funding and powers, including Mayoral Investment Fund, Adult Education Budget (AEB), Net Zero Fund and Brownfield Housing Fund will be administered. The Department for Levelling Up, Housing and Communities (DLUHC), the Department for Transport (DfT) and the Department for Education (DfE) - must consider and approve the Assurance Frameworks of all Combined Authorities with devolution deals prior to funding being released. As Brownfield Housing Fund and Net Zero Fund programmes have commenced prior to the establishment of the Combined Authority (CA), bespoke assurance arrangements were approved by the Devolution Joint Committee at its meeting on 30 November 2023 and submitted to government for approval.
- 2.3 Local Assurance Frameworks are a requirement under the English Devolution Accountability Framework, and set out how CAs will use public money responsibly, make robust and lawful decisions, achieve best value for money and act in an open and transparent manner. They explain the governance structures in place for making decisions, outlines the policies and procedures in place to support decision-making, summarise how investments and interventions are appraised and managed, and how the CA will publish information.
- 2.4 The Government also requires Mayoral CAs with devolution deals to produce and publish an accompanying Monitoring and Evaluation Framework which details how projects and programmes funded through devolved and awarded funding will be monitored and evaluated. This document is in progress and will be submitted to the Combined Authority for approval at a future meeting.
- 2.5 The Assurance Framework attached at Appendix A has been developed in accordance with the principles of the Levelling Up White Paper, the English Devolution Accountability Framework (issued in March 2023), National Local

Growth Assurance Framework guidance (issued in September 2021) and HM Treasury Green Book (November 2022).

- 2.6 This Assurance Framework has been drafted in such a way to establish the CA on a compliant foundation to draw down its first allocation of resources, make robust and lawful decisions, and be well placed to build upon to bid for further devolved powers and funding where available. Whilst the Assurance Framework must be reviewed annually, it should be noted at this stage, that there will be several subsequent amendments required throughout 2024-2025 to incorporate the assurance approach towards forthcoming functions and responsibilities for the Adult Education Budget which will be informed by further Statutory Instruments.
- 2.7 The draft Assurance Framework is attached at Appendix A.
- 2.8 At the time of this meeting, the draft Local Assurance Framework has been approved by the Devolution Joint Committee and is now under review with the Department for Levelling Up, Housing and Communities, Department for Education and Department for Transport. Some minor amendments have already been received by the Department for Education but the review is ongoing and further amends are anticipated. The Combined Authority is asked to note that officers will carry out any minor typographical corrections, but is also asked to delegate authority to the Interim Head of Paid Service, in consultation with the Chair and Vice Chair, to make any material changes which may be necessary for the submission of a final draft to Government.

4.0 LOCAL ASSURANCE FRAMEWORK REQUIREMENTS

- 4.1 The English Devolution Accountability Framework sets out a range of expectations for Local Assurance Frameworks:
- Confirm Accountable Body arrangements for funding received from government through devolution deals
 - Confirm that the use of resources is subject to the usual local authority checks and balances – including the financial duties and rules which require authorities to act prudently in spending, which are overseen and checked by the responsible Chief Finance Officer (the Section 73 Officer) and to ensure that annual accounts are published. This should include reference to the Combined Authority’s overview and scrutiny and audit committee functions
 - Confirm, where applicable, that investment decisions using public funds will be made with reference to statutory requirements, conditions of the funding, local objectives (e.g. transport objectives) and through formal LEP involvement
 - Describe the arrangements for enabling effective and meaningful engagement of local partners and the public to inform key decisions and future strategy development
- 4.2 The Local Assurance Framework should set out the key roles and responsibilities in decision making. In particular, it should set out which body (or bodies) has the authority to set strategy, budgets, and individual investment decisions, including any delegated authority. It should set out, for example, the distinct responsibilities of the Mayor and other Combined Authority members.

- 4.3 In line with the Local Government Accountability Framework, Government expects the Level 3 institution to ensure appropriate arrangements are in place so that decision-making and recording is transparent, and that requests for information, conflicts and complaints are dealt with appropriately. Government would also expect to see arrangements in place to enable effective engagement with local partners and the public.
- 4.4 Local Assurance Frameworks should set out the means by which directly elected leaders will be involved in funding allocation and decision making. No spending commitments beyond the initial 5-year allocation should be made until elected leaders are in place and have agreed to the investment strategy. This is consistent with the ambition and agreement to hold a single democratically elected leader accountable, and for their democratically invested power to influence the allocation of funding.

5.0 NEXT STEPS

- 5.1 The draft framework has been submitted to Government departments for review and approval.
- 5.2 Following any required amendments from Government departments, a final draft will be agreed with Government for Ministerial sign-off. The Local Assurance Framework will be published on the Combined Authority website once approval has been granted by Government. This will allow Government to release the first tranche of devolved funding.
- 5.3 Regular updates on the Assurance Framework will be reported to the Audit and Governance Committee, and a revised version will be presented annually to the Combined Authority.

6.0 LEGAL IMPLICATIONS

- 6.1 The Local Assurance Framework reflects the powers and governance framework set out in the York and North Yorkshire Combined Authority Order 2023. It describes the statutory responsibilities set out in the Order and the Combined Authority's Constitution, which should be read alongside it.
- 6.2 Failure to have in place an approved Assurance Framework would be a breach of the Combined Authority's statutory duty.

7.0 FINANCIAL IMPLICATIONS

- 7.1 Approval of the Assurance Framework is required by Government to release devolved funds. Failure to submit the Assurance Framework will lead to delays in the receipt of those funds.

8.0 CLIMATE CHANGE IMPLICATIONS

- 8.1 No climate change implications are associated with the approval of the draft Assurance Framework,

9.0 EQUALITIES IMPLICATION

- 9.1 No direct equalities arise from this report, however the Assurance Framework contains provision for a diverse and inclusive Business Committee.

10.0 REASONS FOR RECOMMENDATIONS

- 10.1 It is a requirement of Government to produce, submit and publish a Local Assurance Framework two months prior to devolved funds being released to Combined Authorities or their Accountable Bodies.

11.0 RECOMMENDATIONS

11.1 The Combined Authority is recommended to:

- (a) Approve the draft Combined Authority Local Assurance Framework; and
- (b) Delegate authority to the Interim Head of Paid Service, in consultation with the Chair and Vice Chair, to make any material changes which may be necessary for the agreement of a final draft with Government.

Background Documents

[National Local Growth Assurance Framework \(September 2021\)](#)

[English Devolution Accountability Framework \(March 2023\)](#)

[HM Treasury Green Book \(October 2023\)](#)

[The York and North Yorkshire Combined Authority Order 2023 \(Draft\)](#)

Appendix A – Draft Local Assurance Framework

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