

Appendix B – Summary of progress made since the Proposal was made in October

Element of the Proposal	Proposal text	Summary of progress made
<p>Overview– funding confirmation</p>	<p>That all levels of funding are subject to the Spending Review (SR)</p>	<p>The £900m of additional funding committed by the Proposal was confirmed by the SR. The first year’s payment of £30m will occur in April 2016, subject to the ratification of the Proposal by the constituent local authorities.</p> <p>The allocations made to the SCR as part of the Growth Deal process (c£310m 2016-2021) were also confirmed through the SR.</p>
<p>Overview– legislation</p>	<p>The agreement was subject to the enactment of the necessary legislation (The Cities and Local Government Devolution Bill and the draft Buses Bill), and to parliamentary approval of the secondary legislation implementing the provisions of this agreement.</p>	<p>The Cities and Local Government Devolution Act 2016 (c.1) to received Royal Assent in January 2016. This includes Section 15 which provides greater flexibility for non-constituent councils.</p> <p>It is expected that the draft Buses Bill will be published in February.</p> <p>The SCR is working towards the submission of a non-statutory Scheme (i.e. a draft order for the secondary legislation) to the Secretary of State in June.</p>
<p>Governance – mayoral model</p>	<p>Details set out in paragraphs 3-5 of the Proposal regarding the Mayoral Combined Authority.</p>	<p>Since the Proposal was made, local leaders have been working with Government to agree a suitable Mayoral Combined Authority (“MCA”) model, this includes working through the detail of:</p> <ul style="list-style-type: none"> • the functions, powers and duties of the MCA; • the distribution of these functions between the CA and the mayor: the ‘checks and balances’ that would exist between the mayor and the CA; • the relationship between constituent and non-constituent councils; • the role of the Local Enterprise

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		Partnership (LEP) within these arrangements; and <ul style="list-style-type: none"> • other operational and constitutional details.
Governance – mayoral voting rights on the CA.	Proposals for decisions by the Combined Authority may be put forward by the Mayor or any Cabinet Member. The Mayor will have one vote as will other voting members. Any questions that are to be decided by the Combined Authority are to be decided by a majority of the members present and voting, subject to that majority including the vote of the Mayor, unless otherwise set out in legislation, or specifically delegated through the Authority's Constitution.	One concern raised by local partners since the Proposal was made was that the mayor could have a 'veto' over all CA functions. Following high-level discussions with ministers and senior civil servants, it has expressly been confirmed that this is not the case. The relationship between the CA and the mayor is a matter that can be dealt with through a refresh of the CA's constitution, and these arrangements would be owned locally by the MCA.
Skills, employment and education – 19+ skills.	Greater understanding of the readiness conditions for devolution set out in paragraph 11.	Ongoing discussions with BIS and the SFA around what constitutes the readiness conditions for full devolution of the 19+ adult skills funding. Work on the Area Based Review has progressed and is due to be completed in April.
Skills, employment and education – hardest to help pilot	Sheffield City Region will develop a business case for an innovative pilot to support those who are hardest to help. The business case should set out the evidence to support the proposed pilot, cost and benefits and robust evaluation plans, to enable the proposal to be taken forward as part of the delivery of this agreement, subject to Ministerial approval.	SCR has developed an initial Business Case for this pilot, which was submitted to the Government in November.
Housing and Planning – housing investment fund.	Sheffield City Region and HMG will continue to discuss the devolution of housing loan funds to a Spending Review timetable. Sheffield City Region intends to develop further a	Sheffield City Region has continued to discuss this fund with government. This has been within a context that the SCR will not secure further devolved powers until it has ratified the current Proposal.

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	<p>proposition on a Housing Investment Fund, for discussion and development with HM Government.</p>	<p>However, the SCR has continued to develop work making the case for what such a fund could represent in the SCR.</p>
<p>Transport – devolved and consolidated transport budget.</p>	<p>The directly elected Mayor of the Sheffield City Region Combined Authority will be responsible for a devolved and consolidated local transport budget for the area of the Combined Authority (i.e. the areas of the constituent councils), including all relevant devolved highways funding, with a multi-year settlement to be agreed at the Spending Review.</p>	<p>Based on the overarching budgets announced in the SR, allocations for areas with (proposed) Devolution Deals are currently being calculated. The SCR expects more information on this in February.</p>
<p>Trade and investment – governance.</p>	<p>On governance, HM Government will set up a joint governance structure (or join an existing one), with quarterly meetings attended by a Director level representative from both UKTI investment and Sheffield City Region Combined Authority.</p>	<p>The Regional Director of UKTI will attend quarterly meetings with the Business Growth Executive Board to address this issue.</p>
<p>Innovation – Science and Innovation Audit.</p>	<p>HM Government will offer the Sheffield City Region expert advice and support to ensure they are able to put forward a City Region led proposal to undertake a Science and Innovation audit.</p>	<p>Advice and support provided to the City Region to enable it to develop its proposal for a Science and Innovation audit.</p>
<p>Innovation – smart specialisation.</p>	<p>HM Government will also offer Sheffield City Region Combined Authority dedicated workshops with the Smart Specialisation Advisory Hub to help areas identify their innovation strengths.</p>	<p>Dedicated workshops on this issue have been organised for the City Region.</p>
<p>Fiscal – ESIF.</p>	<p>HM Government is committed to working with the Sheffield City Region Combined Authority to achieve Intermediate Body (IB) status for ERDF and ESF for the</p>	<p>Work has progressed and it is expected that the SCR will be able to make a decision in March as to whether it wishes to become an IB Body for the selection of ESIF Projects and the associated creation</p>

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	Combined Authority.	of an ESIF Executive Board.
Fiscal – single pot.	HM Government will work with the Sheffield City Region Combined Authority to agree specific funding flexibilities to a Spending Review timetable. The joint ambition will be to give Sheffield City Region Combined Authority a single pot to invest in its economic growth.	Initial discussions held with HM Government on this joint ambition. SCR to provide greater details of the funding flexibilities it is seeking as part of the construction of its single pot.
Fiscal – business rates.	HM Government will pilot a scheme in Sheffield City Region Combined Authority which will enable the area to retain 100% of any additional business rate growth beyond expected forecasts.	SCR is currently working with HM Government to agree the baseline against which additional growth will be calculated. This pilot is expected to commence in April 2016 enabling the City Region to have some additional resources to invest in growing the local economy over the next four years. An approach is being developed, which will ensure that through local retention of Business Rate growth, all SCR districts can benefit financially and that all SCR councils are incentivised to grow their local economies.