

## **2. SHEFFIELD CITY REGION PILOT STATUS (A93276/JBD)**

### **1 Purpose of the report**

- 1.1 This report advises members of a proposal for the Sheffield City Region to bid to the Government to be a City Region Forerunner. It explains the proposed benefits and seeks support for the Authority to decline the opportunity to be a core member of the proposed Economic Prosperity Board. Support is requested for the position adopted by officers and the Chair of the Authority.

### **2 Recommendations**

- 2.1 **The Authority remains engaged with the Sheffield City Region as an associate member and not as a member of the proposed Economic Prosperity Board**

### **3 How does this contribute to our policies and legal obligations?**

- 3.1 The Authority wishes to work in collaboration with a range of constituent councils and regional bodies. This pursues the National Park Management Plan outcomes, particularly those that relate to the economy and the achievement of sustainable development. One of the means of doing this is to collaborate in the Sheffield City Region which includes councils such as Barnsley, Sheffield, North East Derbyshire, Derbyshire Dales and Derbyshire. Government Offices and Regional Development Agencies are observers. This report relates to proposals to create Economic Prosperity Boards which are in clauses 85-117 of the Local Democracy, Economic Development and Transport Bill which is currently before Parliament and which can be viewed on the Parliament website at:

<http://www.publications.parliament.uk/pa/ld200809/ldbills/027/09027.i-vii.html>

### **4 Background**

- 4.1 Members supported the Authority's membership of the Sheffield City Region (minute reference 91/07) and especially encouraged the Authority's representatives to pursue a sustainable model of economic development. Whilst this has not always been possible (we are one voice amongst many), the Authority's input into debates on cross-Peak District transport has, for example, led to the strong support for the re-opening of the Woodhead tunnels as alternative to the development of further road links. Moreover, the City Region is an opportunity to network with the Leaders and senior officers of key constituent councils. As an example, the Chair of the Authority hosted a Forum meeting at the Moorland Discovery Centre in September 2007, with the opportunity to showcase its work to key local authority Leaders from its target areas.
- 4.2 Clauses 85-117 of the Local Democracy, Economic Development and Transport Bill creates the opportunity for City Regions both to create Economic Prosperity Boards and also for the City Regions to become Forerunner City Regions. Senior officials from the Government have sought expressions of interest and bids from City Regions to pursue Forerunner status. It is unclear precisely what this will mean in practice, but it is widely understood that greater freedoms would be given to local authorities who participate in such Forerunners and also that resources and powers held at regional and national level may be devolved to these bodies. These might relate to:

- Housing
- Transport
- Economic Development

- Integrated Strategies
- Planning policies
- Skills and workforce issues

Such Forerunners would, in effect, be setting up as parallel to regional bodies.

## **6 Proposals**

6.1 The Sheffield City Region considered its position on this during a series of meetings of Leaders and Chief Executives during January and February this year. In short, the following was agreed:

- Some councils (Barnsley, Sheffield, Rotherham, Bassetlaw, North East Derbyshire and Chesterfield) would combine to support a bid to pursue Forerunner status focusing on economic development, housing, transport and skills. They would be members of a newly proposed Economic Prosperity Board. A formal bid was made to Government on 6 March 2009
- Other councils (Doncaster, Bolsover, Derbyshire Dales, Nottinghamshire and the National Park Authority) would continue to collaborate and support the work of the City Region as associates but would not be part of the Economic Prosperity Board, although at any stage in the future memberships could 'upgrade' to full membership. In effect, this retains our current position.
- Derbyshire County Council will no longer be involved in the City Region for the time being.

6.2 It is noteworthy that the East Midlands Development Agency opposed the proposal to create a City Region EPB. Associate membership of the EPB would involve attendance at meetings, but without voting rights and a willingness to collaborate with the other councils in the City Region, recognising the common economic geography.

6.3 The Chair of the Authority, in consultation with the Deputy Chair, other members and the Chief Executive has so far, provisionally, agreed that we adopt a position of being an associate member of the new City Region governance arrangements. This potentially weakens our influence, but it was judged that the proposals on the table:

- damage our influence and relations with key East Midlands bodies and councils
- do not pay sufficient attention to the very specific issues relating to rural housing and economic issues that we and our partners face
- are not sufficiently sustainable and there is inadequate involvement of other environmental bodies

These issues are explained in more detail in the 3 paragraphs that follow.

6.4 Whilst there is considerable benefit in a co-ordinated City Region approach to economic development, planning, transport and housing, there is insufficient clarity in regional policy to support an Economic Prosperity Board. The Peak District National Park lies within the East Midlands for planning policy. There is a tension between arrangements at the East Midlands level and the potential role of the City Region. Important East Midlands bodies such as emda are opposed to an EPB and it is unrealistic to believe that all relevant East Midlands arrangements for housing, transport and economic development will be devolved to an EPB. This Authority must

'look both ways' to the City Region and to the East Midlands arrangements. Therefore, it is not possible to commit solely to one approach of the EPB. Rather, we prefer a more collaborative approach to both the East Midlands and Sheffield City Region as has developed over recent years.

6.5 The Peak District faces a serious issue in terms of affordable housing provision and we have worked closely with the other planning and housing authorities in the sub-region to address this as part of our joint approach on rural economic and social issues. Our circumstances have led to the development of a particular set of solutions that are well tried and tested and which have delivered markedly better performance on this issue than in any other National Park and other rural areas. Indeed, two officers involved in our partnership sit on the Homes and Communities Agency's national rural advisory group. At this stage, Leaders of those councils have made clear that we wish to work principally with the HCA through this partnership of housing and planning authorities and we are in discussion with HCA over how this might work. It is not yet clear that significant devolution of matters by HCA to the EPB would allow for these arrangements to work without duplication nor for this to undermine our own relationships with HCA.

6.6 A fundamental issue for the Authority must be the degree to which any economic development body pursues sustainable policies – where social, environmental and economic outcomes are pursued in ways that assist each other. Little thought has been put into the ways that the EPB would integrate environmental matters. In both the East Midlands and Yorkshire and Humber Regions, bodies such as the Environment Agency, Natural England and the voluntary sector are able to contribute to the new Integrated Regional Strategies. Whilst we are not yet fully satisfied that these bodies are sufficiently integrated into regional planning, there are, at least, arrangements for this dialogue. It is not clear that any mechanism has been proposed that will bring environmental scrutiny into the work of the City Region EPB.

## 7 **Are there any corporate implications members should be concerned about?**

7.1 **Financial:** The Authority pays a small administrative fee to the Sheffield City Region in line with other councils (proportionate to the size of population) and this arrangement will not change.

7.2 **Risk Management:** There is a risk in adopting a more distant relationship with the Sheffield City Region that our influence over key economic and social issues may be weakened. This has been considered in this report.

7.3 **Sustainability:** No direct impacts, although the pursuit of sustainable development policies is an integral part of this paper.

### **Report Author, Job Title and Publication Date**

Jim Dixon, Chief Executive, 19 March 2009  
Background Papers – None