

Overview and Scrutiny Management Committee (Special)

Thursday 22 February 2018 at 11.00 am

**To be held at the Town Hall, Pinstone
Street, Sheffield, S1 2HH**

The Press and Public are Welcome to Attend

Membership

Councillors Chris Peace (Chair), Ian Auckland, Penny Baker, John Booker, Denise Fox, Douglas Johnson, George Lindars-Hammond, Pat Midgley, Josie Paszek, Mick Rooney, Ian Saunders, Steve Wilson and Cliff Woodcraft

Substitute Members

In accordance with the Constitution, Substitute Members may be provided for the above Committee Members as and when required.

PUBLIC ACCESS TO THE MEETING

The Overview and Scrutiny Management Committee comprises the Chairs and Deputy Chairs of the four Scrutiny Committees. Councillor Cate McDonald Chairs this Committee.

Remit of the Committee

- Effective use of internal and external resources
- Performance against Corporate Plan Priorities
- Risk management
- Budget monitoring
- Strategic management and development of the scrutiny programme and process
- Identifying and co-ordinating cross scrutiny issues

A copy of the agenda and reports is available on the Council's website at www.sheffield.gov.uk. You can also see the reports to be discussed at the meeting if you call at the First Point Reception, Town Hall, Pinstone Street entrance. The Reception is open between 9.00 am and 5.00 pm, Monday to Thursday and between 9.00 am and 4.45 pm. on Friday. You may not be allowed to see some reports because they contain confidential information. These items are usually marked * on the agenda.

Members of the public have the right to ask questions or submit petitions to Scrutiny Committee meetings and recording is allowed under the direction of the Chair. Please see the website or contact Democratic Services for further information regarding public questions and petitions and details of the Council's protocol on audio/visual recording and photography at council meetings.

Scrutiny Committee meetings are normally open to the public but sometimes the Committee may have to discuss an item in private. If this happens, you will be asked to leave. Any private items are normally left until last. If you would like to attend the meeting please report to the First Point Reception desk where you will be directed to the meeting room.

If you require any further information about this Scrutiny Committee, please contact Emily Standbrook-Shaw, Policy and Improvement Officer, on 0114 27 35065 or email Emily.standbrook-shaw@sheffield.gov.uk

FACILITIES

There are public toilets available, with wheelchair access, on the ground floor of the Town Hall. Induction loop facilities are available in meeting rooms.

Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

**OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE AGENDA
22 FEBRUARY 2018**

Order of Business

- 1. Welcome and Housekeeping Arrangements**
- 2. Apologies for Absence**
- 3. Exclusion of Public and Press**
To identify items where resolutions may be moved to exclude the press and public
- 4. Declarations of Interest**
Members to declare any interests they have in the business to be considered at the meeting
- 5. Public Questions and Petitions**
To receive any questions or petitions from members of the public
- 6. Devolution to Sheffield City Region**
Report of the Chief Executive
- 7. Work Programme 2017/18**
Report of the Policy and Improvement Officer
- 8. Date of Next Meeting**
The next meeting of the Committee will be held on Thursday, 19th April, 2018, at 1.00 pm, in the Town Hall

This page is intentionally left blank

ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

If you are present at a meeting of the Council, of its executive or any committee of the executive, or of any committee, sub-committee, joint committee, or joint sub-committee of the authority, and you have a **Disclosable Pecuniary Interest (DPI)** relating to any business that will be considered at the meeting, you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your Disclosable Pecuniary Interest during the meeting, participate further in any discussion of the business, or
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

You **must**:

- leave the room (in accordance with the Members' Code of Conduct)
- make a verbal declaration of the existence and nature of any DPI at any meeting at which you are present at which an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.
- declare it to the meeting and notify the Council's Monitoring Officer within 28 days, if the DPI is not already registered.

If you have any of the following pecuniary interests, they are your **disclosable pecuniary interests** under the new national rules. You have a pecuniary interest if you, or your spouse or civil partner, have a pecuniary interest.

- Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner undertakes.
- Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period* in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

*The relevant period is the 12 months ending on the day when you tell the Monitoring Officer about your disclosable pecuniary interests.

- Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority –
 - under which goods or services are to be provided or works are to be executed; and
 - which has not been fully discharged.

- Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
- Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
- Any tenancy where (to your knowledge) –
 - the landlord is your council or authority; and
 - the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.
- Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -
 - (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
 - (b) either -
 - the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
 - if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

If you attend a meeting at which any item of business is to be considered and you are aware that you have a **personal interest** in the matter which does not amount to a DPI, you must make verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent. You should leave the room if your continued presence is incompatible with the 7 Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; and leadership).

You have a personal interest where –

- a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing (including interests in land and easements over land) of you or a member of your family or a person or an organisation with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the Authority's administrative area, or
- it relates to or is likely to affect any of the interests that are defined as DPIs but are in respect of a member of your family (other than a partner) or a person with whom you have a close association.

Guidance on declarations of interest, incorporating regulations published by the Government in relation to Disclosable Pecuniary Interests, has been circulated to you previously.

You should identify any potential interest you may have relating to business to be considered at the meeting. This will help you and anyone that you ask for advice to fully consider all the circumstances before deciding what action you should take.

In certain circumstances the Council may grant a **dispensation** to permit a Member to take part in the business of the Authority even if the member has a Disclosable Pecuniary Interest relating to that business.

To obtain a dispensation, you must write to the Monitoring Officer at least 48 hours before the meeting in question, explaining why a dispensation is sought and desirable, and specifying the period of time for which it is sought. The Monitoring Officer may consult with the Independent Person or the Council's Audit and Standards Committee in relation to a request for dispensation.

Further advice can be obtained from Gillian Duckworth, Director of Legal and Governance on 0114 2734018 or email gillian.duckworth@sheffield.gov.uk.

This page is intentionally left blank



Report to Overview and Scrutiny Management Committee 22 February 2018

Report of: Chief Executive

Subject: Devolution to Sheffield City Region

Author of Report: James Henderson, Director of Policy, Performance and Communications
james.henderson@sheffield.gov.uk
 0114 2053126

Summary:

This report updates Overview and Scrutiny Management Committee on the current state of play with respect to the Sheffield City Region Devolution Agreement. It also provides a comparison of the local situation with that in the other city regions that agreed a devolution deal at or around the same time as Sheffield City Region. Finally, it seeks to set out for the committee the agreed next steps for the first half of 2018 up to the date of the mayoral election in May.

Type of item: The report author should tick the appropriate box

Reviewing of existing policy	
Informing the development of new policy	
Statutory consultation	
Performance / budget monitoring report	
Cabinet request for scrutiny	
Full Council request for scrutiny	
Community Assembly request for scrutiny	
Call-in of Cabinet decision	
Briefing paper for the Scrutiny Committee	X
Other	

The Scrutiny Committee is being asked to:

The Overview and Scrutiny Management Committee is asked to note the contents of this report and comment upon it.

Background Papers:

- Sheffield City Region Devolution Agreement (October 2015)
- “Sheffield City Region’s Proposed Devolution Agreement” - Report to Overview and Scrutiny Management Committee (December 2015)
- Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Mayoral Election) Order 2016
- Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Mayoral Election) (Amendment) Order 2017
- Sheffield City Region Governance Review 2016
- “Devolution and Consultation” – Report to Sheffield City Region Combined Authority (September 2016)
- Judgement in Derbyshire CC v Barnsley, Doncaster, Rotherham and Sheffield Combined Authority - [2016] EWHC 3355 (Admin)
- “Devolution Update” – Report to Sheffield City Region Combined Authority (18 September 2017) and subsequent minutes
- Letter from Rt Hon Sajid Javid MP to Yorkshire Leaders (19 September 2017)
- Letter from Rt Hon Sajid Javid MP to South Yorkshire Leaders (19 December 2017)
- Letter from Cllr Julie Dore to Rt Hon Sajid Javid MP (21 December 2017)

Category of Report: OPEN

Report of the Chief Executive

Devolution to Sheffield City Region – update to Overview and Scrutiny Management Committee

22 February 2018

1. Purpose

- 1.1 This report updates Overview and Scrutiny Management Committee on the current state of play with respect to the Sheffield City Region Devolution Agreement.
- 1.2 It also provides a comparison of the local situation with that in the other city regions that agreed a devolution deal at or around the same time as Sheffield City Region.
- 1.3 Finally, it seeks to set out for the committee the agreed next steps for the first half of 2018 up to the date of the mayoral election in May.

2. Background

- 2.1 As set out in the report to the Overview and Scrutiny Management Committee of 10 December 2015, the Government has agreed a devolution deal with the Leaders of the nine authorities that comprise Sheffield City Region¹.
- 2.2 The full [Devolution Agreement](#) is available online, and the main provisions were described in the report to OSMC in December 2015. In summary, the deal envisaged transferring a range of powers in areas such as transport, housing, skills, and infrastructure, along with a £900m (£30m/year for 30 years) 'gainshare' pot to Sheffield City Region, in return for the authorities agreeing to the election of a so-called 'metro mayor'. A metro mayor, established as part of the Cities and Local Government Devolution Act 2017, is a directly elected mayor of a Combined Authority, who is responsible for chairing the CA. He or she would have a range of powers² and funding at their disposal based on the content of the deal agreed.
- 2.3 All four constituent authorities gave their formal consent to the in-principle deal at that point. Further support for the deal was provided by the five non-constituent authorities. This paved the way for formal ratification of the deal, which included two key stages:

¹ Sheffield City Council, Rotherham MBC, Barnsley MBC, Doncaster MBC, Bassetlaw DC, Bolsover DC, Chesterfield BC, North East Derbyshire DC, and Derbyshire Dales DC

² Some powers are exercisable solely by the mayor, others by the mayor with the support of a majority of the Combined Authority, and others exercisable only with the unanimous support of the Combined Authority

- Approval of an order to establish the Mayoral Combined Authority (MCA), and set the date of the first mayoral election for May 2017
 - Approval of a separate order to provide the mayor (and MCA) with the powers and funding agreed in the deal
- 2.4 At that time, Chesterfield Borough Council and Bassetlaw District Council announced their intention to seek full membership of the Sheffield City Region Combined Authority, using new provisions contained within the Cities and Local Government Devolution Act 2016. This would have meant that they would have been able to share the full benefits of the deal, and as constituent authorities, their electors would also have been included in the franchise for the first mayoral election, which was scheduled to take place in May 2017.
- 2.5 In order to fix the date of the election and, in full expectation that Bassetlaw and Chesterfield would become constituent authorities in advance of the election, the four South Yorkshire authorities consented to the first of the two orders referred to in paragraph 2.3 above ('the election order'). This legally transformed the existing Combined Authority into a Mayoral Combined Authority to come into effect following the election of the mayor.
- 2.4 To admit Chesterfield and Bassetlaw as full constituent authorities required a 'governance review' to be undertaken. Required by the Local Democracy, Economic Development and Construction Act 2009, a governance review seeks to demonstrate that extending the area of a Combined Authority "would be likely to improve the exercise of statutory functions in relation to an area of a combined authority or a proposed area of a combined authority"³. Accordingly, a 'scheme' document was prepared that would pave the way for modification of the Combined Authority's constitution, and which would form the basis of the powers order
- 2.5 Both the governance review and the new powers and funding contained within the devolution agreement would require formal public consultation. The Secretary of State would rely on this consultation in coming to a view about whether or not to admit Bassetlaw and Chesterfield as full constituent members of the Mayoral Combined Authority.
- 2.6 Because the provisions contained within the deal were a core part of the rationale for Bassetlaw and Chesterfield seeking full membership of the Combined Authority, it made sense to consult on the two issues of an expanded geography and the new powers/funding simultaneously. Accordingly, it was determined by the Combined Authority that the best course of action would be to undertake a combined consultation on the

³ Section 112 of the Local Democracy, Economic Development and Construction Act 2009, as modified by the Cities and Local Government Devolution Act 2016

powers and funding contained in the devolution agreement and the 'scheme' document (see para 2.4)

- 2.7 This consultation was carried out in the summer of 2016. Full details of the methodology used and the responses received are available in the [relevant report](#) to the Combined Authority on 12 September 2016.
- 2.8 The consultation was notable for the position adopted by Derbyshire (and, to a lesser extent Nottinghamshire) County Councils, who voiced opposition to the idea of Chesterfield and Bassetlaw joining the SCR Combined Authority as constituent members. During the consultation they advocated a position of not supporting the draft scheme and, they launched a judicial review of the consultation process, with a view to halting the submission of the scheme to the Secretary of State. The full Judicial Review hearing was held on 9 and 10 December 2016, with the judgement made on 21 December 2016. Although largely complementary about the process adopted by Sheffield City Region, the judge found that aspects of the consultation were not sufficiently thorough for the Secretary of State to rely on when making a decision as to whether to extend the geography of the Combined Authority to include Bassetlaw and Chesterfield.
- 2.9 By this point, it was decided that there was inadequate time to re-run the consultation in time for the scheduled mayoral election in May 2017. Bassetlaw and Chesterfield remained committed at that time to becoming full constituent members of the Combined Authority, and therefore, with no powers order in place, it was agreed with officials at the then Department for Communities and Local Government that an order would be drawn up amending the date of the mayoral election to May 2018. This was formally consented to by the four South Yorkshire authorities during the early part of 2017, and agreed by Parliament on 16 March 2017, pending a re-run of the consultation during 2017.
- 2.10 Following the county council elections in May 2017 and the change in control in both Nottinghamshire and Derbyshire, it became clear at that time Chesterfield and Bassetlaw would not pursue constituent status of the Mayoral Combined Authority, although both authorities indicated their continuing wish to participate as fully as possible in Sheffield City Region, including maintaining their non-constituent status.
- 2.11 This left the position that a mayoral election covering South Yorkshire was scheduled to take place in May 2018, but that there was, as yet, no powers

order in place. This would have meant that following their election, the mayor would have had very limited⁴ formal powers to act.

- 2.12 Barnsley and Doncaster councils voted against beginning consultation on the powers order at the Sheffield City Region Combined Authority meeting of 18 September 2017, with Sheffield and Rotherham voting in favour. Because the motion was tied (and therefore was not carried), consultation has not yet begun on the powers order, and cannot do so until the Combined Authority agrees to proceed.

3. The national picture

- 3.1 A number of other parts of the country have now agreed devolution deals with Government. Although the precise terms of these deals differ, they all have a similar basis of a range of economic powers and funding being devolved to a Combined Authority in return for agreeing a mayoral governance model. With the exception of the North East and the Sheffield City Region, all of these deals are now being implemented, having been consulted on and a powers order passed by Government, and mayoral elections held in May 2017 (see 3.3 below).

- 3.2 Uniquely, Greater Manchester has also negotiated a range of non-economic powers through additional devolution deals, including around public health and health and social care, as well as taking on a range of functions that are exercised in Greater London by the Mayor of London. The Mayor of Greater Manchester is also the Police and Crime Commissioner for the area. Sheffield City Region Combined Authority has stated publicly that it has no interest in undertaking any non-economic functions, as it believes these are best delivered at individual local authority level.

- 3.3 Elections to the new mayoral combined authorities took place in May 2017 with the following individuals elected as mayor:

Greater Manchester:	Andy Burnham (Lab)
West Midlands:	Andy Street (Con)
Liverpool City Region:	Steve Rotheram (Lab)
Tees Valley:	Ben Houchen (Con)
West of England:	Tim Bowles (Con)
Cambridgeshire and Peterborough:	James Palmer (Con)

⁴ The mayor's powers will be limited to chairing the Combined Authority, and some statutory powers in relation to bus franchising

- 3.4 Since being elected, all six mayors have been successful in securing additional resources for their areas, notably through the November 2017 Budget, which included the following announcements:
- Half of the £1.7bn Transforming Cities Fund will be shared by the six mayoral combined authorities while the other half will be allocated on a competitive basis. Per capita investments in mayoral CAs are: £74 million for Cambridgeshire and Peterborough; £243 million for Greater Manchester; £134 million for Liverpool City Region; £80 million for West of England; £250 million for West Midlands; and £59 million for Tees Valley.
 - The preparation of a Local Industrial Strategy for Greater Manchester
 - A second devolution agreement for the West Midlands
 - Preparation of second devolution agreements for Tees Valley and Liverpool City Region
 - A £12million fund for mayoral combined authorities to assist with mayoral capacity and resources
- 3.5 As it stands, and until such time as the powers order is agreed, South Yorkshire will not benefit from any similar arrangements.
- 3.6 Also as part of the November 2017 Budget, it was announced that a new 'North of Tyne' Mayoral Combined Authority will be established comprising the local government areas of Newcastle upon Tyne, North Tyneside and Northumberland, with an accompanying devolution agreement. This replaced the previous devolution deal that had been agreed with the wider North East Combined Authority, and which collapsed at the consultation stage.

4. South Yorkshire Devolution - current situation

- 4.1 The Government have been clear both in writing and in Parliament that the South Yorkshire mayoral election will take place in May 2018. As yet there remains no powers order in place and cannot be until a majority of Combined Authority members agree to begin consultation. Even if the Combined Authority were to agree to commence consultation, there is a further requirement that each constituent authority individually gives its consent to the finalised powers order before it can be laid before Parliament for approval. Therefore there is a risk that the mayor, once elected, will not be able to access the powers and funding agreed in the 2015 devolution agreement.
- 4.2 The focus over recent months has been on finding a compromise position that will unlock the devolution agreement for South Yorkshire, whilst providing a route for Doncaster and Barnsley to explore other options.

- 4.3 In December 2017, the Secretary of State for Communities and Local Government wrote to the four South Yorkshire Leaders, outlining a potential way forward. In summary, this consisted of:
- Government agreeing to begin negotiations on a 'One Yorkshire' geography to include all 16 of the non-South Yorkshire Councils, with Barnsley and Doncaster able to participate fully in these discussions, with a view to a One Yorkshire agreement being in place for a mayoral election in 2020.
 - Government agreeing that Doncaster and Barnsley would be able to join any such One Yorkshire agreement at the end of the first South Yorkshire mayoral term
 - In return, all four authorities would agree to begin consultation on the powers order immediately following the election, and subsequently provide their consent to the finalised order
 - The newly elected mayor providing an undertaking to consent to Doncaster and/or Barnsley leaving the South Yorkshire MCA in 2022, and similar consent being provided by all of the other remaining councils
- 4.4 This compromise, whilst cautiously welcomed by Sheffield and Rotherham, has been rejected by Barnsley and Doncaster councils. Work now continues to try to find an alternative solution with Government.
- 4.5 In the meantime, preparations are in hand for the South Yorkshire mayoral election to take place on 3 May 2018, with good joint working across the four electoral services teams in South Yorkshire, under the direction of the Combined Authority Returning Officer, Dave Smith.
- 5. Alternative options**
- 5.1 There is no option at this stage to delay or cancel the South Yorkshire mayoral election scheduled for May 2018.
- 5.2 Were the consultation on the powers order not to go ahead either before or after the election, then the mayor, when elected, would not have access to the funding or powers agreed as part of the devolution agreement.
- 6. Recommendations**
- 6.1 The Overview and Scrutiny Management Committee is asked to note the contents of this report and comment upon it.



Report to Overview & Scrutiny Management Committee (OSMC) Thursday 22nd February 2018

Report of: Policy & Improvement Officer

Subject: OSMC Work Programme 2017/18

Author of Report: Emily Standbrook-Shaw, Policy and Improvement Officer
emily.standbrook-shaw@sheffield.gov.uk
0114 273 5065

The Committee's draft Work Programme is attached for consideration, Appendix 1. The Work Programme focusses on performance management, finance and a small number of corporate and city-wide issues; as well as having an overview of the work of the four Scrutiny Committees.

The work programme will remain a live document and is brought to each committee meeting for consideration and discussion.

The Scrutiny Committee is being asked to:

- Consider and discuss the committee's Draft Work Programme for 2017/18
-

Overview & Scrutiny Management Committee (OSMC) Work Programme 2017-18

Chair: Cllr Chris Peace

[Meeting Papers on SCC Website](#)

Please note: the Work Programme is a live document and so is subject to change.

Topic	Reasons for selecting topic	Lead Officer/s	Agenda Item/ Briefing paper
19th April 2018			
How Sheffield City Council Would like to do Business - Ethical Procurement Page 15	Details tbc	Marianne Betts, Director of Finance & Commercial Services (Interim) Other attendees tbc.	Agenda Item
Customer Experience Strategy, including an update on the new Council website, a report of the Director of Policy, Performance and Communications	To provide an update on the Customer Experience Strategy and the Council's new Website, which launched in April 2017. To include performance and customer feedback. Following discussion at the February 2017 OSMC meeting, it will also cover accessibility of EIA's (Equality Impact Assessments).	James Henderson, Director of Policy, Performance and Communications - tbc Other attendees - tbd	Agenda Item

Scrutiny Annual Report 2017-18 Draft Content & Work Programme 2018-19	This report provides the Committee with a summary of its activities over the municipal year for inclusion in the Scrutiny Annual Report 2017-18. It also includes a list of topics which it is recommended be put forward for consideration as part of the 2018-19 Work Programme for this committee. To include an update on public feedback.	Emily Standbrook-Shaw, Policy & Improvement Officer	Agenda Item
Issues to raise from other Scrutiny Committees	To receive any updates from scrutiny chairs.	Scrutiny Chairs	Agenda Item

This page is intentionally left blank