

SHEFFIELD CITY REGION COMBINED AUTHORITY

AMP TECHNOLOGY CENTRE, WAVERLEY, ROTHERHAM, S60 5WG

MINUTES OF THE MEETING HELD ON 12 SEPTEMBER 2016

PRESENT:

Councillor Sir Steve Houghton CBE, Barnsley MBC (Chair)

Councillor Ann Syrett, Bolsover DC
Councillor Graham Baxter MBE, North East Derbyshire DC
Councillor Chris Read, Rotherham MBC
Councillor Julie Dore, Sheffield CC
Councillor Simon Greaves, Bassetlaw DC
Councillor Glyn Jones, Doncaster MBC
Councillor Diane Meale, Notts CC
Councillor Tom Murphy, Chesterfield BC
Sir Nigel Knowles, SCR LEP

Ruth Adams, SCR Executive Team
David Armiger, Bassetlaw District Council
Fiona Boden, Sheffield City Region Executive Team
Huw Bowen, Chesterfield BC
Philip Cooper, Sheffield City Region Executive Team
Peter Dale, Doncaster MBC
Sarah Fowler, Peak Park NPA
Andrew Gates, SCR Executive Team
David Hewitt, SCR LEP
Sharon Kemp, Rotherham MBC
Julie Kenny CBE, Rotherham MBC (Commissioner)
Anthony May, Nottinghamshire CC
Martin McCarthy, South Yorkshire Joint Authorities
John Mothersole, Sheffield CC
Veena Prajapati, SCR Exec Team
Trevor Rees, KPMG
Mel Dei Rossi
Dave Smith, SCR Exec Team
Gareth Sutton, Sheffield CC / SCR
Daniel Swaine, Bolsover DC / NE Derbyshire DC
Diana Terris, Clerk / Barnsley MBC
Craig Tyler, Joint Authorities Governance Unit

Eugene Walker, S.151 Officer

Apologies for absence were received from Councillor J Burrows, Mayor R Jones, Councillor A Rhodes, Councillor L Roberts, Councillor L Rose, Councillor A Western, D Bunton, A Frosdick, J Miller and N Taylor

1 VOTING RIGHTS FOR NON-CONSTITUENT MEMBERS

It was agreed that there were no items where non-Constituent Members should not have voting rights.

2 APOLOGIES

Members' apologies were noted as above.

3 ANNOUNCEMENTS

None.

4 URGENT ITEMS

None.

5 ITEMS TO BE CONSIDERED IN THE ABSENCE OF THE PUBLIC AND PRESS

RESOLVED, that agenda item number 21 – Framework Agreement for the Gainshare National Panel, be considered in the absence of the public and press.

6 DECLARATIONS OF INTEREST BY INDIVIDUAL MEMBERS IN RELATION TO ANY ITEM OF BUSINESS ON THE AGENDA

None.

7 REPORTS FROM AND QUESTIONS BY MEMBERS

None.

8 RECEIPT OF PETITIONS

None received.

9 PUBLIC QUESTIONS

None.

10 MINUTES OF THE MEETING HELD ON 1 AUGUST 2016

RESOLVED, that the minutes of the meeting held on 1st August 2016 be signed by the Chair as a true and accurate record.

11 ANNUAL GOVERNANCE STATEMENT 2015/16

A report was received inviting Members consideration of the Authority's Annual Governance Statement for 2015/16 and Governance Improvement Plan for 2016/17.

Members were informed an officer Governance Advisory Group has met regularly throughout the year to consider the current status of the Authority's governance framework. The Group will continue to meet and monitor these areas and if required, add to those under review. Regular monitoring of progress against this Plan will be reported to the Authority's Audit Committee for consideration.

Members were asked to note 2 outstanding issues contained within the Governance Improvement Plan; the requirement to establish a code of corporate governance, and the requirement to recover performance as a result of the introduction of the software for the South Yorkshire Passenger Transport Pension Fund.

RESOLVED, that the Combined Authority Members:

1. Approve the Annual Governance Statement (AGS) for 2015/16.
2. Approve the Governance Improvement Plan (GIP) for 2016/17.

12 APPROVAL OF THE STATUTORY FINANCIAL ACCOUNTS FOR THE FINANCIAL YEAR 2015/16

On behalf of the S.151 Officer, G Sutton provided Members with the statutory financial accounts for 2015/16.

It was noted that unlike a local authority, where the annual accounts would be signed off by an Audit Committee, for the City Region this responsibility lies with the Combined Authority as the body charged with governance.

The report and accompanying presentation explained the complexities of the CA, highlighting where accounting rules are the same as, or differ from, those relating to a local authority.

The information provided covered the organisations contained under the umbrella of the CA Financial Group, the structure of the accounts, timescales and key approval milestones, the revenue outturn position and a number of key financial highlights from 2015/16.

Regarding key financial highlights for the year, Members were asked to consider that this has been a year of marked contrasts; between the efficiency savings achieved by SYPTE and the expanding remit of LEP economic development activity. It was noted that much work has been done to allow for significant and sustainable reductions on the South Yorkshire transport levy.

It was reported that during the year the CA also took on the financial accountable body role for the Transport for the North partnership as it transitions from a non-legal entity to a sub-national transport body

It was reported the Authority continues to be at the forefront of public service re-design and spent much of the year in negotiation with government on the devolution deal

Regarding the investment of funds, it was noted that all investment activity is covered by the CA's Treasury Management Strategy.

Members welcomed the External Auditor, Trevor Rees (Director, KPMG) who delivered the External Auditor's Opinion.

It was reported the financial accounts would be signed with no qualifications, however the External Auditor did issue an 'except for' qualification on the value for money conclusion due to issues with corporate governance.

It was noted the External Auditor has concluded that the Authority has made proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people except for some areas of corporate governance arrangements specifically in respect of the need to establish a clear Code of Corporate Governance, but it was suggested there are no concerns this requirement won't be addressed.

The External Auditor informed Members of the excellent co-operation of officers through the audit process and confirmed the Auditor's Opinion would be signed ahead of the September deadline.

Regarding the External Auditor's comments on the need to improve a number of governance related measures, Cllr Dore asked when the Metro-Dynamics report would be available. It was noted a draft report will be presented to members at a special meeting prior to formal presentation at the next CA meeting in October.

Members thanked the Finance Team officers for their work throughout the year.

RESOLVED, that the Combined Authority:

1. Accepts the Report to those Charged with Governance (ISA260) 2015/16.
2. Agrees that following the above acceptance, the Chair may provide signature to the Letter of Representation
3. Approves the Statement of Accounts for 2015/16 and agrees that the Chair of the meeting may provide signature to the Statement of Accounts.

13 DEVOLUTION AND CONSULTATION

A report was presented to address the next steps in the implementation of the Governance strand of the 2015 Devolution Deal. Specifically: (1) changing the governance of the existing combined authority (the "CA") to reflect it becoming a "Mayoral" CA (or "MCA") (2) giving the MCA the powers needed to deliver the SEP and Devolution Deal (3) extending the area of the CA to include the areas of Chesterfield and Bassetlaw.

It was noted the statutory consultation period has now ended and SCR Officers / Ipsos MORI have prepared a Summary of the consultation material. The report asked the Combined Authority to approve the Summary of the Consultation being sent to the Secretary of State for Communities and Local Government (along with a number of other documents including a description of the consultation more generally).

It was noted that the next key stage thereafter in the process for the Combined Authority would be to consider whether to consent to any statutory Orders drafted by the Secretary of State being laid before Parliament. It is anticipated that the Combined Authority will be in a position to consider that final key stage at its meeting on 24th October 2016.

Regarding the finding of the Consultation, it was noted that in the position of the Executive Team; (1) the majority of residents, businesses and civic institutions who responded to this consultation support the general principle of devolution and the proposals set out in the Scheme document, (2) in general, those who supported in the proposals set out in the Scheme document believed that the proposals would facilitate growth and improve the exercise of statutory functions, (3) this support was not universal or unanimous – and the consultation did raise issues and matters that the Secretary of State should have regard to when considering the nature and extent of future orders, and (4) the consultation raised a number of alternatives and/or variations to the proposals in the Scheme.

Cllr Jones re-asserted Doncaster MBC's contention that whilst the City Region want's devolved powers, it doesn't need a mayor to make devolution successful and there is therefore a requirement to fully explore all potential alternatives with government.

Cllr Murphy noted Chesterfield BC's full endorsement for the submission of the consultation summary, noting every vote in Chesterfield full council had unanimously supported the borough's intentions, recognising the overriding economic benefits to Chesterfield.

Cllr Meale noted that Nottinghamshire CC's (NCC) position is to not support the inclusion of Bassetlaw, on the grounds that it is not agreed the residents of Bassetlaw will benefit economically from the proposed governance changes and that these will lead to unnecessary confusion. It was noted representations to this effect have been provided via the consultation. However, it was further noted that NCC will continue to work closely with the SCR in the future irrespective of outcome.

Cllr Greaves noted that Bassetlaw remains fully committed to the direction of travel and thanked the district's residents and businesses for responding to the consultation. Cllr Greaves made reference to recognising differences in policy between the district and county but noted both share the same desire to achieve the best outcome for Bassetlaw's residents.

Cllr Syrett commented on Bolsover's support for the SCR concept but highlighted the issue of inherent unknowns arising from the change in status of non-Constituent districts.

The Chair noted the Authority will have the opportunity at the October meeting to decide whether to sign off the Secretary of State's draft order. It was acknowledged the mayoral issue was always going to be contentious and asserted every effort will be taken to fully understand any potential change to the government's position ahead of the decision whether to sign the order.

RESOLVED, that the Combined Authority:

1. Notes the Summary of the consultation which has been prepared pursuant to section 113 the Local Democracy Economic Development and Construction 2009 ("the 2009 Act") and that the Summary identifies a broad measure of support for devolving additional powers to the Sheffield City Region and to the extension of the geography of the Authority to include Bassetlaw and Chesterfield.
2. Notes the response identifies some appreciable opposition to the proposals set out in the Scheme including two substantial representations from Derbyshire and Nottinghamshire County Councils.
3. Agrees it is appropriate, having given due consideration to the outcome of the consultation exercise, that the Summary of the consultation be submitted to the Secretary of State pursuant to section 113 of the 2009 Act and that the Secretary of State be requested to consider the exercise of their powers under the 2009 Act to make relevant Orders so as to progress the implementation of the Devolution Deal.
4. Agrees that delegated authority be given to the Head of Paid Service to finalise supporting representations to accompany the Summary together with other supporting documents referred to in Appendix C of the report, noting this may extend to making minor amendments to the summary document itself.
5. Agrees that the current position with regard to the legal proceedings issued by Derbyshire County Council ("DCC") be noted.
6. Notes the next steps set out at Paragraph 5.1 – 5.7 of the report.

14 EARLY COMMISSIONING: UPDATE

A report was received recapping the Combined Authority decision taken on 1st August to launch a 'SCR Early Commissioning Proposal' and setting out the progress made to date in designing, developing and launching the early commission.

The report highlighted the key principles which will be used in order to assess and prioritise schemes, in particular outlining the role of the Combined Authority and its supporting Executive Boards in ensuring that deliverable schemes which align to SCR priorities can be supported through this approach.

Cllr Read noted the importance of ensuring all schemes contribute to the delivery of the Strategic Economic Plan (SEP) and asked when work to refresh the SEP will be complete. D Smith suggested the intention is for this work to be complete by the end of the year.

RESOLVED, that the Combined Authority:

1. Approves that schemes are able to progress rapidly through the Appraisal Process to the point at which they have demonstrated compliance, as well as the intention to commence discussions with Scheme Promoters on funding agreements at the point that the mandate is agreed.

15 MARKETING & COMMUNICATIONS: NEXT STEPS

A report was received requesting Combined Authority support for a set of recommendations that would enable progress to be made on establishing and embedding a set of core Sheffield City Region messages to support our place-marketing and strategic communications objectives.

Members were advised this work would support the delivery of the ambitions set out in the Strategic Economic Plan.

Cllr Dore commented on the importance of the Exec Team's Marketing and Communications officers working seamlessly with their counterparts in the districts. It was confirmed it was the intention to undertake joint promotions and do more with existing resources.

Noting intentions to establish a 'SCR level working group' to work up proposals, it was confirmed this would engage the districts' heads of marketing and communications.

RESOLVED, that the Combined Authority:

1. Notes the intention to establish an SCR level working group, to be chaired by a Private Sector LEP Board member to lead work on an SCR place marketing and strategic communications approach.
2. Notes that the programme of work will be delivered through a combination of in-house, local partner and externally commissioned support.
3. Provides the SCR Executive Director, in consultation with the Chair and Vice Chair of the Combined Authority, the approval to enter into a contractual arrangement with the potential value of this activity to exceed £100k to deliver the programme of work.

16 FINANCIAL APPROVALS

A report was presented asking the Combined Authority to note the approval by written procedures to progress to 'Award of Contract' for Chesterfield Waterside at a cost of £2.7M LGF and to consider the approval of a recommendation to progress

scheme business cases to Full Approval and entering into funding agreement for the Sustainable Transport Exemplar Programme (STEP) - Public Transport Connectivity Programme (PTCP) at a cost of £4.195M

It was noted that in line with the Sheffield City Region Single Assurance Framework these projects have been considered and recommended for CA approval by SCR Executive Boards and the schemes have been through a process of technical appraisal, utilising where necessary external support, and consideration by a Panel of Offers representing the SCR Statutory Officers culminating in the recommendations presented for approval.

In addition, the report requested consideration of 24 minor change requests affecting spend profiles. It was noted this will establish a firm baseline for subsequent monitoring of changes via the change request process. It was confirmed the change requests have been reviewed by the SCR Performance team and endorsed by Executive Boards prior to being presented for approval.

RESOLVED, that the Combined Authority:

1. Note the approval by written procedures to progress Chesterfield Waterside to Award of Contract at a cost of £2.7M to SCR CA subject to the detailed condition set out in the Project Approval Summary Table
2. Approve progression of the Sustainable Transport Exemplar Programme (STEP) - Public Transport Connectivity Programme (PTCP) at a cost of £4.195M to SCR CA subject to the detailed condition set out in the Project Approval Summary Table
3. Approve the requests for change affecting various Infrastructure Projects set out in the Change Request Table.

17 SCR SINGLE ASSURANCE FRAMEWORK - EXPRESSIONS OF INTEREST

A report was received requested the Combined Authority's consideration of two projects at an expected cost of up to £8M of Local Growth Fund funding (Strategic Testing Tools at a cost of up to £3M and an Enterprise Zone Development Fund at a cost of up to £5M).

It was noted that in line with the Sheffield City Region Single Assurance Framework these projects Expressions of Interest have been considered and recommended for CA approval by SCR Executive Boards. Each project will be required to complete the relevant assurance processes before commencing work.

It was noted that given the nature of the projects proposed the CA are asked to approve rapid progression through the Assurance Framework and invite submission of Full Business Case noting that projects will be evaluated at the furthest completed stage.

RESOLVED, that the Combined Authority:

1. Approves acceptance of a project to develop and refresh the SCR Strategic testing tools at a cost of up to £3M LGF.
2. Approves acceptance of a project to develop and Enterprise Zone Development Fund at a cost of up to £5M LGF.
3. Approves the rapid progression of these projects through the Assurance Framework to Full Business Case.

18 SUMMARY REPORT - HOUSING EXECUTIVE BOARD

RESOLVED, that the summary report's recommendations be endorsed.

19 SUMMARY REPORT - TRANSPORT EXECUTIVE BOARD

Item deferred.

20 SUMMARY REPORT - INFRASTRUCTURE EXECUTIVE BOARD

RESOLVED, that the summary report's recommendations be endorsed.

21 FRAMEWORK AGREEMENT FOR THE GAINSHARE NATIONAL PANEL

A report was received advising the Combined Authority of developments with the Framework Agreement for the Gainshare National Panel.

RESOLVED, that the Combined Authority:

1. Notes the update on the appointment of the National Panel.
2. Noted the appointment of a preferred contractor following the open procurement process, having been identified through a quality and cost assessment.
3. Agrees to the SCR entering into a Framework agreement for the National Panel noting that the cost range for the procurement was £10,000 - £50,000 per annum for five years (assuming a flat profile), with exact costs for defined outputs to be agreed for each contract made through this Framework.

CHAIR