How can a system of accounting officers be implemented in mayoral strategic authorities?

Matthew Fright

Summary

In the English Devolution White Paper, published in December 2024, the government made a commitment to work with the sector to explore how to clarify lines of accountability in Mayoral Strategic Authorities (MSAs) including through the introduction of Accounting Officers (AOs) – a single point of responsibility for organisational efficiency and effectiveness – something that the Institute for Government (IfG) has previously recommended. On 16 June 2025, the IfG, in partnership with Grant Thornton, convened a senior stakeholder roundtable to explore how this reform could best be implemented. This paper summarises key insights from that discussion and presents the main options for government consideration.

The government has set out ambitions to expand and strengthen devolution across England, aiming to establish a consistent system of regional mayoralties capable of driving policy innovation at the local level. As greater funding and powers shift away from Whitehall it is essential that the governance and accountability framework evolve in parallel. The government should therefore assess whether any reforms are needed to support the next stage of mayoral devolution and give Whitehall and the public greater reassurance over the allocation of public money at the devolved level.

To guide this transition, the government should articulate a clear vision for future accountability, accompanied by practical guidance on implementation. Additionally, investment in scrutiny capacity at the MSA level will be crucial to ensure robust oversight and to bolster effective scrutiny of decision-making and performance. This investment could not only reinforce current scrutiny mechanisms but also help explore new opportunities arising from the increased devolution of powers and funding enabled by these accountability reforms.

Introduction

The UK government has identified overcentralisation as a barrier to national growth. Through its 'devolution revolution', it aims to empower mayors with the autonomy to innovate, improve policy join-up and drive a better allocation of resources. As new powers and funding are transferred from Westminster to mayoralties across England, it is essential that robust scrutiny mechanisms evolve in parallel, to ensure that devolution does not come at the expense of lower standards of accountability over public money, to uphold public trust and secure good policy outcomes.

Under current fiscal arrangements in the UK – with the vast majority of MSA funding raised via Parliament by government and devolved to MSAs – MSA accountability arrangements need to comply with the detailed accountability arrangements outlined by Parliament. To date this has led to accountability to Parliament being achieved via performance and outcome agreements linked to particular grants. There may however be a limit to the level of policy innovation that can be achieved at a local level without further discretion.

The government has attempted to increase greater financial autonomy through the 'integrated settlement' funding model for leading mayoral authorities, which offers increased flexibility and the potential to move beyond traditional target-based accountability mechanisms. While this marks a significant evolution in powers and funding, fully realising the potential of this innovation will require the government to critically assess whether the outcomes-based performance framework linked to the integrated settlement may introduce more rigidity than originally intended. To overcome this and enable greater flexibility at the local level, a shift in accountability may be required.

In the English Devolution White Paper, the government noted the need to improve accountability and scrutiny of local public spending. To that end it made a commitment to work with the sector to explore how to clarify lines of accountability including through the introduction of a system of Accounting Officers (AOs) or other similar mechanisms.[1] While the government outlined the accountability arrangements between Whitehall and MSAs in recent policy guidance accompanying the 2025 Spending Review, it did not designate a new AO at the MSA level.[2] No further proposals on this were included in the English Devolution and Community Empowerment Bill, introduced to Parliament on 10 July.

What is an accounting officer?

Management of each government department is overseen by an accounting officer, the most senior civil servant, who holds personal responsibility for ensuring public funds are used properly and effectively. An AO is responsible 'for ensuring that resources authorised by Parliament and sums to be paid out of the Consolidated Fund… are used for the purposes intended by Parliament.' [3] They are 'personally responsible and accountable to Parliament for the use of public money and the stewardship of
public assets.'[4]

AOs must assure Parliament and the public of high standards of probity in the management of public funds and assets including an 'organisation's governance, decision-making and financial management assurances when considering, promoting and safeguarding regularity, propriety, affordability, feasibility, sustainability, risk, and value for money across the whole of the public sector and not just your organisation; and accounting accurately and transparently for your organisation's financial position and transactions.'[5]

Accounting officers also play an important role in the HM Treasury public spending accountability framework including through:[6]

- **Accountability to Parliament**: AOs appear as witnesses to the House of Commons Committee of Public Accounts (PAC) usually in response to value for money studies produced by the National Audit Office (NAO). The Government responds to PAC through a Treasury Minute[*] and departments report on their progress in implementing PAC recommendations twice a year through formal progress reports

- **AO assessments:** AOs must ensure their organisation meets the four standards in Managing Public Money[†]:
  - regularity – whether an activity has adequate legal backing;
  - propriety – whether business is carried out in line with managing public money standards and parliamentary expectations;
  - value for money for the Exchequer as a whole; and,
  - feasibility – the proposed activity is likely to be successful in securing its intended result at a reasonable cost.

[*] A formal response drawn up by Treasury on behalf of the government.
See: www.gov.uk/government/collections/treasury-minutes
[†] Managing Public Money is a guidance document published by HM Treasury for public servants outlining the main principles, specific requirements and good practice for dealing with public resources.
See: https://assets.publishing.service.gov.uk/media/684ae4c6f7c9feb9b0413804/Managing_Public_Money.pdf

  - An AO must also personally approve all major initiatives, policies, programmes, and projects in advance, considering any delegated authorities.

- **Directions:** when an AO believes a proposal fails to meet one of these four key criteria (regularity, propriety, value for money or feasibility), a minister (or board in the case of arms length bodies) can be formally asked by the AO to direct the civil service to carry it out. This is used as a signal that further scrutiny is required by the public and wider government.

- **System statements:** AOs are expected to produce a transparent statement to Parliament outlining all accountability relationships and processes within a department and across the system for which the department is responsible including arm's length bodies and delivery partners.

How does accountability operate within MSAs at present?

MSAs operate with accountability arrangements which differ from Whitehall. These are defined by three forms of accountability as outlined in the English Devolution Accountability Framework:[7]

- **accountability to the public**: for instance, institutions and their leaders are expected to communicate with their residents clearly about what their role entails.

- **local scrutiny and checks and balances**: all English institutions with devolved powers are required to uphold high standards in public life and ensure value for money, similar to other public bodies. Combined authorities must establish audit committees and maintain overview and scrutiny committees.

- **accountability to the UK government**: Government must ensure that centrally provided funds support UK government priorities and deliver value for money. For instance, individual departments have specific monitoring and intervention processes linked to individual devolved funds. Government also has the ability and capacity to intervene when an authority is failing to meet their duty of best value. The Housing Communities and Local Government Secretary holds powers that include, where necessary, appointing commissioners in cases where a combined authority fails to meet its Best Value duty. This duty requires authorities to demonstrate that they have arrangements in place to secure continuous improvement in the way they carry out their functions.[8] In practice, as set out in government guidance, this includes responsibilities such as delivering a balanced budget and ensuring that all spending decisions represent value for money.[9] Failure to meet these standards can lead to intervention from central government, as seen in January 2023 when a Best Value Notice was issued to the Cambridgeshire and Peterborough Combined Authority following concerns raised by the external auditor.[10]

These apply to decision makers and those that hold them to account at the MSA level.[*] As the Centre for Governance and Scrutiny (CFGS) has described there are three points of power and accountability in MSAs: The directly elected mayor, the MSA Board as represented by the local leaders that sit on it and the MSA overview and scrutiny committee (formed of councillors from the constituent local authorities that form the MSA) that hold them both to account.[11] Each has a democratic legitimacy and are accountable to the public.

Unlike the Whitehall AO system, there is no single point of administrative accountability. Instead, responsibility is split between the so-called 'golden triangle' of statutory officers: the chief executive (head of paid service), chief finance officer (section 151 officer) and monitoring officer (section 73 officer). Collectively the officers uphold the governance, decision-making, and legal compliance of the MSA. These officers are ultimately accountable to their board.[†] They are also required to comply with the Best Value Duty outlined above.

Under the current framework, statutory officers perform functions that align with several responsibilities of AOs as outlined in Managing Public Money. For example, the MSA monitoring officer has a legal duty to ensure the lawfulness and fairness of the MSA's decision-making processes. This duty bears similarities to the principle of propriety as set out in Managing Public Money. Additionally, the MSA Chief Executive, as Head of Paid Service, holds a legal responsibility to ensure that systems are in place to deliver propriety, VfM, feasibility, sustainability, and effective risk management.

However, there are also important differences, as statutory officers operate within a distinct accountability framework. One such difference concerns the evaluation of VfM. In the MSA, the Chief Finance Officer is required to personally sign off on the VfM of MSA spending and is individually liable for this assurance. This contrasts with departmental AOs, who must assess VfM in relation to the Exchequer as a whole, rather than solely their own organisation but lack a personal legal responsibility. The most significant divergence lies in the management of regularity. One MSA noted

[*] Governance arrangements for London differ from MCAs and are discussed in further detail below
[†] A statutory officer in a local authority is accountable to the full council.

that few decisions on regularity are made internally, as these are currently overseen by departmental AOs.

In the absence of meaningful fiscal autonomy,[*] MSAs remain heavily dependent on UK taxpayer funding, which is voted by Parliament and administered by central government departments to MSAs as grants. The largest spending departments are the Department for Transport, the Ministry of Housing Communities and Local Government, the Department for Education, and the Department for Energy Security and Net Zero – comprising approximately 98.8% of the integrated settlement funds distributed to Greater Manchester Combined Authority.[†] Because central government funds are voted through Parliament, the current framework requires a line of accountability back to Parliament – typically via departmental AOs who are ultimately responsible for the effective use and performance of the grant.[‡] This means that even where MSAs have operational autonomy, their use of centrally allocated funds must align with national standards of propriety, regularity, and value for money.

In this context, greater local discretion is only achievable via one of three routes. The first could see central government shift its accountability focus to higher-level, outcomes-based measures. This is the principle behind the integrated settlement model, but within this current iteration, the relevant departmental AO remains responsible for spend within a given spending pillar. Another route could be a dramatic shift in the source of revenues, so that the funding is predominantly local taxation rather than central government funds – though this is unlikely in the short term. Or, an alternative 'middle way' could be developed: a mechanism through which MSAs are held directly accountable to Parliament for their spending, but via a system rooted in local accountability. Any such model would require reform to existing governance and assurance structures.

[*] There are some locally raised revenues – such as council tax precepts and retained business rates – but they remain a small proportion of overall MSA funding streams. These are held to account through local accountability mechanisms such as accountability to the public and through local scrutiny and checks and balances.

[†] Based on figures outlined in the GMCA Integrated Settlement 2025/26.

[‡] This also applies to the integrated settlement where the relevant departmental AO is responsible for spend within that pillar.

How might MSA accountability arrangements be strengthened?

Regional government requires its own accountability arrangements distinct from local authorities. As CFGS have argued, although the legal structure underpinning MSA scrutiny 'closely reflects' local authority scrutiny,[12] the scope and nature of overview and scrutiny must look different given the different functions performed by an MSA. While local authorities have several delivery responsibilities, MSAs have a greater strategic focus and need appropriate accountability mechanisms to hold them to account.

Although mayors are themselves democratically accountable to voters, other forms of accountability are needed. Current MSA accountability arrangements – particularly those defined by the Productivity Institute as "inward accountability" [*] referring to the processes that operate within an organisation, the ways it holds itself to account through scrutiny and the separation of powers through bodies such as scrutiny and audit committees – have been criticised. At the IfG we have argued that MCAs audit and scrutiny committees' effectiveness has been blunted due to a lack of prestige, limited capacity and insufficient powers.[13] This local accountability gap is widely recognised within the think tank sector.[14,15,16,17]

Compounding this issue is the absence of a dedicated VFM scrutiny body following the abolition of the Audit Commission in 2010. This has led the head of the National Audit Office to argue that 'the audit support for scrutiny of sub-regional and combined authority spending is in my opinion not commensurate with the demands of local accountability.'[18]

The accountability regime for MSAs is also evolving as the government seeks to promote greater autonomy over budget allocation through the rollout of the integrated settlement[†] for Established MSAs.[‡] As more powers and funding are devolved from Whitehall, it is essential that appropriate accountability mechanisms accompany this shift. With more powers comes more responsibility.

---

[*] The Productivity institute defines four types of accountability: "top down" central government monitoring and oversight of local leaders; "bottom up" scrutiny of central government by local leaders; "inward" accountability of mayors and combined authorities and, "outward" democratic oversight of local leaders. For more details see: Newman J, Warner S, Kenny M and Westwood A, Rebuilding local democracy: the accountability challenge in English devolution, The Productivity Institute, 2024.

[†] The integrated settlement streamlines and simplifies current funding arrangements for MSAs by consolidating approximately 30 different funding streams into a single multi-year allocation with greater levels of flexibility over its allocation.

[‡] In the English Devolution White Paper, the government proposed a new established mayoral strategic authority status for mayoralties that meet certain predefined criteria. Those granted "established" status will receive a broader set of powers.

Under the integrated settlement more than 30 budget streams from across Whitehall – grouped into seven thematic areas such as transport, skills and employment support - have been consolidated. Established MSAs are granted flexibility to reallocate funding within each theme and across financial years, and may transfer up to 10% of funding between themes. There is also 100% flexibility for the local growth pillar and an ability to move 100% of day-to-day spending (RDEL) to investment spending (CDEL) within a given theme. In return, they are held to account through a detailed, multi-line outcomes target system negotiated with central government, known as the 'outcomes framework'. For instance, under Outcome 2 of the GMCA outcomes framework, 'deliver the infrastructure needed to support place-based growth', the MCA has a target of 4587 m^2 of additional floorspace unlocked because of its intervention.[19]

While this framework is intended to ensure accountability, there is a risk that it may become burdensome due to overly prescriptive benchmarks, constraining local decision-making. For instance, following the roundtable, one MCA highlighted the difficulties they faced when seeking to agree cross-cutting outcomes. These can cut across multiple Whitehall departments and therefore require engagement with several AOs. This can frustrate efforts to maximise the benefits of the integrated settlement such as breaking down silos and taking a more integrated and joined up approach towards delivery.

The government's integrated settlement policy document, published alongside the 2025 Spending Review, outlines how the outcomes framework interfaces with the broader UK government accountability structure. This includes the designation of thematic and systems-based AOs, and the designation of the MSA Chief Executive as the primary accountability liaison between Whitehall and the MSAs.[20]

While the guidance provides greater clarity on current arrangements, discussions at the roundtable highlighted a clear appetite for change. A recurring theme was the presence of cultural barriers - particularly a lack of trust - that may be hindering further devolution. One frequently cited obstacle is the perceived risk faced by Whitehall Permanent Secretaries when entering into devolution arrangements with MSAs. Despite the delegation of funding and delivery responsibilities, Permanent Secretaries remain accountable to Parliament for outcomes at the MSA level. This sense of jeopardy can deter meaningful engagement between departments and MSAs, ultimately constraining the innovation and progress that is desired by both ministers and mayors.

How might an AO enhance MSA accountability?

The roundtable discussion explored the benefits and challenges of extending Accounting Officer (AO) accountability to Mayoral Strategic Authorities (MSAs). The primary advantage identified was that such a system would provide MSAs with a clearer interface with Whitehall's accountability mechanisms. As one Whitehall representative noted, this could help alleviate concerns around risk and encourage further devolution by addressing the "jeopardy" issue previously raised.

Another potential benefit discussed was the opportunity to establish alternative financial relationships which might enable greater autonomy. In Whitehall, AOs use budget cover transfer letters to delegate delivery responsibilities to another department, effectively making the receiving AO accountable for the project. While this model works between two AOs, its scalability is limited as larger chains of AO are not permitted. Nonetheless, designating AO status could pave the way for other financial arrangements akin to the Barnett-style block grant. Given the ongoing trajectory toward greater devolution of powers and funding - exemplified by mechanisms such as the new mayoral right to request - it is essential that accountability frameworks are designed to be resilient and adaptable to future phases of devolution.

Debate also focused on who should hold AO status within MSAs. Some MSA representatives expressed concern that this could confuse the responsibilities of the existing "golden triangle" of statutory officers.

Others questioned whether appointing the chief executive as AO would be appropriate, particularly if they lacked a financial background. However, Whitehall representatives pointed out that the AO role in central government is filled by permanent secretaries who are typically not accountants; their role is to exercise judgement over expenditure, supported by advice from finance professionals. One MSA representative noted that a similar arrangement already exists at the MSA level; the MSA chief executive typically authorises spending with input from the chief finance officer and monitoring officer. Given that both MSA chief executives and AOs are reliant on technical advice from colleagues in forming these judgements, it was suggested that the MSA chief executive would be the most logical candidate to receive AO designation.

However, concerns were raised about the potential complexity of layering a new accountability structure over existing MSA processes. One MSA representative questioned how this would align with the current statutory officer framework and whether it would meaningfully enhance existing accountability. Arguably, however, the roll out of an AO status could clarify the accountability to Parliament. Another participant highlighted the need for clarity on whether this would require larger scale changes to responsibilities for the MSA as a corporate entity to now comply with different rules and standards to those which operate currently. Some participants felt that current arrangements were already robust and that the real need was for a cultural shift within Whitehall, rather than structural reform. To that end, given the impact on MSA administration, any potential AO status implementation may need to be accompanied by clear efforts within Whitehall to champion devolution with departments which have been reluctant to engage with this agenda.

What additional reforms are required to enable an AO system?

As outlined above in the section headed 'What is an accounting officer?', the institutional arrangements required for an AO to operate effectively extend beyond the mere designation of AO status. Other institutional features that support the AO system in Westminster and Whitehall include the ability to ask for a 'direction', the requirement to publish a system statement that outlines key responsibilities and a legitimate democratic forum to hold the AO to account supported by a well-resourced audit regime. In the following section we consider the case for similar reforms to be implemented alongside the creation of AOs within MSAs.

There was a considered discussion about how to implement a 'direction' system at the mayoral level. As one Whitehall official described it, a ministerial direction functions as an "alarm bell" within the system. When an AO has concerns about the implementation of a policy – due to regularity, propriety, value for money, or feasibility – they write to the minister to formally raise those concerns. The minister may then issue a public direction, instructing the AO to proceed - thereby assuming accountability for the decision.[21] A comparable mechanism at the MSA level would be essential to ensure that AOs are not held accountable for decisions that rightly fall under the responsibility of the mayor or MSA board. Such a system would also serve as a clear signal that additional scrutiny may be warranted from auditors and Whitehall.

Some attendees' questioned how a system of mayoral directions could operate at an MSA level. One Whitehall official queried whether this would provide a veto over central government policy as, unlike ministers, mayors are not accountable to Parliament. One independent observer questioned whether this could authorise the mayor to enable illegal or poor-quality spending, in effect overriding the current MSA VFM arrangements. These questions highlight the need for government to clearly explain the purpose of a 'direction' to the sector. Following the session some queried how this might alter the dynamic between the mayor and chief executive, with potential implications for future chief executive recruitment.

As outlined above, Whitehall AOs are accountable to the UK Parliament. Replicating this at the MSA level – with the MSA AO accountable to Parliament would be unworkable. First, there is a risk that the UK parliament could scrutinise the MSA AO for matters of local democratic discretion such as the mayoral precept.* Second, Parliament does not have the capacity to provide effective scrutiny for more than 30 MSAs without diverting significant committee time from other areas of public spending. This would also have implications for the National Audit Office which supports the UK Parliament which would face similar resourcing pressures if required to scrutinise all aspects of MSA spending.

Instead, an MSA would need to be held to account by an alternative authoritative forum. For this reason, several organisations including the IfG have supported the case for establishing public accounts committees at the regional level.

What is required for an effective regional PAC (RPAC)?

To develop a rigorous oversight system that provides assurance to HM Treasury and the UK Parliament, the institutional design of the RPAC system must be carefully calibrated. The IfG has previously advocated for several key features to mirror the Westminster PAC.† The RPAC would have a cross-party and representative membership drawn from elected councillors across the combined authority area with seats apportioned on a representative basis. To ensure an independent chair they would need to be drawn from the largest opposition party to the incumbent mayor and nominated on a cross-party basis. The body should be granted broad scrutiny powers, including the authority to summon persons and request papers. To avoid conflicts of interest on the part of the committee, and to remove any incentives for an MSA to defund its external scrutiny, the RPAC must be independently funded, with sufficient resources provided by central government.

---

* Although predominantly financed through taxpayer funds, mayors are able to raise a precept on local taxes for use on the mayor's general functions.

† Building on the model first proposed by the Centre for Governance and Scrutiny (CFGS), the Institute for Government has called for the creation of 'Regional Public Accounts Committees' at the MSA level. The Local PAC as envisaged by CFGS would be a body that could hold multiple bodies within an area to account. This was designed to target the accountability gap formed by a mayor's convening powers which are difficult to hold to account. The CFGS has since argued a Local PAC along these lines is not required because the English Devolution White Paper has formalised more aspects of the role, and in addition the arrangements could be duplicative to current overview and scrutiny committee arrangements. For further details see https://www.cfgs.org.uk/there-are-different-ways-to-do-mayoral-scrutiny-why-our-thinking-on-lpacs-is-changing/

These funds could support staffing or the commissioning of external reports. Effective oversight requires adequate investment. Funding must be sufficient to enable the RPAC to conduct rigorous technical and detailed enquiries - particularly crucial given the limited capacity within local public audit.

The IfG has also advocated for a tightly defined, VFM remit, ensuring that the RPAC focuses on the economy, efficiency, and effectiveness of mayoral and MSA programmes. This focus would underpin the assurance that Whitehall can derive from the committee's scrutiny. It is a critical institutional design feature that helps depoliticise oversight of public spending and promotes learning from implementation, driving improved performance at the local level. It is also distinct from the more internal-facing MSA audit committee as an RPAC would be a more publicly accountable forum made up of locally elected representatives. It is also distinct from the Overview and Scrutiny Committee which provides a forum for political accountability.

To further strengthen this assurance framework, the IfG has proposed the introduction of an escalation mechanism to Westminster. RPACs should have the authority to refer matters of concern – particularly those involving the use of public funds by the MSA which are deemed sufficiently egregious or have wider ramifications for the system – to the UK Parliament.[*] In turn, Parliament should actively support, embed and raise the prestige of these new committees. One way to do this would be to host an annual summit between the chairs of RPACs and the chair and deputy chair of the Public Accounts Committee, providing a forum to share best practices and address common challenges. Central government could gain assurance from this system and monitor the effectiveness of oversight mechanisms, adopting an 'intervention by exception' approach when these fall short. Combined, these features would ensure value for money outside of Whitehall for previously centrally administered funds, promote transparency, identify waste and inefficiency, improve public services and enhance public trust.

Other proposals have encouraged a broader remit for RPACs. Billingham and Sandford (2025) have advanced the case for a Mayoral Authority Accountability Committee (MAAC).[22] This approach integrates the concept of an RPAC with the mayoral authority's overview and scrutiny committee, enabling it to summon individuals from both the mayoral authority and wider public bodies – such as the local Integrated Care Partnership (ICP) or probation service. The aim is to enhance regional collaboration and strengthen oversight of funding and service delivery. The authors propose that the MAAC could be resourced by a small independent staff

---

[*] In certain instances, it may be more appropriate to refer matters to the House of Commons Housing, Communities and Local Government Committee.

potentially housed within the new local audit office.[*] The body could also draw on what the authors term 'knowledge broker organisations' such as local universities and secondees from other organisations such parliamentary select committees or the London Assembly.

An alternative, more ambitious option to the LPAC route might involve introducing an assembly oversight system similar to that in London. The London Assembly elects 25 representatives concurrently with the mayoral election. The purpose of this body would be to hold the mayor and their advisers to account. The London Assembly operates a committee structure with a combination of subject committees such as transport, or police and crime and general committees such as the GLA oversight committee and the audit panel.[23] Implementing a similar model would require substantial changes to MSA governance frameworks including a break in the institutional relationship between councils and MSAs. Without further analysis of the feasibility of this and the effectiveness of arrangements in London, such a reform is not currently being proposed in this paper.

An alternative assembly system ran as part of the devolution settlement to Wales in 1999. Under these arrangements, members of the Welsh Assembly held the executive to account supported by committee staff. The permanent secretary of the Welsh Government was designated the AO and theoretically could be summoned to the UK Parliament to be held to account for spending by the Welsh government.

[*] In April 2025, the government opened a consultation on the creation of a local audit office which would have 5 strategic responsibilities - coordinating the system, contract management, ownership of the Code of Audit Practice, quality oversight and reporting

Conclusion

As part of its 'devolution revolution', the government aims to 'transfer power out of Westminster, by giving local leaders the tools to deliver growth, fixing the foundations of local government, and empowering communities.'[24] The government argues that 'over-centralisation' is holding back the prosperity of the regions, causing trust in politics to fall, and leading to poor public service outcomes'.[25] In response to this it aims to put in place a more consistent model of devolution with a standardised framework of powers, duties and functions.

With the movement of powers and funding from Westminster the government must ensure that appropriate governance and accountability mechanisms develop in parallel. These mechanisms should be clearly understood by both Whitehall and MSAs, and should build on best practices already established at the local level. With the mayoral system maturing into a regional tier of government and gaining greater autonomy over funding decisions, the government must develop accountability arrangements that align with its ambition for a completed map of established mayoralties.

However, the level of oversight required from Whitehall, particularly through the integrated settlement, may become increasingly impractical as the system expands to around 30 mayoralties. This could risk constraining the very policy innovation at the regional level that is intended to drive economic growth. There is also a risk that a reliance on an overcentralised accountability system could run counter to the spirit of devolution.

To address this, the government should articulate a clear vision for accountability over the next five to ten years. This framework must be scalable, support innovation, and provide assurance over the use of UK taxpayer funding. One potential approach is a more decentralised accountability model, such as appointing accounting officers at the MSA level, supported by mechanisms like mayoral directions and regional public accounts committees. If pursuing this route, the government will need to clarify how these new arrangements will build on existing checks and balances at the MSA level and outline a clear plan for implementation. The Government will also need to clearly articulate the potential new opportunities that this enhanced accountability could unlock including, for example, greater financial autonomy over both raising and allocation of financial resources.

Matthew Fright is a senior researcher in the Institute's devolution team.

References

[1] MHCLG, English Devolution White Paper: Power and Place, 16 December 2024, retrieved 16 July 2025, page 108, https://assets.publishing.service.gov.uk/media/67ade9866e6c8d18118acd58/English_Devolution_White_Paper_Web_Accessible.pdf
[2] MHCLG policy paper, Integrated settlement: policy document, 11 June 2025, retrieved 16 July 2025, www.gov.uk/government/publications/integrated-settlement-policy-document/integrated-settlement-policy-document#accountability-arrangements
[3] HM Treasury, accounting officer standard appointment letter 2025, retrieved 16 July 2025, https://assets.publishing.service.gov.uk/media/681398d95966d01801999ea9/HMT_-_AO_Standard_Letter_Head_template__2025_.pdf
[4] HM Treasury, accounting officer standard appointment letter 2025, retrieved 16 July 2025, https://assets.publishing.service.gov.uk/media/681398d95966d01801999ea9/HMT_-_AO_Standard_Letter_Head_template__2025_.pdf
[5] HM Treasury, accounting officer standard appointment letter 2025, retrieved 16 July 2025, https://assets.publishing.service.gov.uk/media/681398d95966d01801999ea9/HMT_-_AO_Standard_Letter_Head_template__2025_.pdf
[6] www.gov.uk/government/publications/public-spending-the-accountability-framework/public-spending-the-accountability-framework
[7] MHCLG, Guidance: English Devolution Accountability Framework, 16 March 2023, retrieved 29 July 2025, www.gov.uk/government/publications/english-devolution-accountability-framework/english-devolution-accountability-framework#executive-summary
[8] www.gov.uk/government/publications/best-value-standards-and-intervention-a-statutory-guide-for-best-value-authorities/best-value-standards-and-intervention-a-statutory-guide-for-best-value-authorities
[9] www.gov.uk/government/publications/best-value-standards-and-intervention-a-statutory-guide-for-best-value-authorities/best-value-standards-and-intervention-a-statutory-guide-for-best-value-authorities
[10] DLUHC correspondence, The Cambridge and Peterborough Combined Authority (CPCA) Best Value Notice issued on 24 January 2023, retrieved 20 August 2025, https://assets.publishing.service.gov.uk/media/64c90c1919f5622669f3c0fb/Cambridgeshire_and_Peterborough_Combined_Authority_Best_Value_Notice.pdf
[11] Centre for Governance and Scrutiny, Overview and scrutiny in combined authorities: a plain English guide (second edition), February 2021, www.cfgs.org.uk/wp-content/uploads/CfGS-CA-Scrutiny-Guidance-2nd-Edition-SINGLE-PAGES.pdf
[12] Centre for Governance and Scrutiny, Overview and scrutiny in combined authorities: a plain English guide (second edition), February 2021, www.cfgs.org.uk/wp-content/uploads/CfGS-CA-Scrutiny-Guidance-2nd-Edition-SINGLE-PAGES.pdf
[13] Paun A, Nice A and Rycroft L, How metro mayors can help level up England, Institute for Government, 2022, p.51 www.instituteforgovernment.org.uk/publication/report/how-metro-mayors-can-help-level-england
[14] Weinberg N, Turner D, Elsden E, Balls E and Stansbury A, A Growth Policy to Close Britain's Regional Divides: What Needs to be Done, Harvard Kennedy School, 2024
[15] Kaye S, Devolve by Default: Decentralisation and a redefined Whitehall, Reform, 2024.
[16] Newman J, Warner S, Kenny M and Westwood A, Rebuilding local democracy: the accountability challenge in English devolution, The Productivity Institute, 2024.
[17] Billingham Z, Sandford M, Accountability matters: securing the future of devolution, May 2025, retrieved 16 July 2025, https://ippr-org.files.svdcdn.com/production/Downloads/Accountability_matters_May25.pdf?dm=1746548934
[18] https://committees.parliament.uk/publications/44743/documents/222238/default/ 26 April 2024.
[19] MHCLG guidance, Greater Manchester Combined Authority – Integrated Settlement Outcomes Framework 2025 to 2026, 8 April 2025, retrieved 25 August 2025, www.gov.uk/government/publications/integrated-settlements-outcomes-frameworks-for-2025-to-

2026/greater-manchester-combined-authority-integrated-settlement-outcomes-framework-2025-to-2026#outcomes-framework-2025-to-2026
[20] MHCLG policy paper, Integrated settlement: policy document, 11 June 2025, retrieved 16 July 2025, www.gov.uk/government/publications/integrated-settlement-policy-document/integrated-settlement-policy-document#accountability-arrangements
[21] Freeguard G, Davies O, Tingay P, and Savaur S, Ministerial directions, Institute for Government, 2 May 2025, www.instituteforgovernment.org.uk/explainer/ministerial-directions
[22] Billingham Z, Sandford M, Accountability matters: securing the future of devolution, May 2025, retrieved 16 July 2025, https://ippr-org.files.svdcdn.com/production/Downloads/Accountability_matters_May25.pdf?dm=1746548934
[23] Sandford M, The Greater London Authority, House of Commons library, 12 August 2024, retrieved 6 July 2025, page 11, https://researchbriefings.files.parliament.uk/documents/SN05817/SN05817.pdf
[24] MHCLG, English Devolution and Community Empowerment Bill explanatory notes, 10 July 2025, retrieved 26 August 2025, page 7, https://publications.parliament.uk/pa/bills/cbill/59-01/0283/en/240283en.pdf
[25] MHCLG, English Devolution and Community Empowerment Bill explanatory notes, 10 July 2025, retrieved 26 August 2025, page 7, https://publications.parliament.uk/pa/bills/cbill/59-01/0283/en/240283en.pdf