

## ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	<b>Meeting:</b>	<b>Cabinet</b>
2.	<b>Date:</b>	<b>20<sup>th</sup> June</b>
3.	<b>Title:</b>	<b>Sheffield City Region Governance review</b>
4.	<b>Directorate:</b>	<b>Environment and Development Services</b>

### 5. Summary

The Government have made it clear that city regions that are able to organise themselves and work constructively together will reap the benefits of “earned devolution” – at the expense of those areas that cannot. This is a particular issue for SCR, where Ministers have recently cited several examples of the city region not being able to ‘sort things out locally’ – Waverley link road being a particular example.

However, the eight local authorities that make up the SCR are increasingly demonstrating the ability to collaborate and work together through the SCR Local Enterprise Partnership (“the LEP”) and the SCR Leaders Group. The benefits of this collaboration can be seen in the region securing an advanced manufacturing and technology focussed Enterprise Zone and a City Region Deal.

Accordingly, it was agreed at the SCR Leaders’ Group on 9<sup>th</sup> May and the SCR LEP Board on the 10<sup>th</sup> May 2012 that the SCR should undertake a Governance Review under s.108 of the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA) with a view to establishing a Combined Authority in some form.

### 6. Recommendations

**A governance review is undertaken in under the provisions of the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA). This review will be undertaken jointly, by the eight local authorities that make up the Sheffield City Region.**

**That this review is supported by the City Region Executive Team – which is made up of Local Authority officers working, in partnership, from across the region.**

**That a seminar for ITA Members be held to understand the review process.**

## 7. Proposals and Details

The Sheffield City Region (SCR) has a long history of collaboration across our functional economic area that spans eight Local Authorities in South Yorkshire and the North East Midlands. This includes the development of the SCR Development Plan, collaboration through the SCR Leaders' Forum (from 2007) and from 2011, leadership through the private sector-led Local Enterprise Partnership (LEP).

The benefits of this collaboration can be seen in the region securing an advanced manufacturing and technology focussed Enterprise Zone and a City Region deal. The "City Deal" will result in the devolution of greater powers (and with it control over funding) in relation to skills, transport and financial tools for growth. To give a concrete example – this deal should, result in approximately £10 million of funding for major transport schemes. Without strong sub-regional collaboration – this funding will still be controlled from Whitehall (rather than by local elected Leaders).

This deal also represents the beginning of a sustained (and potentially fruitful) dialogue with Government. The Government have made clear that City Regions who are able to organise themselves and work constructively together will reap the benefits of "earned devolution" – at the expense of those areas that cannot.

Whilst strong sub-regional working is an overwhelmingly positive development it has led both local and national scrutiny of the governance structures of the Sheffield City Region. Accordingly, now seems to be an opportune time to undertake a review to ensure that these arrangements remain fit for purpose and sustainable going forward. SCR Leaders agreed to start such a review at their meeting on 9<sup>th</sup> May, 2012.

### **The Statutory Basis of this Review**

The purpose of the review is to determine whether the existing governance arrangements for economic development, regeneration and transport in the area are effective or whether the area would benefit from changes. In undertaking such a review, we will need to look at the economic development and regeneration landscape in the round, including the activities of other agencies.

Local authorities that wish to undertake a review may do so under the provisions of section 108 of Local Democracy, Economic Development and Construction Act 2009 (LDEDCA). There are four stages to this review, namely:-

- To identify existing governance arrangements in place to support and manage activity in relation to economic development, regeneration and transport

- Gather evidence as to the effectiveness and efficiency of existing governance arrangements. Evidence on effectiveness should cover both how well current arrangements are able to manage the delivery of economic development and transport in the area, and also their accountability and transparency to residents and stakeholders.
- Assess the overall effectiveness and efficiency of existing arrangements and set out areas of weakness. Identify available options for making changes to existing governance, structures and assess the pros and cons of each one, including their value for money.
- Reach a conclusion as to whether changes to the governance of the area are likely to deliver improvements and if so, what changes could be implemented.

## **8. Finance**

There are no direct financial consequences arising from this report, although it is anticipated that any review will identify opportunities to deliver efficiency savings.

## **9. Risks and Uncertainties**

That strengthening SCR governance is vital to the future prosperity of the region – areas that fail to do so will fail to secure devolved powers and funding i.e. they will be left behind by Manchester and others (e.g. not secure devolved transport money or freedoms over use of funds).

## **10. Policy and Performance Agenda Implications**

There are local, sub regional and regional implications, linked to the delivery of not just transport infrastructure but to the future prosperity of the region.

## **11. Background Papers and Consultation**

**SCR LEP Board paper 10<sup>th</sup> May**  
**Report to the PTE Executive Board 29<sup>th</sup> May**

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