

SHEFFIELD CITY COUNCIL

Overview and Scrutiny Management Committee

Meeting held 22 February 2018

PRESENT: Councillors Chris Peace (Chair), Penny Baker, John Booker, Denise Fox, Douglas Johnson, George Lindars-Hammond, Mick Rooney, Ian Saunders, Steve Wilson, Cliff Woodcraft and Adam Hanrahan (Substitute Member)

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1. APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received from Councillors Ian Auckland (with Councillor Adam Hanrahan attending as his substitute), Josie Paszek and Pat Midgley.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 No items were identified where resolutions may be moved to exclude the public and press.

3. DECLARATIONS OF INTEREST

3.1 There were no declarations of interest.

4. PUBLIC QUESTIONS AND PETITIONS

4.1 Alan Kewley stated that, on 3rd May 2018, residents of South Yorkshire would be asked to vote for a Sheffield City Regional Mayor. But turn-out could be low, as few will be aware, or understand, the role of this new directly-elected post. Within Sheffield, what steps can this Committee take to increase public awareness and understanding before election day?

4.2 Dr Dave Smith (Sheffield City Region Managing Director) stated that an extensive communications campaign had been planned in order to raise public awareness of the election on 3rd May 2018, which would include adverts and articles in newspapers, on relevant websites and other media, including social media. The campaign was to commence over the next few weeks, and would hopefully generate interest up to the date of the election. Sheffield City Region (SCR) was currently in the process of agreeing terms with media sources regarding advertisement sites, and were in discussion with newspaper editors in terms of articles for the press. John Mothersole (Chief Executive) stated that in addition to this, a booklet containing candidates' addresses, would shortly be mailed to all registered voters in South Yorkshire.

5. DEVOLUTION TO SHEFFIELD CITY REGION

5.1 The Committee received a report of the Chief Executive, containing an update on the current position with regard to the Sheffield City Region

(SCR) Devolution Agreement. The report set out the current position with regard to the Devolution Agreement, contained details in terms of a comparison of the local situation with that in the other city regions that had agreed a devolution deal at or around the same time as SCR, and set out the agreed next steps for the first half of 2018, up to the date of the Mayoral Election on 3rd May 2018.

- 5.2 In attendance for this item were Councillor Julie Dore (Leader of the Council), John Mothersole (Chief Executive), Dr Dave Smith (SCR Managing Director), Martin McKervey (Local Enterprise Partnership Board Member), Fiona Bowden (Assistant Director, Policy, SCR) and James Henderson (Director of Policy, Performance and Communications).
- 5.3 James Henderson took the Committee through the report, indicating that the plans had progressed following the agreement of the SCR Growth Deal, which had resulted in the City Region receiving Government funding to help support economic growth in the region.
- 5.4 Members of the Committee raised questions, and the following responses were provided:-
- There was presently no powers order in place, and would not be until such time a majority of Combined Authority members agreed to commence consultation. Even if this happened, there would be a further requirement that each constituent authority (and the mayor once elected) individually gives its consent to the finalised powers order before it could be laid before Parliament for approval.
 - The Mayor elected on 3rd May 2018, would be Chair of the Combined Authority, and have a responsibility for representing the interests and policies of the Combined Authority members, in terms of engaging with the Government and local communities on policies agreed by the Combined Authority. The Mayor would act as an ambassador for the area, and help to promote it as a place to live, work, visit and invest in. Whilst the Mayor would become the chair of the Combined Authority, he/she would have no more direct power than other members of the Authority, until such time the powers order was in place. On a practical level, office accommodation at the Combined Authority would be made available for the Mayor, together with administrative support, in the same way as this was made available for any other member of the Combined Authority. The Mayor would not receive any remuneration until Parliament provided the Combined Authority with the power to do so. This could potentially be done as part of the wider powers order referred to earlier.
 - Whilst it was not possible for any of the attendees at this meeting to provide a definitive explanation as to the rationale behind the

decisions of Barnsley and Doncaster in not agreeing to a South Yorkshire deal, it was considered that they may be attempting to keep their options open in terms of aiming to achieve a better deal as part of a potential 'One Yorkshire' devolution agreement. SCR understood and respected each local authority's decisions, and hoped to find common ground in terms of the interests of all four South Yorkshire authorities. It was stressed that Sheffield's position had never changed from the outset, in that the Council wanted, and still does want, all parts of the City Region (including those in north Nottinghamshire and north Derbyshire) to play a full part in the Sheffield City Region Combined Authority as these areas represent part of the functional economic area. Additionally, Sheffield's position is that it would not rule out being part of any other devolution agreement that may be reached covering a wider geographical area in future, if this was in Sheffield's interests, but that it was focussed on delivering the deal that has already been agreed. It was noted that any future Yorkshire devolution agreement would involve considerable negotiation, would require the agreement of all constituent councils, the Government and Parliament, which may prove difficult to secure.

- The business community was confused by the decisions of Barnsley and Doncaster as it saw devolution to city regions as the future, and considered that the direction of future Government funding would follow this structure. The business community was very interested in doing what it could to help Council Leaders find appropriate resolutions.
- It was accepted that the likely arrangements after the 3rd May election, where South Yorkshire would have a mayor with few formal powers or funding, may appear confusing to the general public, and stood in contrast to other parts of the country where the mayors elected last year had the full range of powers and funding available to them.
- As part of the devolution process, there were areas in the country where mayors had been elected from the political party that differed from a political administration of many of the constituent authorities. If this were to be the case in South Yorkshire, the SCR Executive Team would work with the Mayor to ensure that they were provided with all the necessary tools to enable them to undertake as good a job as possible. The business community had, and would always have to, respect whichever political party was in power at any given time. Despite any political differences, the Council Leaders had not, and would not, allow this to adversely affect any future discussions.
- The Devolution Agreement would result, once the powers order had been agreed, in the Government devolving powers in terms

of decision-making with regard to transport, employment, housing and other areas, to the SCR Combined Authority. The Council leaders and the elected mayor would be accountable for the decisions they take as a combined authority, and all such decisions would be subject to scrutiny.

- In terms of resources, it was expected that, in addition to their own individual Council budgets, SCR would receive approximately £900 million (£30 million a year for 30 years) as a 'gainshare' fund. All expenditure from this fund would be subject to "best value" duties incumbent on all local authorities.
- Candidates for the post of elected Mayor of the SCR Combined Authority would be required to pay an initial statutory deposit of £5,000 (returnable only if they received more than 5% of the total valid first choice votes). They would also have the option of paying an additional fee of £3,000, which would allow them to have their election address published in the mayoral election booklet, which was to be delivered to every registered voter in South Yorkshire prior to the election. The figure of £3,000 had been determined by the Combined Authority Returning Officer (Dr Dave Smith), using a formula based on mayoral elections in other areas, and was, in Dr Smith's opinion, considered as good value for money given the extent of its circulation.
- The mayoral election information booklet would include the names of all the candidates, and the election addresses of those candidates who had agreed to pay the fee to be included therein.
- The view of some that Sheffield had been putting pressure on Barnsley and Doncaster to sign up to a South Yorkshire deal was refuted. It was not Sheffield's responsibility to ensure that the two authorities signed up to such a deal. Both authorities were fully aware of the benefits of progressing such a deal, and had agreed to the deal on three separate occasions since the draft agreement was signed in 2015. SCR Combined Authority always tried to make decisions that had all the constituent and non-constituent authorities' interests at heart.
- The Mayor elected on 3rd May 2018, would not receive remuneration unless and until the Combined Authority had been given the power to do so by Parliament. This may be included in the broader powers order once finalised. It was likely that such remuneration would be funded from the current 'gainshare' fund.
- With regard to the Mayor's term of office, it was not likely that, particularly given the timescales involved, a consensus would be reached with regard to agreeing a reduced term. It was therefore likely that the term of office would be four years, as set out in law, running from 2018 to 2022.

- Not having an elected “metro-mayor” over the last year has meant that Sheffield City region had missed out on the first year’s allocation of the “gainshare” fund. This has had a broader impact on SCR’s ability to make capital investments. Furthermore, mayoral combined authorities were given an earmarked allocation from the £100 million Transforming Cities Fund. SCR has not been given similar access to this fund because there is no mayor currently in place. There was a recurring theme in the business community in terms of a perception that external investors were generally more positive in the case of those areas that had devolution agreements in delivery.
- Whilst it was difficult to confirm whether or not SCR would be more successful if there was a devolution agreement in delivery, evidence from other areas of the country where devolution deals had been agreed, had shown them to be having a beneficial impact on profile and confidence in the areas concerned.
- It was noted that the SCR authorities had been working together for many years, and had successfully implemented the previous City Deal and Growth Deal, which had enable SCR to secure substantial funding from the Government's Local Growth Fund to support economic development in the region. It was confirmed that there was no intention for the SCR Combined Authority to have any role that extended beyond economic development.

5.5 RESOLVED: That the Committee:-

- (a) notes the contents of the report now submitted, together with the responses to the questions raised; and
- (b) thanks all the attendees for their contributions, and for responding to the questions raised.

6. WORK PROGRAMME 2017/18

- 6.1 The Committee received a report of the Policy and Improvement Officer which set out its Work Programme for 2017/18.
- 6.2 The Chair referred to the agenda for the meeting on 19th April 2018, which would be the last scheduled meeting for the Municipal Year 2017/18, specifically to the item regarding the new Council website, suggesting that Members access the website prior to the meeting, to enable them to identify any problem areas that could be considered at the meeting.
- 6.3 RESOLVED: That the Committee approves its Work Programme for 2017/18.

7. DATE OF NEXT MEETING

- 7.1 It was noted that the next meeting of the Committee would be held on Thursday, 19th April 2018, at 1.00 pm, in the Town Hall.