

## **Part 2**

# **Scheme for the establishment of a Sheffield City Region Combined Authority**

***January 2013***

## **Section 1 – Intention to establish Sheffield City Region Combined Authority**

### **1. Establishment of Authority**

- 1.1. A Combined Authority (“SCR Authority”) shall be established pursuant to Section 103 of the Local Democracy, Economic Development and Construction Act 2009 (“LDEDCA”).

### **2. Dissolution of South Yorkshire Integrated Transport Authority (SYITA)**

- 2.1. The South Yorkshire Integrated Transport Authority (‘SYITA’) shall be dissolved, pursuant to Section 91 of the Local Transport Act 2008 (‘LTA2008’).

### **3. Name of Authority**

- 3.1. The name of the SCR Authority shall be the ***Sheffield City Region Authority***.

### **4. Membership of Authority**

- 4.1. Membership of the SCR Authority will be drawn from the constituent and non-constituent councils listed below:-

- Barnsley Metropolitan Borough Council
- Doncaster Metropolitan Borough Council
- Rotherham Metropolitan Borough Council
- Sheffield City Council.

*(“constituent councils”)*

- Bassetlaw District Council
- Bolsover District Council
- Chesterfield Borough Council
- North East Derbyshire District Council
- Derbyshire Dales Districts Council

*(‘non-constituent councils’)*

## 5. Area of Authority

- 5.1. The SCR Authority area shall be the whole of the following four local government areas:
- Barnsley Metropolitan Borough Council
  - Doncaster Metropolitan Borough Council
  - Rotherham Metropolitan Borough Council
  - Sheffield City Council.
- 5.2. The constituent councils will appoint six elected members<sup>1</sup> to the SCR Authority. to the SCR Authority. Each constituent council will appoint one member. In addition, each year, by equal rotation, two of the constituent councils will each appoint a second member, such second member appointment to be for a one year term.<sup>2</sup>
- 5.3. The Executive of each non-constituent council will appoint one elected member each to the SCR Authority.
- 5.4. Membership of the SCR Authority will be a decision of the Executive of each council.<sup>3</sup>
- 5.5. To maintain the status of the SCR Authority being a “Leaders’ Board” – there will be a protocol that each constituent and non-constituent council appoint its Leader or elected Mayor to the SCR Authority. In addition to this, there will be a protocol that the two additional second member constituent council appointments will be non-voting members and will not regularly attend meetings of the SCR Authority (see section 10.7 below and *footnote 1*).
- 5.6. The Executive of each constituent and non-constituent council shall each appoint another of its elected members to act as a member of the SCR Authority in the absence of the elected member appointed under paragraph 5.2 and 5.3 above (“substitute member”). This elected member must be drawn from the cabinet of that council.<sup>4</sup>
- 5.7. The Executive of a constituent or non-constituent council may at any time terminate the appointment of a member or substitute member appointed by it to the SCR Authority. Appointment and reappointment of a new member will be an executive decision of each constituent and non-constituent Council.<sup>5</sup>
- 5.8. Where a member or substitute member of the SCR Authority ceases (for whatever reason) to be an elected member of the council that appointed them, the elected

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<sup>1</sup> Note: it is a requirement of LDEDCA that the majority of members are drawn from the constituent authorities of the CA.

<sup>2</sup> Note: to be determined how the rotation of appointing 2 members will operate. Examples, the CA could determine at its first meeting, or the face of the Order could specify.

<sup>3</sup> This assumes the council is operating executive arrangements.

<sup>4</sup> This assumes the council is operating executive arrangements.

<sup>5</sup> This assumes the council is operating executive arrangements.

member shall cease to be a member of the SCR Authority, and the Executive of the relevant council shall appoint a replacement member as soon as practicable.

- 5.9. The SCR Authority shall, in each year, appoint a Chair (and Vice-Chair(s)) from among its members. The appointments shall be the first business transacted at the first meeting of the SCR Authority.
- 5.10. No remuneration shall be payable by the SCR Authority to its members (other than allowances for travel and subsistence).
- 5.11. The SCR Authority may co-opt additional, non-voting representatives from, for example, from the SCR Local Enterprise Partnership Board.<sup>6</sup>

## **6. Voting**

- 6.1. The constituent council members of the SCR Authority shall have one vote each.
- 6.2. The Chair of the SCR Authority shall not have a second or casting vote. Subject to the provisions of any enactment, all questions coming or arising before the SCR Authority shall be decided by a simple majority of the members of the SCR Authority present and voting.
- 6.3. In the case of a tied vote or any motion or amendment, the reasons for the failure to agree will be passed to SCR Chief Executives Group who can then work with their officers to identify if the issues can be resolved before being reconsidered, and voted upon, at the SCR Authority. Should a second vote remain tied, then the motion shall be deemed to be lost.
- 6.4. Members from the non-constituent councils will, in accordance with section 85(4) LTA2008, be non-voting members of the SCR Authority. The constituent council members may, in accordance with section 85(5) LTA2008, resolve to extend the voting rights on defined matters to all or any of the non-constituent council members.<sup>7</sup>

## **7. Executive Arrangements**

- 7.1. Executive arrangements (within the meaning of the Local Government Act 2000) shall not apply to the SCR Authority. However, the discharge of the functions of the SCR Authority will be subject to the scrutiny arrangements set out in section 9 below.

## **8. Transport for Sheffield City Region**

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<sup>6</sup> Note: such representation will always be non-voting as such representatives are not members. This is also the mechanism by which County Councils may be represented in the future.

<sup>7</sup> Note: it is considered that one manner of doing this would be to resolve at the beginning of any meeting of the CA those matters that the non-constituent council members may vote upon. It is the intention of the constituent members to extend voting rights to the all non-constituent members with the exception of Derbyshire Dales District Council (who have chosen to be non-voting members of the SCR Authority).

- 8.1. The SCR Authority shall have an executive transport body, Transport for Sheffield City Region Executive (TfSCRE), to exercise its transport functions and support Transport for Sheffield City Region Board (see Section 13). TfSCRE shall have all the functions necessary for it to act as the SCR Authority's executive body in relation to any transport functions delegated to the SCR Authority.

## **9. Scrutiny Arrangements**

- 9.1. The nine local authorities of the Sheffield City Region will establish a joint overview and scrutiny committee to exercise scrutiny functions over the SCR Authority (including, where appropriate, the SCR Authority's sub-boards). Each constituent and non-constituent local authority will appoint one elected member to the joint overview and scrutiny committee.<sup>8</sup>

## **Section 2 – Functions, powers and duties of the CA**

### **10. The function of the SCR Authority**

- 10.1. The purpose of the SCR Authority is to improve the exercise of statutory functions in relation to economic development, regeneration and transport in the SCR leading to an enhancement of the economic conditions and performance of the SCR.
- 10.2. The SCR Authority will have powers in relation to *Strategic* Economic Development. Unless otherwise stated, these powers will be exercised by the SCR Authority on a concurrent basis i.e. no powers have been "ceded" to the SCR Authority from its members. Strategic Economic Development means functions such as:
- Setting City Region Economic Strategies
  - Setting the investment strategy for the Sheffield City Region Investment Fund
  - Making decisions with regard to the Sheffield City Region Investment Fund
  - Making decision in relation to the uplift from Enterprise Zone business rates
  - Setting the SCR for Growth Strategy
  - Coordinated inward investment activity.
- 10.3. The SCR Authority will have the benefit of well being powers which are specifically reserved to Combined Authorities by the LDEDCA 2009 together with a range of incidental powers. These are equivalent to the former powers of well being provided to local authorities which have now been replaced with the General Power of

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<sup>8</sup> Note: the scope and remit of any such joint committee to be determined by the nine SCR councils.

Competence by the Localism Act 2011. These will provide broad powers to address economic development issues.

- 10.4. There may be further advantages in also securing the use of the General Power of Competence for the SCR Authority to provide for maximum flexibility in being able to deal with economic development and regeneration issues. Accordingly, the SCR Authority requests that the Secretary of State exercises his powers under section 87 of the Local Transport Act 2008 so as to provide that the Authority has been delegated the General Power of Competence under section 1 of the Localism Act 2011.
- 10.5. The transport functions of SYITA will be transferred to the SCR Authority. All functions conferred or imposed on the SYITA by any enactment relating to the functions of SYPTE shall be exercisable by the SCR Authority in relation to its executive body (TfSCR).
- 10.6. The SCR Authority shall exercise any function of the Secretary of State delegated to the SCR Authority by the order of the Secretary of State pursuant to Section 86 LTA2008 and Section 104(1)(b), LDEDCA. Such functions shall be exercised subject to any condition imposed by the order.
- 10.7. In addition to the above, the SCR Authority will have the following specific powers exercisable concurrently with the constituent and non-constituent councils. These are viewed as complementary to the broader powers to address economic development identified above:
  - The power under section 144 of the Local Government Act 1972 (the power to encourage visitors and provide conference and other facilities).
  - The duties under sections 15ZA, 15ZB, 15ZC, 17A, 18A(1)(b), of the Education Act 1996 and the power under sections 514A and 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age).
  - The duty under section 4(1) of the Local Government Act 2000 (duty to prepare a strategy for promoting or improving the economic, social and environmental well-being of their area and contributing to the achievement of sustainable development in the United Kingdom) and the power under section 4(2) of the Local Government Act 2000 (power to modify their sustainable communities strategy).
  - The General Power of Competence under section 1 of the Localism Act 2011.
- 10.8. These powers will be supplemented by operating “protocols” agreed locally by the SCR Authority and councils. These protocols will include:

- That members of the SCR Authority (i.e. constituent and non-constituent councils) will not act in a way that directly contradicts a decision made by the SCR Authority.
  - That the two additional members drawn from South Yorkshire members on a rotating basis (described at 5.2) will be non-voting members and will not routinely attend meetings of the SCR Authority.
  - That the member appointed by each local authority to the SCR Authority will be the Leader or Mayor of that council.
- 10.9. As detailed in the Governance Review document – the constituent and non-constituent councils of the SCR Authority may, in time, choose to delegate additional powers by virtue of Section 101 of the Local Government Act 1972. These will be executive functions given the remit of the SCR Authority and it will therefore be a decision for the Executive to delegate any further powers to the SCR Authority.
- 10.10. The SCR Authority will not have any specific planning-related powers. However, using general economic development powers, the SCR Authority may agree a SCR spatial strategy – which may be relevant to local planning frameworks.

## **Section 3 – Funding and transfer of property, rights and liabilities**

### **11. Funding**

- 11.1. The SCR Authority, as a levying body under Section 74 of the Local Government Finance Act 1988, shall have the power to issue a levy to its constituent councils in respect of the expenses and liabilities of the SCR Authority which are reasonably attributable to the exercise of its functions relating to transport. The amount to be raised by the levy shall be apportioned between the representative authorities on a per capita basis.
- 11.2. The levy shall be in ten equal instalments payable monthly by the end of the first ten months in the financial year.
- 11.3. The costs of the CA that are reasonably attributable to the exercise of its functions relating to economic development and regeneration (and any start up costs) shall be met by the constituent and non-constituent councils. Such costs shall be apportioned between the nine councils on a per capita basis. The CA will agree an annual budget for the purpose of this expenditure.<sup>9</sup>

### **12. Transfer of Property, Rights and Liabilities**

- 12.1. All property, rights and liabilities of SYITA existing at the transfer date shall transfer to the CA, including rights and liabilities (if any) in relation to contracts of employment.

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<sup>9</sup> Note: funding to be considered.



## **Section 4 – Substructures and internal scheme of delegation**

### **13. Joint Committee – Transport for SCR Board**

- 13.1. The CA and the constituent councils will enter into joint arrangements under Section 101(5) of the Local Government Act 1972, Section 20 of the Local Government Act 2000 and Regulations 4, 11 and 12 of the Local Authorities (Arrangements for Discharge of Functions) (England) Regulations 2000 for the discharge of specified transport functions which will include the establishment of a joint committee to be called the Transport for SCR Board ('TfSCRB').

### **14. SCR Local Enterprise Partnership**

- 14.1. The Sheffield City Region has a strong LEP Board that brings together elected leaders with representatives from the private sector. Such a board is seen as critical for the promotion and facilitation of economic growth in the city region.
- 14.2. This board (or its successors as required by Government) will work alongside the SCR Authority, as well as discharging the practical decision making role in respect of certain functions as required by Government and/or the SCR Authority. The SCR Authority would act as the LEP's 'accountable body' for the holding of LEP funding streams.
- 14.3. It is intended that the SCR Local Enterprise Partnership would be a lead advisory body to the SCR Authority – including providing leadership of particular SCR projects and workstreams. This will "hardwire" a role for the private sector into the leadership of the Sheffield City Region – something that makes the SCR distinctive and unique.

### **15. Other Arrangements**

- 15.1. The SCR Authority may establish sub-structures and sub-committees and delegate powers and functions as is appropriate.