

Department for Levelling Up, Housing & Communities



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CONTENTS

Introduction	4
How is the Mayoral Combined Authority run?	8
What budgets do the Mayor and Mayoral Combined Authority have?	10
What powers do the Mayor and Mayoral Combined Authority have?	16
Transport	18
Bus franchising powers	20
Annex A: Combined Authorities: origins, powers, and responsibilities	21
Annex B: Useful words and phrases	22

INTRODUCTION

The Mayor represents South Yorkshire across the region, the country and around the world. They are able to work with leaders of councils, local authorities, businesses, and other key stakeholder organisations (for example, colleges, universities, local trade bodies) to create jobs, drive sustainable economic growth, improve skills, build homes, and make it easier to travel.

The directly-elected Mayor and the South Yorkshire Mayoral Combined Authority are able to:

- **Invest in local economic priorities** through an investment fund agreed as part of the devolution deal, worth £30 million per year over 30 years £900 million in total.
- Access a five-year **City Region Sustainable Transport Settlement** starting in 2022/23, which succeeds the earlier 'Transforming Cities Fund' programme.
- Set out how land should be used to deliver the area's housing, employment, and transport needs, with options to create new Mayoral Development Corporations and to exercise compulsory purchase powers subject to the agreement of the Mayoral Combined Authority member(s) where the relevant land is located to support delivery on strategic sites in South Yorkshire.
- Exercise **compulsory purchase powers**, subject to the agreement of the South Yorkshire Combined Authority member where the relevant land is located.
- Take on new transport powers, including bus franchising and control of a Key Route Network.
- Control the adult education budget to shape local provision to respond to local skills and employment needs.

This guide provides more information about the powers and budgets that have been passed to the South Yorkshire Mayoral Combined Authority and Mayor, and their respective responsibilities. While the Mayoral Combined Authority had a number of powers on its establishment in 2014, all further powers became available when the deal was signed into law in 2020. It should be noted that only multi-year funding settlements are detailed in this document, the short-term funding agreed as part of the original devolution deal are not. A copy of the 2015 devolution deal between the South Yorkshire Mayoral Combined Authority area, then known as the Sheffield City Region Combined Authority, and the government – which goes into more detail on the changes that have been agreed to powers, budgets and ways of working – <u>can be found online here</u>.

An explanatory memorandum of the legislative order that placed the devolution deal into law <u>can be found online here</u>.

A short history of the Mayoralty

On 1 April 2014, the Combined Authority was legally established. Then on 2 October 2015 the Sheffield City Region Devolution Deal was agreed, and in May 2018 residents of Barnsley, Doncaster, Rotherham, and Sheffield were able to elect the region's first mayor.

On 27 July 2020 the Sheffield City Region Devolution Deal was signed into law, giving the Sheffield City Region Mayor access to the powers and funding outlined in the deal.

From 17 September 2021, to better reflect the geography that the mayoralty covers, its official titles and branding were changed to the 'South Yorkshire' Mayor and Mayoral Combined Authority. More information about this name change <u>can be found here</u>.



Runners in Sheffield - Image credit: SYMCA

Statement from the South Yorkshire Mayoral Combined Authority

Led by the Mayor of South Yorkshire, we bring together the local authorities of Barnsley, Doncaster, Rotherham, and Sheffield, and the private sector through our Local Enterprise Partnership (LEP). The Mayor, Mayoral Combined Authority (MCA), and LEP have a shared purpose to create a stronger, greener, fairer South Yorkshire. We work together to unlock the potential of our people, businesses, and places and ensure they prosper.

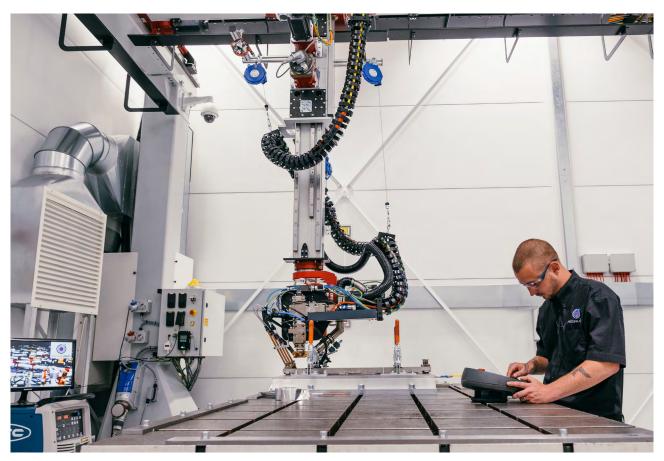
Our region:

We have a population of 1.4 million people, with over 47,000 businesses providing 662,000 jobs.

We enjoy a location in the heart of the UK, with a dynamic city, thriving market towns, and a significant rural economy.

We are a region of makers and a heartland of innovation. Our renowned industrial heritage put South Yorkshire at the heart of the world's first industrial revolution, and our capabilities can put us at the centre of the fourth.

Our long-standing strengths in advanced manufacturing, digital industries and health and wellbeing mean we are helping to solve some of the world's greater challenges. We are driving transformational projects in healthcare, life sciences and technology.



Engineer at the Advanced Manufacturing Research Centre (AMRC), Rotherham - Image credit: SYMCA

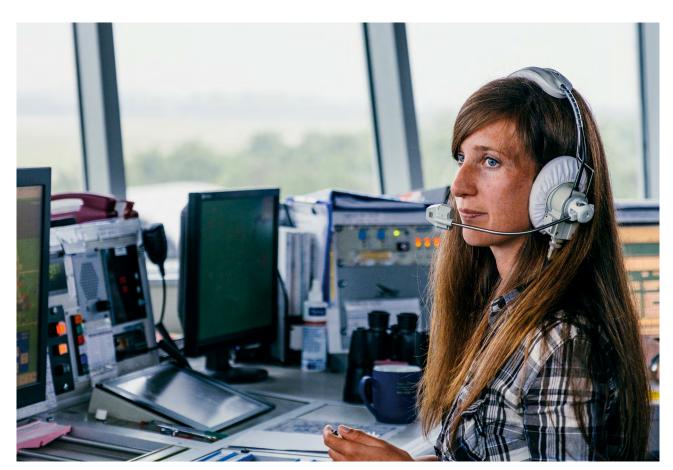
Our region is pioneering the development of materials for the future, and we are leading the way in low-carbon technologies.

Our people are creative and pioneering. We have a strong talent pool and a highly skilled workforce. We are home to world-class companies and universities, and 2 million people live within commutable distance.

We are surrounded by outstanding countryside and green spaces, with 17,000 square kilometres of National Park, including the Peak District, on our doorstep. South Yorkshire has a rich and varied arts and cultural offer, born out of a global heritage of creativity, making and innovation, and a vibrant creative sector shaping our story today.

Our vision:

Our vision is to grow an economy that works for everyone. We will develop inclusive and sustainable approaches that build on our innovation strengths and embraces the UK's fourth industrial revolution, to contribute more to the country's prosperity and enhance quality of life for all.



Air Traffic Controller at Doncaster Sheffield Airport, Doncaster - Image credit: SYMCA

HOW IS THE MAYORAL COMBINED AUTHORITY RUN?

The Mayoral Combined Authority brings together the councils in the area to work on issues that affect everyone in South Yorkshire. It was first established as the Sheffield City Region Combined Authority, without a Mayor, in 2014, and held its first mayoral elections on 4 May 2018. The name of the combined authority was changed on 17 September 2021 to be the 'South Yorkshire' Mayor and Mayoral Combined Authority to better reflect its geography and the remit of the Mayor's powers.

The term of office for the Mayor is four years and the next election will take place in May 2022. The Mayor is a member and Chair of the Mayoral Combined Authority.

The Mayor is required to appoint one of the members of the Mayoral Combined Authority to the role of Deputy Mayor. The Deputy Mayor acts in place of the Mayor if, for any reason, the Mayor is unable to act, and chairs meetings of the Mayoral Combined Authority in the Mayor's absence.

The South Yorkshire Mayoral Combined Authority has five voting members, which form the Mayor's Cabinet. These are the elected South Yorkshire Mayor and four elected members that are appointed from each of the constituent councils (Barnsley, Doncaster, Rotherham, and Sheffield).

Neighbouring local councils and partner organisations can be non-constituent members of the Mayoral Combined Authority. They play a significant role in informing policy on shared issues. These will be non-voting members unless the Mayoral Combined Authority resolves to give them a vote on any issues. Non-constituent members for the South Yorkshire Mayoral Combined Authority currently include representatives from the councils for Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales, and North East Derbyshire.

Proposals for decisions by the Mayoral Combined Authority may be put forward by the South Yorkshire Mayor or any Mayoral Combined Authority Member. The Mayor has one vote, as do other voting members of the Mayoral Combined Authority. Questions that are discussed by the Mayoral Combined Authority are decided by a simple majority of the voting members present, unless the law states differently. Where a decision relates to a new function which the Mayoral Combined Authority acquired through the devolution deal, or where required by the Authority's constitution, that simple majority must include the vote of the Mayor. The Mayor is required to consult the Mayoral Combined Authority on all mayoral strategies.

Combined authorities are covered by the Local Government Transparency Code, which explains how all councils must make information on their decisions available to the public. More information on this is available here. The formal meetings of the Mayoral Combined Authority must be open to the public, and agendas, discussion papers, and minutes must

be published online. The Mayoral Combined Authority's website at www.southyorkshire-ca.gov.uk includes records of all such meetings and papers, with meetings also webcast live and which can be viewed retrospectively here.

The Mayor and the Mayoral Combined Authority are scrutinised and held to account by the Combined Authority's Overview and Scrutiny Committee and Audit, Standards and Risk Committee (see here for more information about its committees). The Mayor is also required to consult the Mayoral Combined Authority Cabinet on their strategies, which the cabinet may reject if two-thirds of the members agree to do so.

The activities of the Mayoral Combined Authority and Mayor detailed in the deal are funded through devolved budgets, explained in this document, and financial contributions from the member councils, which agree their contributions through their own budget setting process. The Mayor must set a budget for mayoral functions and may set a precept (an additional amount) on council tax to fund these. The other members of the South Yorkshire Mayoral Combined Authority can propose amendments to the Mayor's draft budget. The Mayoral Combined Authority can insist amendments are made if at least a two-thirds majority of the members agree to do so.

The South Yorkshire Mayoral Combined Authority, just like its constituent councils, must be run in the way described in the Local Government Accountability System Statement. This is a document that describes how the Accounting Officer for the Department for Levelling Up, Housing and Communities (DLUHC) makes sure they are confident that all local authorities – including combined authorities – are managing their finances appropriately. It explains how local authorities must be careful with taxpayers' money and make sure that the law is always followed properly.

The Mayoral Combined Authority's Chief Finance Officer (also known as the 'Section 73 Officer') must make sure that the Mayoral Combined Authority manages taxpayers' money properly and secures good value for money. The Mayoral Combined Authority's Audit and Scrutiny Committee arrangements also have an important role in monitoring how it manages its finances.



BMX biker at Parkwood Springs Mountain Bike Trail, Sheffield - Image credit: SYMCA

WHAT BUDGETS DO THE MAYOR AND MAYORAL COMBINED AUTHORITY HAVE?

The Mayor and the South Yorkshire Mayoral Combined Authority are able to:

- Invest in local economic priorities to drive growth in South Yorkshire through control of a £30 million per year Investment Fund grant, worth £900 million over 30 years.
- **Invest in adult education provision** to help local people get the skills they need, with full consideration for statutory entitlements.
- Manage local transport funding and create and manage a network of the most important local roads to help people travel more easily.

Part of the ambitions of the devolution deal is for South Yorkshire Mayoral Combined Authority to have control of a 'single pot' of funding from government to invest in local economic priorities. This is made up of a number of different budgets. When fully implemented, the South Yorkshire Mayoral Combined Authority will have the flexibility to move funding between different types of projects and between financial years, to support the local economy and respond to local priorities. The single pot is subject to review by central government every 5 years.

The local area must produce an Assurance Framework which meets the requirements set out in national guidance published by the government. This framework explains how the Mayoral Combined Authority will make decisions on spending its funds. The Accounting Officer for the Department for Levelling Up, Housing and Communities must agree the Local Assurance Framework prior to funding being released.

The South Yorkshire Assurance Framework is reviewed, updated, and published for the start of each financial year and is available online at the <u>South Yorkshire Mayoral Combined Authority website</u>.

THE INVESTMENT FUND - GRANT

WHAT ARE THE MAYOR AND THE MAYORAL COMBINED AUTHORITY ABLE TO DO? The South Yorkshire Mayor and Mayoral Combined Authority have taken control of a long-term fund of £30 million per year, for 30 years, to invest in projects that drive economic growth.

They are able to use this funding to bring in further investment from elsewhere. The funding is subject to five yearly 'Gateway Reviews' to review the economic impact of the Investment Fund spends.

WHAT IS THE LOCAL AREA ACCOUNTABLE FOR, AND HOW ARE DECISIONS MADE?

What is the local area accountable for?

The Mayoral Combined Authority, chaired by the South Yorkshire Mayor, is accountable for allocating the investment fund. They should consider advice from business leaders (via the Local Enterprise Partnership) and from local officers. They should follow a clear and open process for choosing what projects they will deliver.

Before receiving this funding, the local area was required to agree an Assurance Framework with Government.

The Mayoral Combined Authority's Chief Finance Officer (Section 73 Officer) must make sure that the Mayoral Combined Authority is careful with taxpayers' money and follows the law.

How are decisions made?

The Mayoral Combined Authority aims to reach decisions by consensus. Where this is not possible, questions are decided by the Mayoral Combined Authority by a simple majority of the members present and voting, unless the law states differently. More information can be found on page 8. The Mayoral Combined Authority is responsible for administration of the investment fund.

WHAT IS CENTRAL GOVERNMENT ACCOUNTABLE FOR, AND HOW? The Accounting Officer at the Department for Levelling Up, Housing and Communities is responsible for making sure that the overall funding system for councils and combined authorities (the 'Local Government Finance System') meets the needs of councils, and that councils are being careful with taxpayers' money and following the law.

The Accounting Officer for the Department for Levelling Up, Housing and Communities makes sure they are confident that this is done properly through the process set out in the Accountability System Statement for Local Government. If a council or combined authority is not following the law or spending money properly, the Secretary of State for Levelling Up, Housing and Communities can step in, as a last resort, and take more control of how it is run until the problems are resolved.

The Accounting Officer for the Department for Levelling Up, Housing and Communities must also agree the Local Assurance Framework (see above).

An independent panel will report to the government every 5 years on how investments have made a difference to the local economy. Government ministers will then decide whether the funding for the Mayoral Combined Authority should continue for the next 5 years.

HOW MUCH MONEY IS INVOLVED?

An annual payment of £30 million is made from the Department for Levelling Up, Housing and Communities to the South Yorkshire Mayoral Combined Authority. The maximum value of government funding via this investment fund will be £900 million, over the maximum 30-year lifetime.

WHEN DID THIS START AND WHEN DOES IT END?

The first annual payment of the investment fund was made in the financial year 2020/21, and the final payment will be made in the financial year 2049/50.

ADULT EDUCATION BUDGET AND POWERS

WHAT ARE THE MAYOR AND THE MAYORAL COMBINED AUTHORITY ABLE TO DO? The Mayoral Combined Authority has responsibility for the Adult Education Budget in the Mayoral Combined Authority area. The Adult Education Budget provides funding to engage adults and provide the skills and learning they need to equip them for work, an apprenticeship or further learning. By law, it must provide adults 19+ with free study on English and maths qualifications up to level 2 (GCSE grade 4 or equivalent) where they do not already have them, and on Essential Digital Skills qualifications where their digital skills are assessed at below level 1. It must also pay for those aged 19-23 without the equivalent of 5 GCSE passes or 2 A level passes to study for those qualifications.

The Adult Education Budget also pays for other training for adults up to and including level 3 (A level equivalent). This includes training for unemployed people, who may be referred to training by the national welfare system, and community-based learning for disadvantaged people.

WHAT IS THE LOCAL AREA ACCOUNTABLE FOR?

The South Yorkshire Mayoral Combined Authority is accountable for the decisions it takes on funding adult education and the outcomes achieved as a result. It has statutory duties to ensure appropriate further education for people aged 19+, funded through the Adult Education Budget.

The Mayoral Combined Authority works closely with constituent councils who continue to have a key leadership role in education and training, and have a unique insight into local need, funding usage and the impact of the Adult Education Budget in their area.

Traineeships, apprenticeships, and higher-level further education, supported by Advanced Learner Loans, remain the responsibility of national government.

The local area must agree an Assurance Framework with Government (see above), this will need to cover adult education.

WHAT IS CENTRAL GOVERNMENT ACCOUNTABLE FOR, AND HOW? The Accounting Officer for the Department for Levelling Up, Housing and Communities must agree the Local Assurance Framework (see above).

The Department for Education will need to agree with the Mayoral Combined Authority the governance arrangements covering the operation of devolved adult education within the wider education and skills system.

The Department for Education must report to Parliament on how the central Adult Education Budget has been spent. Mayoral Combined Authorities will be accountable for spend and reporting in their area. The Department for Education and Mayoral Combined Authorities will collect data in their areas of responsibility in order to do so.

The government is still able to step in if the Adult Education Budget is not being effectively managed or delivered by the Mayoral Combined Authority.

HOW MUCH MONEY IS INVOLVED?

The Department for Education annually calculates the appropriate portion of England's Adult Education Budget for local areas.

WHEN DID THIS START?

South Yorkshire Mayoral Combined Authority started to receive this funding from the academic year 2021/22.

TRANSPORT GRANT / FUNDING

WHAT ARE THE MAYOR AND MAYORAL COMBINED AUTHORITY ABLE TO DO? The Mayor is responsible for a devolved and consolidated local transport budget for the area of the South Yorkshire Mayoral Combined Authority, including all relevant devolved highways funding.

The government awarded the South Yorkshire Mayoral Combined Authority, then known as the Sheffield City Region, with £170.5 million from the Transforming Cities Fund. The funding was awarded through competitive processes in 2019 and 2021 and is for the Mayoral Combined Authority to progress schemes completing in March 2023 within their prioritised programme. The Mayoral Combined Authority also has scope to prioritise investments above this level, subject to other funding availability. They also are expected to assure all Transforming Cities Fund schemes locally irrespective of cost.

From 2022/23, most Mayoral Combined Authorities will receive 5-year City Region Sustainable Transport Settlements, subject to future spending reviews, which will incorporate the final year of the Transforming Cities Fund allocations.

WHAT IS THE LOCAL AREA ACCOUNTABLE FOR AND HOW ARE DECISIONS MADE?

What is the local area accountable for?

Constituent councils continue to uphold their role as highways authorities for their district area, making sure that local roads are in a good state of repair, and upholding all their duties required by law. They are also able to work with the Mayoral Combined Authority and the Mayor to set up and coordinate an identified Key Route Network (explained fully in powers section under 'Transport'). Constituent councils continue to provide funding for the Mayoral Combined Authority for its transport functions via a transport levy.

How are decisions made?

The Local Transport Plan can be adopted, changed, withdrawn, or revoked by a majority vote of the Mayoral Combined Authority.

WHAT IS CENTRAL GOVERNMENT ACCOUNTABLE FOR, AND HOW? Highways England look after the strategic roads in the country, which includes motorways and key A roads. In South Yorkshire, these include the M1, M18 and A roads such as the A60 and A61.

HOW MUCH MONEY IS INVOLVED?

In addition to funding secured through the Transforming Cities Fund and the Transport Levy, the Mayoral Combined Authority and the Mayor control its own consolidated transport budget. This is a multi-year settlement agreed at the spending review. The budget for transport covers a range of local transport needs and is a part of the investment fund (detailed above).

The government confirmed as part of the October 2021 spending review that it will provide a new five-year, City Region Sustainable Transport Settlement with Mayoral Combined Authorities starting from 2022/23, including an indicative allocation of £570 million for South Yorkshire.

WHEN
DID THIS START?

The South Yorkshire Mayoral Combined Authority received an initial 'tranche one' Transforming Cities Fund award in 2018/19, followed by 'tranche two', three-year award covering the period from 2020/21. The final year of this Transforming Cities Fund award will be rolled into a new, five-year City Region Sustainable Transport Settlement from 2022/23.

WHAT POWERS DO THE MAYOR AND MAYORAL COMBINED AUTHORITY HAVE?

General power of competence

The Mayor and South Yorkshire Mayoral Combined Authority have a 'general power of competence'. This means that the Mayor and the Combined Authority can legally do anything that any individual generally may do unless the law specifically prohibits it.

Raising a precept

The South Yorkshire Mayor has the power to add a charge, or precept, onto council tax bills to help pay for the Mayor's work.

When the Mayor proposes a precept as part of their draft budget, the other Mayoral Combined Authority Members can propose amendments, including on the amount of precept. They can also insist that an amendment is applied if at least two-thirds of the other members support a change.

Borrowing powers

The South Yorkshire Mayoral Combined Authority will, subject to Parliamentary approval, be given powers to borrow for its new functions, which will allow it to invest in economically productive non-transport infrastructure, subject to an agreed cap with HM Treasury. The South Yorkshire Mayoral Combined Authority has agreed overall debt limits for 2021/22 with HM Treasury, and will provide updates about any deviation from its underlying borrowing plans.

Land and development

The directly-elected Mayor and the South Yorkshire Mayoral Combined Authority are able to help shape how land is used to meet the area's housing needs.

LAND AND DEVELOPMENT POWERS

WHAT ARE
THE MAYOR
AND MAYORAL
COMBINED
AUTHORITY ABLE
TO DO?

Housing, regeneration, and development

The South Yorkshire Mayoral Combined Authority has broad powers to acquire and dispose of land to build houses, commercial space, and infrastructure, for growth and regeneration.

They are able to invest to deliver housing for the area.

Mayoral Development Corporations

The Mayor is able to propose that particular areas should be included in 'Mayoral Development Corporations'.

A Mayoral Development Corporation is an organisation which has powers to acquire and develop land to deliver regeneration and economic development.

Within the area covered by a Mayoral Development Corporation, the Corporation may take on the task of making local plans for the area or deciding on planning applications.

WHAT IS THE LOCAL AREA ACCOUNTABLE FOR?

Mayoral Development Corporations

The South Yorkshire Mayor must make sure that any Mayoral Development Corporations that might be established are funded and run effectively, and that they are responsible with taxpayers' money and follow the law.

Increases in the value of the land as a result of the work of the Development Corporation will be reinvested in the Corporation to deliver new schemes.

HOW ARE DECISIONS MADE?

In General

As previously noted, decisions on Combined Authority business are taken by the South Yorkshire Mayoral Combined Authority. The Mayoral Combined Authority is comprised of four elected members that are appointed from each of the constituent councils (Barnsley, Doncaster, Rotherham, and Sheffield).

Mayoral Development Corporations

This power may only be exercised with the consent of the Mayor and at least three of the four Mayoral Combined Authority member(s), including all Mayoral Combined Authority member(s) who represent the area in which the Development Corporation is to be established.

WHAT IS CENTRAL GOVERNMENT ACCOUNTABLE FOR, AND HOW?

Mayoral Development Corporations

To establish a Mayoral Development Corporation, the Secretary of State for Levelling Up, Housing and Communities must lay an Order before Parliament which will automatically become law unless there is an objection from either House of Parliament.

HOW MUCH MONEY IS INVOLVED?

Spending on these functions is a decision for the South Yorkshire Mayor and Mayoral Combined Authority as part of its budget setting process.

TRANSPORT

The Mayor and the South Yorkshire Mayoral Combined Authority are able to manage local transport to help people get around more easily.

TRANSPORT POWERS

WHAT ARE
THE MAYOR
AND MAYORAL
COMBINED
AUTHORITY ABLE
TO DO?

Local Transport Plan

The Mayor and Mayoral Combined Authority are responsible for the Local Transport Plan for the area. This plan can include details of how transport will support local housing and jobs, and how the Mayor and Mayoral Combined Authority plans to tackle problems like traffic congestion and air pollution. The Mayor can agree to work with the individual councils in the South Yorkshire Mayoral Combined Authority area, and with central government (through Highways England, the national government agency), on building, improving, and maintaining roads.

Key Route Network

The South Yorkshire Mayor and Mayoral Combined Authority are able to set up a 'Key Route Network' of the most important local roads and help decide how these roads are managed.

Electric Vehicle Charging Points

Once sections 11 and 12 of the Automated and Electric Vehicles Act are in force, the Mayor has the power to request from the Secretary of State for Transport local regulations requiring large fuel retailers to provide Electric Vehicle charging points within the Mayoral Combined Authority area.

WHAT MUST THE LOCAL AREA DO, AND HOW ARE DECISIONS MADE?

What must the local area do?

Local voters can hold the Mayor to account for the quality of the roads that are part of the Key Route Network, should one be established. The individual councils that are members of the South Yorkshire Mayoral Combined Authority must continue to make sure that local roads are in a good state of repair, as required by law.

How are decisions made?

The Local Transport Plan can be adopted, changed, withdrawn, or revoked by a majority vote of the Mayoral Combined Authority.

WHAT DOES
CENTRAL
GOVERNMENT DO?

Highways England look after the strategic roads in the country, which includes motorways and key A roads. For example, in South Yorkshire these include the M1, M18, the A60 and A61.

HOW MUCH MONEY IS INVOLVED?

The Mayoral Combined Authority and Mayor control a transport budget, covering a range of local transport needs. This will include their allocation from the five-year City Region Sustainable Transport Settlement, starting from 2022/2023.

BUS FRANCHISING POWERS

The Mayor and South Yorkshire Mayoral Combined Authority are able to set the rules for local bus services, including the routes, timetables, and fares. By making a bus franchising scheme, the Mayor and South Yorkshire Mayoral Combined Authority would be able to control how bus services operate, including the routes, quality standards, timetables, and fares. Alternatively, the Mayor and South Yorkshire Mayoral Combined Authority could form an enhanced partnership with bus operators which would be able to set ticketing requirements.

BUS FRANCHISING POWERS

WHAT ARE
THE MAYOR
AND MAYORAL
COMBINED
AUTHORITY ABLE
TO DO?

The Mayor is able to decide which bus services should run in the South Yorkshire Mayoral Combined Authority area. This includes deciding on routes, timetables, and fares.

These powers are known as 'bus franchising powers' and are similar to the Mayor of London's powers to make decisions about bus services in the capital.

WHAT MUST THE LOCAL AREA DO?

If the Mayor decides to use these powers, local voters will be able to hold the mayor to account for the quality of local bus services.

The Mayor's decision on franchising will be subject to a wide consultation with residents and an assessment through a business case. The consultation will enable all local passengers, businesses and transport providers to comment on the proposals before the Mayor takes the final decision whether to implement the franchising scheme. The decision can be subject to legal challenge through a judicial review.

WHAT DOES
CENTRAL
GOVERNMENT DO?

Central government provides some funding for bus services supporting a proportion of enhanced partnerships and bus franchises but does not decide which bus services should run.

HOW MUCH MONEY IS INVOLVED?

Funding for the English National Concessionary Travel Scheme is provided by the Department for Levelling Up, Housing and Communities (DLUHC) as part of their Revenue Support Grant, established through the Local Government Finance Settlement. DLUHC annually calculates the appropriate portion of the Revenue Support Grant for local areas to support a wide range of activities.

This funding is not ringfenced, so the South Yorkshire Mayoral Combined Authority can decide whether to introduce bus franchising or to direct spending to projects that most closely match local needs and circumstances. The Mayoral Combined Authority also has the freedom to offer additional discretionary concessions, such as extended hours of travel, youth concessions and non-bus travel. However, they receive no additional funding to do so.

ANNEX A: COMBINED AUTHORITIES: ORIGINS, POWERS, AND RESPONSIBILITIES

Origins – Local Democracy, Economic Development and Construction Act 2009

The power to create a Combined Authority is contained in the Local Democracy, Economic Development and Construction Act 2009 (the 2009 Act). This gave the government the power to establish combined authorities, which, as originally provided for, would only have powers to deliver transport functions and local authority functions relating to economic development and regeneration.

Changes in 2016

The Cities and Local Government Devolution Act 2016 (the 2016 Act) became law on 28 January 2016. This amended the 2009 Act to allow combined authorities to receive a wider range of powers and functions and to have directly-elected Mayors. By making secondary legislation, called an Order, the government may:

- give any local authority power to a Combined Authority;
- give any public authority power (except for the power to make laws or to regulate the use of any powers that the Combined Authority itself uses) to a Combined Authority; and
- create an elected Mayor for a Combined Authority's area, to take on particular responsibilities directly, and to work with and chair the Combined Authority.

Secondary legislation

The legislation establishing the office of Mayor for the South Yorkshire Mayoral Combined Authority and transferring powers be found <u>online here</u>.

ANNEX B: USEFUL WORDS AND PHRASES

ACCOUNTABLE/ ACCOUNTABILITY FOR PUBLIC MONEY Accountability, or being accountable, for public money means that a person or organisation is responsible for using public money in an appropriate way and within the law.

Local councillors, government ministers and other holders of public offices must answer for their decisions and how they spend public money.

ACCOUNTABILITY SYSTEM STATEMENT (FOR LOCAL GOVERNMENT) A document written by a government department which sets out how their Accounting Officer ensures that funding is allocated and spent legally and in a way that represents good value for public money.

ACCOUNTABLE BODY An organisation with the responsibility for holding and spending public money legally and in a way that presents good value for money for taxpayers.

ACCOUNTING OFFICER

The most senior civil servant within a central government department who is personally responsible for assuring Parliament and the public that funding is being spent legally and in a way that represents good value for public money.

AUDIT

An independent examination leading to an opinion on the financial accounts of an organisation. For local public bodies, an audit also leads to a conclusion on the organisation's arrangements to secure value for money in the use of its resources.

BEST VALUE DUTY

This is the legal duty for various types of organisation, including councils, to aim to make continuous improvement when making decisions, delivering services and spending money; and to take into account economy, efficiency and effectiveness. The duty is set out at Section 3 of the Local Government Act 1999.

BUSINESS CASE

A document that sets out the case for spending money on a particular project.

CALL-IN

To review a decision.

CENTRAL GOVERNMENT

Government Departments and their Arm's Length Bodies: Executive Agencies, Non-Departmental Public Bodies, Non-Ministerial Departments, and any other non-market bodies controlled and mainly financed by them.

COMBINED AUTHORITY

A corporate body formed of two or more local government areas (county councils or district councils in England) which may be given powers to exercise specified functions of both local authorities and public authorities.

CONSTITUENT COUNCIL/ CONSTITUENT MEMBER

A constituent council, or a constituent member of a particular combined authority, is a local authority whose area is within the area of that combined authority. A combined authority's area is defined by its constituent council members. It is possible for only some of the district councils within a county council area to be constituent members of a particular combined authority.

CONSTITUTION

A set of principles and rules by which an organisation, such as a combined authority, is governed.

COUNCIL (LOCAL AUTHORITY)

A democratically elected organisation that is responsible for delivering various local public services.

They receive funding for these services directly from government and by raising money themselves locally (such as through council tax).

(MAYORAL)
DEVELOPMENT
CORPORATION

Organisations set up to improve a defined area using a range of powers, including planning powers and the powers to acquire land.

DEVOLUTION

When local areas take on new powers, budgets, and responsibilities from central government.

DEVOLUTION DEAL

An agreement between central government and local areas in England to devolve new powers, budgets, and responsibilities.

GRANT FUNDING

Grants are payments made from one organisation to another which do not need to be repaid. Government is providing a range of grants to combined authorities as part of devolution deals. Depending on the terms of the grant, funds can be clawed back by government.

LOCAL ASSURANCE FRAMEWORK

A document written by the Combined Authority which explains how decisions will be taken to invest in and monitor the progress of projects, to make sure that any such investments present good value for money for taxpayers.

LOCAL ENTERPRISE PARTNERSHIPS (LEPS) Local Enterprise Partnerships (LEPs) bring together business and civic leaders across a functional economic area to shape local decisions and prioritise investment in order to drive local growth.

LOCAL
GOVERNMENT
FINANCE SYSTEM

The way in which local government funding works, including the requirements which local authorities must follow to make sure that funding is being spent legally and in a way that represents good value for money for taxpayers.

NON-CONSTITUENT COUNCIL/NON-CONSTITUENT MEMBER A non-constituent council, or a non-constituent member of a particular combined authority, is a local authority which neighbours the combined authority or a partner organisation of the combined authority. Non-constituent members have reduced voting rights in a Combined Authority but play a significant role in informing the policy of the Combined Authority at executive boards below the Cabinet.

ORDER

A type of 'Secondary Legislation'. Also referred to as a 'Statutory Instrument'.

OVERVIEW
AND SCRUTINY
COMMITTEE(S)

An independent, politically balanced group of elected councillors that lead on all scrutiny work. This acts as a 'check and balance' to decision makers at the South Yorkshire Mayoral Combined Authority, South Yorkshire LEP and their partners. It holds them to account for the policies they adopt, the money they spend and the services they provide.

PRECEPT

An additional amount on an existing tax, such as council tax.

PRIMARY LEGISLATION

A law passed by Parliament.

PUBLIC AUTHORITY

Generally, organisations including government, local authorities, combined authorities, etc.

PUBLIC AUTHORITY FUNCTIONS

Any public authority function can be transferred to a Combined Authority. These functions can include Government powers, but do not include local authority (council) functions.

SCRUTINY/ SCRUTINISE Scrutiny is the process of taking a close look at the decisions of an organisation (such as a local authority). All combined authorities must establish at least one overview and scrutiny committee and an audit committee to scrutinise the decisions of the Mayor and Combined Authority, to help make sure that the decisions being made are well thought through and legal.

SECONDARY LEGISLATION/ STATUTORY INSTRUMENT Additional legislation passed by Parliament which often puts primary legislation into action. For example, an Order is a type of secondary legislation which is needed to set up combined authorities and devolve powers to an area.

SECTION 151
OFFICER/ SECTION
73 OFFICER

The finance director of a council, named after Section 151 of the Local Government Act 1972. Section 151 of this Act set out in law that the finance director must make sure that funding is being spent legally and in a way that presents good value for money for taxpayers.

The Section 73 officer, named after Section 73 of the Local Government Act 1985, does the same thing, but for a Combined Authority.

SINGLE POT

An agreement in a devolution deal which brings together different sources of funding into one consolidated fund held by the Combined Authority.