

COUNCIL SEMINAR 25th November, 2014

Present:- Councillor Beck (in the Chair); The Mayor (Councillor Foden); Councillors Atkin, Clark, Currie, Godfrey, Gosling, Jepson, Kaye, Middleton, Read, Reeder, Sansome, Sharman, Sims and Smith.

SHEFFIELD CITY REGION ARRANGEMENTS.

Councillor D. Beck, Cabinet Member for Business Growth and Regeneration, welcomed Paul Woodcock, Simeon Leach, Lee Viney (Environment and Development Services Directorate Officers) and David Hewitt (Sheffield City Region) to the seminar. The Officers had prepared a presentation that consisted of three separate sections: -

1. New and current funding;
2. Economic priorities and growth plan;
3. Infrastructure – Sheffield City Region / Local Economic Partnership / Combined Authority.

1. New and current funding: -

- EU 2007-2013 Programme;
- EU JESSICA (ERDF) 2007-2013;
- National Regional Growth Fund: -
 - 6 Rounds since 2011 amounting to £3.2b in total;
 - Rounds 1 – 5 saw 430 projects supported at a total cost of £906m;
 - Round 6 had £200m available;
 - 14 Yorkshire and Humberside projects had secured £68m of funding;
 - Sheffield City Region unlocking business investment - £100k available to businesses to create a minimum of five jobs;
 - Council investment, including R-evolution (Harworth Estates) whereby the Council used its ability to borrow to stimulate speculative development.
- Sheffield City Region Investment Fund (SCRIF) – local growth deal: -
 - A framework of funding streams to deliver essential strategic infrastructure to increase economic growth and jobs in the Sheffield City Region;
 - Currently, there were 16 prioritised projects, including the Lower Don Valley infrastructure linked to Waverley and the AMP in Rotherham.
- European Union 2014-2020 funding programme: -
 - Approximately £177m for South Yorkshire;
 - There were calls for proposals – similar to current process but developed by the LEP groups;

- An endorsement was required before bidding.
- Local growth deals: -
 - Provide funds to LEPs for projects that benefit the local area and economy. Current areas of focus included: - Transport, Employment and Housing Sites, Better Skills (e.g. British Glass Academy), Business Support.
- Infrastructure Investment Plan (SCRIF): -
 - Will identify funding requirements for growth projects, infrastructure and consultancy-based.

Discussion followed and the following questions were raised: -

- What were the funding arrangements post-Yorkshire Forward? The funding picture had changed substantially since Yorkshire Forward was closed down and, in the main, less funding was available. Most of the new financial instruments were looking to be via the City Region and/or LEP route. Some funding had been accessed directly by businesses (e.g. Regional Growth Fund) or by the Council (e.g. Portas Pilot, HLF);
- Was there an appropriate skill-set in the local area to fill the new jobs that were going to be created? - Sheffield City Region's Plan was for 70,000 extra jobs. Locally in Rotherham the emerging plan was to create an extra 10,000. Assessment would be undertaken to assess the best opportunities and sectors to develop or introduce in Rotherham;
- The Sector used a large number of abbreviations;
- The vital importance of apprentices to the local area;
- Were the local jobs being created being filled by local people?

2. Economic priorities and growth plan: -

- The Council's Corporate Plan's Priority One was 'Stimulating the local economy and helping local people into work';
- Rotherham's Growth Plan detailed the sustainable growth of Rotherham's economy between 2015-2025: -
 - More private sector jobs;
 - More new businesses;
 - Themes included transport, housing, skills for employment and social inclusion;
 - Increased productivity/GVA (currently 83% of national average);
 - Signed up to by all Rotherham Stakeholders;
 - Feeds into and complements the SCR Strategic Economic Plan;
 - Use as a "bidding document" for external funding;
 - Agrees outcomes and outputs to measure progress against;
 - The draft Plan would undergo consultation and would be agreed by the LSP and the Council.

Discussion followed and the following questions were raised: -

- Was there enough capacity within the Service to achieve the Corporate Plan Priority? - It was highlighted that Economic Development in itself was not a statutory duty and therefore the amount of resources to put into this area was a matter of Council Policy and rested with Members to determine. In terms of the current resources, they were much smaller than in previous years (especially during Objective 1 and YF) and were at around half the levels of 4-5 years ago;
- What was in place to ensure the additional jobs created were at a higher skill level? - This was part of the economic plan and there was an objective and an aim, for example, the AMP.
- How was the finance divided? - It was explained that this was a difficult point to address as finance came from various angles, such as via Government directly to companies in the case of RGF.

3. Infrastructure Sheffield City Region / Local Economic Partnership / Combined Authority: -

- The **Sheffield City Region** consisted of nine South Yorkshire and Derbyshire authorities;
- It was charged with economic development, business support, general devolution and decentralisation.

- The **Combined Authority** consisted of the nine Leaders from the areas and constituted the accountable body for all public funds;
- It was the legal statutory body that ensured good governance and political leadership at the Sheffield City Region level, and also held the finance;
- It had a narrow economic focus and was not a 'super council'. Attempts to refer to the Combined Authority as a super council should be resisted as it gave an inaccurate picture.

- The **Local Economic Partnership** led on the economic growth agenda, including jobs and growth across the Sheffield City Region;
- The South Yorkshire LEP was one of the first wave of LEPs;
- It constituted a genuine private and public sector partnership;
- Board comprised of 19 members: a private sector Chair; 10 business representatives and 9 Council Leaders;
- SCR Sector Groups were a key mechanism for business engagement (including the Manufacturing Forum).

Discussion followed and the following questions were raised: -

- What were the Governance and Audit arrangements for the Sheffield City Region? - Only one delegation had been made to the Transport Committee, all other decisions were taken by the full

body of nine Leaders. The Combined Authority had statutory finance posts within its structure;

- The recent discussions in the media following the Scotland Independence Referendum regarding greater powers being held by the local regions, including additional Metropolitan Mayors being created;
- Did the Combined Authority, Sheffield City Region or the Local Economic Partnership have recognition within the European Union? – The European Union did not recognise LEPs in their constitution.

Councillor Beck thanked all of those in attendance and also thanked the Officers for their informative presentations and contribution to the discussion.

Resolved: - (1) That the information shared be noted.

(2) That the slides from the seminar be circulated to all Elected Members along with further information about the Governance and Audit arrangements of the infrastructure.