

SHEFFIELD CITY REGION COMBINED AUTHORITY

AMP TECHNOLOGY CENTRE, WAVERLEY, ROTHERHAM, S60 5WG

MINUTES OF THE MEETING HELD ON 20 JUNE 2016

PRESENT:

Councillor Sir Steve Houghton CBE, Barnsley MBC (Chair)
Councillor John Burrows, Chesterfield BC (Vice 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
Mayor Ros Jones, Doncaster MBC
Councillor Alan Rhodes, Nottinghamshire CC
Councillor Lewis Rose OBE, Derbyshire Dales DC
Julie Kenny CBE, Pyronix (LEP Board) & Rotherham MBC (Commissioner)

Fiona Boden, Sheffield City Region Executive Team
Huw Bowen, Chesterfield BC
Andrew Frosdick, Monitoring Officer
Andrew Gates, SCR Executive Team
John Hattersley, South Yorkshire Pensions Authority
David Hewitt, SCR LEP
Julie Hurley, SYPTE
Sharon Kemp, Rotherham MBC
Anthony May, Nottinghamshire CC
John Mothersole, Sheffield CC
Jo Miller, Doncaster MBC
Mel Dei Rossi
Dave Smith, SCR Exec Team
Gareth Sutton, Sheffield CC / SCR
Daniel Swaine, Bolsover DC / NE Derbyshire DC
Neil Taylor, Bassetlaw DC
Diana Terris, Clerk / Barnsley MBC
Craig Tyler, Joint Authorities Governance Unit

Apologies for absence were received from Councillor A Western, N Knowles, R Adams, D Bunton and E Walker

1 VOTING RIGHTS FOR NON-CONSTITUENT MEMBERS

The meeting was opened by the Clerk.

It was agreed that no items required voting rights to be confirmed on non-Constituent Members.

2 APPOINTMENT OF COMBINED AUTHORITY CHAIR AND VICE-CHAIR

RESOLVED:

1. That Cllr Sir Houghton CBE is appointed Chair of the SCR Combined Authority for the forthcoming year (2016/17)
2. That Cllr John Burrows is appointed Vice Chair of the SCR Combined Authority for the forthcoming year (2016/17)

Cllr Houghton assumed the Chair of the meeting

3 APPOINTMENT OF ROTATIONAL MEMBERS FOR 2016/17

The Monitoring Officer provided Members with an explanation of why the appointment of rotational Members is require, noting such appointments ensure the Authority has a majority of Constituent Member votes.

It was noted that the principle of appointing rotational Members will be adhered to until there is any amendment to the obligating primary legislation.

It was confirmed that there is no requirement for rotational Members to attend Authority meetings unless required.

It was noted that the alphabetic principles agreed at the CA meeting of April 2014 mean the rotational Members will be provided by Doncaster MBC and Rotherham MBC for the forthcoming year.

Nominations were noted as Cllr Joe Blackham (Doncaster MBC) and Cllr Denise Lelliott (Rotherham MBC).

RESOLVED:

1. That Cllrs Blackham and Lelliott be appointed as the Combined Authority's rotational Members for the forthcoming year.

4 APPOINTMENT OF HEAD OF PAID SERVICE

A report was received requesting a formal resolution from Members to confirm the appointment of Dr Dave Smith as Interim Executive Director i.e. SCR Head of Paid Service

It was noted the SCR Combined Authority is obliged to appoint a Head of Paid Service, as per section 4 of the Local Government and Housing Act 1989

RESOLVED:

1. That Members note the appointment of Dr Dave Smith as the SCR's Interim Executive Director and Head of Paid Service

5 APPOINTMENT OF TRANSPORT COMMITTEE MEMBERS

Members were advised that a number of districts were in the process of confirming their nominations to the Transport Committee. It was agreed this information may be conveyed by email once collated.

It was noted there will be changes to the responsibilities of the SCR Transport Committee as part of the introduction of the Mayoral Combined Authority and more details will be provided in due course. It was envisaged this would be available by autumn 2016.

6 APOLOGIES

Apologies were noted as above.

7 ANNOUNCEMENTS

No announcements were made.

8 URGENT ITEMS

Members were advised of an urgent item 'Local Growth Fund 3 - Bidding Process'. It was agreed this may be taken at item 27 on today's agenda.

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

RESOLVED, that items 24 - Project Mercury, 25 - SYTPF Governance and Related Issues and 26 - SYTPF Update may be taken in the absence of the public and press.

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

No declarations of interest regarding the business to be transacted on today's agenda were noted.

11 REPORTS FROM AND QUESTIONS BY MEMBERS

None.

12 RECEIPT OF PETITIONS

None.

13 PUBLIC QUESTIONS

None received.

14 MINUTES OF THE MEETING HELD ON 9 MAY 2016

RESOLVED, that the minutes of the meeting held on 9th may are agreed to be an accurate record of the meeting.

15 SCR CA POLICY ON LOANS TO PARTNER ORGANISATIONS

A report was received asking Members to consider the CA's approach to offering loan funding for schemes to non-Local Authority partners, including Colleges and to consider whether the SCR CA would wish to offer loans alongside the grant and consider any restrictions or conditions which should be applied.

Mayor Jones questioned whether this should be a 'role of the CA' and in suggesting the CA is not a bank, requested a more detailed report from the S151 officer commenting on the means via which the CA can assist non-LA organisations financially and such processes might align to our Treasury Management activities.

Noting this report had been instigated by a request for financial assistance from a Further Education College; Mayor Jones suggested the Skills Executive Board should liaise with the College in question to discuss the situation, and the role of the CA, in more detail.

These sentiments were endorsed by Members.

RESOLVED: That the Combined Authority:

1. Rejects the request to provide general financial assistance to a Further Education College, in the manner presented in the report, and requests the SEB discuss other options in more detail.
2. Will consider its appetite for providing financial assistance to non-LA organisations on receipt of a more detailed report from the S151 officer covering the various funding mechanisms available and how these support the CA's Treasury Management activities.

16 DEPARTMENT FOR TRANSPORT LARGE LOCAL MAJORS

A report was received providing information on the DfT Large Local Majors funding competition and, due to the competition timescales, seeking the CA's approval for the delegated sign-off from the CA/LEP chairs for the bids to DfT, noting the 21st July deadline.

It was noted the Department for Transport (DfT) has invited the Local Enterprise Partnership (LEP) to bid into a £475m Large Local Major Schemes fund, which forms part of the Local Growth Fund and was announced in the 2016 Budget.

Members were asked to note the need for SCR to make an appropriate financial contribution to update the appraisal tools needed to make the business cases compliant with the National Standards required for such schemes

It was noted that following a call for schemes and process of sifting against the DfT's eligibility criteria, 3 schemes have been proposed for submission: SCR Mass Transit Phase 1, Advanced Manufacturing Innovation District (AMID) and Pan Northern Connectivity – New Trans-Pennine through Routes.

RESOLVED, that the Combined Authority:

1. Agrees to submit three bids to the DfT (as detailed in the paper) and approves the Chairs of the CA and LEP having delegated sign off responsibilities for the final bids.
2. Notes the need for SCR to make an appropriate financial contribution to update the appraisal tools needed to make the business cases compliant with the National Standards required for such schemes

17 JEREMIE FUND - INTERIM ARRANGEMENTS

A report was received to summarise past reports regarding the creation of the Northern Powerhouse Investment Fund (NPIF) and to note that the NPIF will be launched in September 2016 with significant investment expected from January 2016.

Members were asked to consider the need to avoid a hiatus in SME investment and the recommendation that the SCR offers Finance Yorkshire a loan (at commercial rates) of up to £2.5m to invest in South Yorkshire until 31 December 2016 to ensure that there is no "investment gap" in the move toward new financial instruments.

RESOLVED, that the Combined Authority:

1. Agrees to offer Finance Yorkshire a loan (on commercial terms) of £2.5m to bridge the investment gap until 31 December 2016, repayable over a term not greater than four years, with funding to be drawn from (and repayable to) the uncommitted Business Investment Fund ('BIF') element of our LGF funding.
2. Delegates authority to the Head of Paid Service (in consultation with the CA's Monitoring Officer, Section 151 Officer, Lead CEX and Lead LEP Board Member) to agree suitable terms and conditions (in accordance with the principles as set out in the report.

18 HORASIS APPROVAL

A report was received asking the Combined Authority to approve the organising of the Horasis Business Conference to take place in November 2017.

Members questioned the scope and tangibility of the benefits of hosting the conference as detailed in the report, asking 'what would success look like', but

recognised this is the type of international event the SCR needs to be engaged with if it is to meet its inward investment ambitions

It was noted officers will be providing additional metrics to justify the hosting of the conference.

Members discussed the need for requests such as this to be captured as part of the SCR's marketing framework and not presented as piecemeal initiatives.

It was suggested the LEP would be a better body to decide whether to progress this initiative to ensure the thoughts of the private sector have been appropriately captured. However, it was confirmed the CA would be the body accountable for the sign off of funds for hosting.

Noting the intention to recoup some of the costs quoted via the attraction of sponsorship, Members were provided with assurances that the CA's underwriting of the hosting costs wouldn't make potential sponsors less likely to contribute.

RESOLVED, that the Combined Authority:

1. Agree, in principle that the Sheffield City Region may bid to host the Horasis conference in 2017 but defer a final decision pending the receipt of the above additional information.
2. Instruct officers to provide additional evidence metrics to support the hosting of the conference and provide assurance that supporting sponsorship to offset the costs of hosting is being attracted.

Cllr Dore confirmed she did not support these resolutions.

19 BUSINESS CASE RECOMMENDATION

Members were presented with recommendations from the SCR Transport and Infrastructure Executive Boards for approval.

It was noted that as agreed at the 9th May CA Meeting, papers have been presented via written procedures between meeting cycles for approval by the Chair of the CA for the Olympic Legacy Park and Peak Resort projects.

RESOLVED, that the Combined Authority:

1. Approves progression of Supertram Renewal to Full Approval and Award of Contract at a cost of £1M to SCR CA subject to the detailed condition set out in the Project Approval Summary Table.
2. Notes the approval by written procedures to progress Peak Resort to Full Approval and endorse Award of Contract at a cost £2.85M to SCR CA subject to the detailed condition set out in the Project Approval Summary Table.
3. Notes the approval by written procedures to progress Olympic Legacy Park to Full Approval and endorse Award of Contract at a cost of £4.9M to SCR CA

subject to the detailed condition set out in the Project Approval Summary Table.

20 SUMMARY REPORT - BUSINESS GROWTH EXECUTIVE BOARD

RESOLVED, that the recommendations made by the Executive Board are noted and endorsed.

21 SUMMARY REPORT - HOUSING EXECUTIVE BOARD

RESOLVED, that the recommendations made by the Executive Board are noted and endorsed.

22 SUMMARY REPORT - TRANSPORT EXECUTIVE BOARD

Members were asked to note clarification that districts will have 'concurrent responsibilities' with TfN and TfN won't be able to undertake works without a respective district's consent.

It was confirmed the refreshed Transport Strategy will be presented to the CA for endorsement.

RESOLVED, that the recommendations made by the Executive Board are noted and endorsed.

23 SUMMARY REPORT - INFRASTRUCTURE EXECUTIVE BOARD

RESOLVED, that the recommendations made by the Executive Board are noted and endorsed.

24 PROJECT MERCURY

A report was submitted inviting the Combined Authority to consider a Business Investment Fund grant of up to £12m to support £60m of inward investment in the Sheffield City Region, resourced from uncommitted LGF.

Matters were considered.

RESOLVED, that the Combined Authority:

1. Approve the allocation of up to £12m of the LEP/ CA's uncommitted Business Investment Fund to support £60m of inward investment, £100m of additional GVA and 370 (predominantly) high skilled jobs in the Sheffield City Region.
2. Delegates authority to the Head of Paid Service (in consultation with the lead Chief Executive Officer, the Section 151 Officer and the Monitoring Officer) to agree the terms of the conditions of this grant award (within the parameters set out in this report).

25 SOUTH YORKSHIRE PASSENGER TRANSPORT PENSION FUND - GOVERNANCE AND RELATED ISSUES

A report was received requesting Members' approval of recommendations from the Passenger Transport Pension Fund Committee with regard to the future participation of the Fund within proposed pension pooling arrangements through appropriate delegations to South Yorkshire Pensions Authority and to endorse the detailed work which has been undertaken through the Passenger Transport Pension Fund Committee with regard to the participation of the Fund in proposed pension pooling arrangements through the Border to Coast Pool.

RESOLVED, that the Combined Authority:

1. Approves the recommendations of the Committee, with regard to participation in the future governance of the Border to Coast Pool through South Yorkshire Pensions Authority
2. Endorses the detailed work undertaken through the Committee with regard to participation in the Border to Coast pool
3. Delegates the responsibility to the Committee to continue to consider relevant issues with regard to the development of the Border to Coast pooling arrangement
4. Notes that future reports will be submitted to the Authority with regard to the progress of the pooling arrangements and the potential to transfer responsibility for the Fund to South Yorkshire Pensions Authority as appropriate

26 SOUTH YORKSHIRE PASSENGER TRANSPORT PENSION FUND

Local Growth Fund 3 - A report was received to provide Members with background information regarding the South Yorkshire Passenger Transport Pension Fund.

The report's appendices provided basic data regarding Fund membership, advisors and management; investment performance and structure; and an explanation of the contingent risk.

It was noted the 2015/16 draft Annual Report and Accounts are now being reviewed by KPMG as external auditors to the Fund.

RESOLVED, that the contents of the report are noted.

27 LOCAL GROWTH FUND 3 - BIDDING PROCESS

Members were provided with information regarding the emerging components to be recommended for inclusion in the bid. It was noted these are continuations of existing activity albeit on a larger scale.

It was noted that the submission deadline is 28th July. However, the additional submission of a 'bid snapshot' has been requested by DCLG by 24th June.

It was confirmed the final bid programme will be circulated to Members prior to submission.

RESOLVED, that the Combined Authority agrees to delegate responsibility for signing off the bid to the Chairs of the CA and LEP.

CHAIR