

SHEFFIELD CITY REGION COMBINED AUTHORITY

THE AMP TECHNOLOGY CENTRE, WAVERLEY, ROTHERHAM, S60 5WG

MINUTES OF THE MEETING HELD ON 9 MARCH 2018

PRESENT:

Councillor Chris Read, Rotherham MBC (Chair)
Councillor Tricia Gilby, Chesterfield BC (Vice Chair)

Councillor Julie Dore, Sheffield CC
Councillor Sir Steve Houghton CBE, Barnsley MBC
Mayor Ros Jones CBE, Doncaster MBC
Councillor Lewis Rose OBE, Derbyshire Dales DC
Councillor Ann Syrett, Bolsover DC

Councillor Chris Furness, Peak District National Park Authority
Councillor Simon Spencer, Derbyshire CC (Observer)

Fiona Boden, SCR Exec Team
Andrew Frosdick, Monitoring Officer
Jeni Harvey, SCR Exec Team
James Henderson, Sheffield CC
Sharon Kemp, Rotherham MBC
Felix Kumi-Ampofo, SCR Exec Team
Mark Lynam, SCR Exec Team
John Mothersole, Sheffield CC
Mel Dei Rossi, SCR Exec Team
Dave Smith, SCR Exec Team
Daniel Swaine, Bolsover DC / NE Derbyshire DC
Diana Terris, Clerk / Barnsley MBC
Mike Thomas, SCC / SCR Exec Team
Lee Tillman, Doncaster MBC
Craig Tyler, Joint Authorities Governance Unit
Eugene Walker, S.151 Officer

Apologies for absence were received from Councillor G Baxter and Councillor S Greaves

1 APOLOGIES

Members apologies were noted as above.

2 ANNOUNCEMENTS

None.

3 URGENT ITEMS

None.

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

None.

5 VOTING RIGHTS FOR NON-CONSTITUENT MEMBERS

It was determined that voting rights should not be conferred on non-Constituent Members in respect of agenda item 19 – 'Transport Funding Agreement' as this matter regards the Constituent Local Authorities only.

It was agreed there were no additional agenda items for which the non-Constituent Members should not have full voting rights.

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

As Leaders of the relevant sponsoring authorities, all Members declared non-pecuniary interests in the schemes to be considered at items 12, 14 and 19.

7 REPORTS FROM AND QUESTIONS BY MEMBERS

None.

8 RECEIPT OF PETITIONS

Mrs Pauline Beadle presented the Committee with a 250 signature petition on behalf of the people of Thorne and Moorends, Doncaster. Addressing the Committee, Mrs Beadle reported this is an ageing population that would benefit from having a bus route from Moorends to the new retail park (Quora Park) in Thorne as many older people do not have their own transport and it is too far to walk. Mrs Beadle informed Members the petition has drawn the interest of the Mayor of Thorne, Cllr Susan Durant and the Labour MP for Doncaster North Ed Miliband who have both contacted her on several occasions to ensure her of their full support and backing. Mrs Beadle proposed a solution may be a rerouting of the current No.86 service.

Mayor Jones indicated her support for what the residents are saying and requested this matter be looked into by PTE officers.

Cllr Dore asked whether this matter could be looked at in more detail by the Doncaster Bus Partnership.

The Chair duly instructed the PTE officers to investigate the matter raised by Mrs Beadle and respond on the Authority's behalf.

9 PUBLIC QUESTIONS

A question was received from Mr Nigel Slack and read and follows:

What Skills Training or Apprenticeship contracts for SCR are currently delivered by Learndirect Ltd? An Ofsted inspection in 2017 found the company "inadequate" and a Government DfE spokeswoman said: "The government is ending Learndirect's contract to provide apprenticeships and adult education, because of its failure to meet the high standards expected." What will be the impact of this report and this statement on SCR learners?

In response the Chair noted Learndirect hold a national contract with the Education and Skills Funding Agency for the delivery of skills related activity (including Apprenticeships) and some of this delivery will be within Sheffield City Region. However, we don't at this time have any available data that shows the level or type of delivery in SCR.

The Chair tasked officers to investigate the matter in more detail in the interests of establishing whether a fuller response might be provided.

10 MINUTES OF THE MEETING HELD ON 29TH JANUARY

It was noted the attendance of Cllr Chris Furness should read representative of the Peak District National Park Authority, rather than Derbyshire Dales.

RESOLVED, that with exception of the above matter, the minutes of the meeting held on 29th January are agreed to be an accurate record.

11 CA LEP REVENUE BUDGET 2018/19

Members were presented with the final proposals for the Sheffield City Region CA/LEP Revenue Budget for financial year 2018/19.

Mayor Jones questioned the reference at Appendix 3 to the report which noted the draft accounts of SYITA Properties Ltd indicate that up to £550k of retained profits will transfer to the CA and the proposition these profits be ring-fenced in the short term for property-related issues. In discussion, the Authority agreed these profits should not be ring-fenced for property-related issues and would be open to other spend opportunities.

RESOLVED, that the Combined Authority:

1. Approves the proposed CA/LEP revenue budget and associated programmes for 2018/19

2. Approves the proposed CA Group reserves strategy and associated Section 73 Officer recommendations, with the above amendment
3. Notes that subscriptions payable by partner authorities will be frozen at 2017/18 levels
4. Notes that a medium term financial strategy will be brought back to the CA in Summer 2018

12 CA CAPITAL PROGRAMME 2018/19

Members were presented with the final proposals for the Sheffield City Region CA Capital Programme for the financial year 2018/19, split into the CA/LEP Capital Programme (primarily the Local Growth Fund programme) and the South Yorkshire Transport Capital Programme (a mixture of strategic and local schemes).

RESOLVED, that the Combined Authority:

1. Approves the Local Growth Fund capital programme for 2018/19 at a total value of £38.691m against an indicative LGF allocation of £43.29m with 4.6m available to fund schemes from the reserve pipeline.
2. Approves the South Yorkshire Transport capital programme for 2018/19 at a value of £44.7m.
3. Notes the capital strategy, which currently targets investment in pursuit of the objectives of the SEP, will be refreshed as part of the Medium Term Financial Strategy and brought back to the CA in summer 2018.

13 TREASURY MANAGEMENT STRATEGY 2018/19

Members were presented with the paper proposing the Annual Treasury Management Strategy for the financial year 2018/19 and advised this is a compliance paper which sets out how the Authority's debt and investment portfolio will be managed over the period. It was noted that like other public bodies, the Authority adopts an efficient approach to its affairs which seeks to mitigate risk above all else.

Members were advised the proposals contained within this paper do not contain any material amendments to parameters previously agreed by Leaders.

RESOLVED, that the Combined Authority:

1. Approves the annual Treasury Management Strategy and associated prudential indicators
2. Approves the annual Investment Strategy
3. Approves the minimum revenue provision policy

14 LGF CAPITAL PROGRAMME 2017/18

Members were presented with a paper requesting the approval of projects that have progressed through the Appraisal Framework.

Mayor Jones criticised the request for the Combined Authority to take a decision on the former Park Gardeners Club Housing Fund project ahead of the matter being subject to consideration at the (still to be convened) Housing Investment Board, but recognised the project has been subject to internal due diligence and the importance of not delaying the scheme's development.

RESOLVED, that the Combined Authority:

1. Approves taking the former Park Gardeners Club Housing Fund project to full approval and award of contract at a cost of £0.517m subject to the conditions set out in the appraisal panel summary table.
2. Approves the BIF project's request to accelerate expenditure of £0.708m in 2017/18 and of £0.708m and in 2018/19 of £8.678m.
3. Approves the STEP PTE project de-committing expenditure of -£0.224m and STEP SCC project de-committing expenditure of -£1.383m.
4. Approves the Disadvantaged Learner Pilot de-committing expenditure of -£1.5m).
5. Approves the Skills Capital Fund's request for slippage of £1.072m from 2018/19.
6. Approves the Housing Fund spend profile increase by £1.880m to re-instate the full £10m Housing Fund budget which was previously approved.
7. Notes the Knowledge Gateway project is reporting an update to the contracting / payment basis from a loan (which converts to grant) to an outcome based contract in line with other such approvals.
8. Notes the membership of the Sheffield City Region Housing Investment Board (HIB).
9. Notes the appraisal of 53 Open Call applications has been completed and the awaiting of confirmation of the outturn position for 2017/18 and annual spend targets from DCLG for 18/19 prior to making recommendations regarding progression of these schemes.
10. Approves the delegation of authority to Head of Paid Service and Section 73 Officer in conjunction with the Chair of the CA to maximise the outturn spend position at year end to mitigate against any potential loss of funding, noting the CA will be informed when these delegated approvals take place.
11. Approves the delegation of authority to the Head of Paid of Service, in conjunction with the S73 Officer, to enter into contractual arrangements required as a result of the above approvals.

15 FINANCIAL REGULATIONS

A report was received to remind Members of the SCR's requirement to update its Financial Regulations on a regular basis to ensure that they remain up to date, fit for purpose and robust, and to seek approval of the updated Financial Regulations.

RESOLVED, that the Combined Authority approves the revised 2018 Financial Regulations, with the amendment that virements on revenue be kept at £100k

16 ASSURANCE FRAMEWORK

A report was received to remind Members of the SCR's requirement to update its Assurance Framework on a regular basis to ensure it remains up to date, fit for purpose and robust, and to seek approval of the updated Framework.

Members were advised that revisions have been identified through a review of the existing Framework in light of additional national guidance and through the evolution of arrangements in the City Region.

It was noted the changes will in part make processes less onerous for scheme promoters.

RESOLVED, that the Combined Authority:

1. Approves the updated Assurance Framework.
2. Notes the actions required to implement the updated Assurance Framework.

17 AMP

A report was received requesting the approval of the recommendation to appoint a Facilities Management Provider for the Advanced Manufacturing Park Technology Centre and agree to funding a Programme Director and activity budget to accelerate the delivery of the next stages of the Advance Manufacturing Innovation District.

RESOLVED, that the Combined Authority:

1. Approves the appointment of Creative Space Management Ltd as the preferred Facilities Management provider for the AMP Technology Centre for 5 years from the 1st April 2018, with an option to extend for a further 2 years subject to performance.
2. Approves the reinvestment of £135,000 per year for three years of the revenue generated from the AMP Technology Centre, to fund a Programme Director and activity budget to accelerate the development of the Advanced Manufacturing Innovation District

3. Approves the delegation of authority to the Head of Paid of Service, in conjunction with the Section 73 Officer, to enter into the contractual arrangements required as a result of the above approvals.

18 HS2 GROWTH STRATEGY

A report was received to provide an update on progress in developing the HS2 Growth Strategy.

Cllr Houghton suggested that whilst the report deals with many of the 'positives' associated with HS2; there is equally another side to the impact HS2 will have and proposed that (as well as HS2 Ltd undertaking its own environmental assessment) the SCR undertakes its own impact study into the potential 'negatives' and what we need to see done about them, including the lobbying of government and HS2 Ltd to reduce the impact on communities.

RESOLVED, that the Combined Authority:

1. Approves the re-profile of the £145,000 HS2 Growth Strategy budget from 17/18 to 18/19 as detailed in the Q3 2017-18 Monitoring Report.
2. Approves the acceptance of £625,000 of tranche two funds to progress the second phase of the Growth Strategy Work.
3. Approves entering into a number of agreements to progress activity including:
 - £200,000 with the HS2 Growth Partnership to deliver the masterplan for Sheffield Midland Station
 - £130,000 with Chesterfield Borough Council to deliver the masterplan for Chesterfield Station,
 - the delivery of the single Economic Commission at a likely value of over £100,000 (subject to completion of procurement) and delegate authority to the Head of Paid Service for the Combined Authority to appoint consultants and
4. Approves extending the appointment of the HS2 Programme Director from March 2018 until September 2018 at an additional cost of up to £73,000 (noting a total ceiling amount of £152,000),
5. Approves the delegation of authority to the Head of Paid of Service, in conjunction with the Section 73 Officer, to enter into the contractual arrangements required as a result of the above approvals.
6. Agrees to undertake an assessment of the potential 'negatives' of HS2 and identify the courses of action required to mitigate these matters.

19 TRANSPORT FUNDING AGREEMENT

A report was received proposing the creation of a £3.5m, defined parameter, local transport pot for Barnsley, Doncaster and Rotherham.

The report suggested the funding landscape for local transport programmes in South Yorkshire will change from April 2018 with the conclusion of some existing funding streams and in seeking alternate funding sources it is intended this pot be created in parallel with the pursuit of other emerging opportunities, such as the Transforming Cities fund.

Cllr Dore questioned the rationale of this pot and asked why, as a South Yorkshire badged initiative, it is only available to 3 of the 4 districts. Officers suggested this arises from the identification of a large discrepancy in the amount of borrowing being invested in the Supertram network in Sheffield and the amount of borrowing being used to support projects in the other 3 districts.

Cllr Dore asserted the Supertram network is not only used by residents of Sheffield.

Cllr Dore asked if this sets a precedent for how other funding sources might be allocated between partners going forward. Officers noted there are no current plans to repeat this exercise.

Cllr Dore requested a recorded vote be taken in respect of the recommendations. This request was supported by a sufficient number of Members to proceed (as determined by the SCR Constitution).

The outcomes of which were as follows:

- Votes for: Cllr Houghton, Mayor Jones and Cllr Read.
- Votes against: Cllr Dore

RESOLVED, that the Combined Authority:

1. Approves the creation of a £3.5m local transport pot, through prudential borrowing, for the exclusive use of Barnsley, Doncaster and Rotherham Metropolitan Borough Councils
2. Approves that the £3.5m pot be distributed to the 3 recipient authorities on the per capita proportionate split outlined in this report.
3. Endorse that the £3.5m pot be used to fund the named transport priorities set out in this report, subject to further due diligence delegated to SCR's Director of Commissioning and Section 73 Officer, to ensure compliance with the Combined Authority's transport borrowing powers.

20 TFN NOMINATIONS

A report was received seeking to nominate the Sheffield City Region's representatives on the Transport for the North (TfN) Scrutiny Board

Members were reminded in April 2018, TfN will be established as the country's first sub-national statutory transport body. In establishing appropriate governance arrangements the 2018 regulations require TfN to appoint a Scrutiny Committee.

Commenting on wider TfN matters, Mayor Jones suggested Doncaster has been seriously underrepresented in the TfN Statutory Transport Plan consultative draft and requested Doncaster and SCR Exec Team officers contribute appropriate responses via the consultation to raise this matter.

RESOLVED, that the Combined Authority approves the nomination of those Members from RMBC and BMBC, with transport portfolio responsibilities, to the positions of TfN Scrutiny Committee Member and substitute Member.

21 DELEGATED AUTHORITY REPORT

Provided for information.

22 RESOLUTION RECORD - SKILLS EXECUTIVE BOARD

RESOLVED, that the decisions and recommendations contained within the report are duly endorsed.

23 RESOLUTION RECORD - HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD

RESOLVED, that the decisions and recommendations contained within the report are duly endorsed.

24 RESOLUTION RECORD - TRANSPORT EXECUTIVE BOARD

RESOLVED, that the decisions and recommendations contained within the report are duly endorsed.

25 RESOLUTION RECORD - BUSINESS GROWTH EXECUTIVE BOARD

RESOLVED, that the decisions and recommendations contained within the report are duly endorsed.

CHAIR