

**SCR INFRASTRUCTURE AND HOUSING EXECUTIVE BOARD**

**27<sup>th</sup> OCTOBER 2017**

**AMP TECHNOLOGY CENTRE, WAVERLEY, ROTHERHAM**

No.	Item	Action
1	<p><b><u>Welcome and Apologies</u></b></p> <p>Present:</p> <p><u>Board Members</u>            Mayor Ros Jones (DMBC) – CHAIR            Martin McKervey (LEP / CMS)            Huw Bowen (CBC)            John Mothersole (SCC)</p> <p><u>Also in Attendance</u>            Jo Neville (SCR Exec Team)            Michael Hellewell (SCR Exec Team)            Colin Blackburn (SCR Exec Team)            Craig Tyler (Joint Authorities Governance Unit)</p> <p>Apologies were received from Neil Taylor (BaDC) and Cllr Tricia Gilby (CBC)</p>	
2	<p><b><u>Minutes of the Previous Meetings</u></b></p> <p>The minutes of the previous meetings held on 7<sup>th</sup> April (IEB) and HEB (28<sup>th</sup> June) and were agreed to be accurate records.</p> <p>The following matters were noted as arising.</p> <p>IEB:</p> <p>5. <u>BT Superfast Broadband</u>  <b>Action: Colin to ascertain from Natalie Ward whether there is any further to provide to the Board in respect of the Superfast South Yorkshire project</b></p> <p>6. <u>Enterprise Zone Review</u>            The Board discussed comments made in respect Markham Vale Enterprise Zone business rate retention at past IEB and CA meetings.</p> <p><b>Action: John to ensure DCC colleagues have been provided with a full narrative confirming past discussions and</b></p>	<p>CB</p> <p>JM / HB</p>

**agreements in respect of Markham Vale Enterprise Zone business rate retention agreements, including copies of past Chesterfield BC full council minutes where relevant (Huw to provide)**

It was noted a revised Business Case has been submitted to BEIS for the additional EZ sites.

HEB:

**3. SCR Housing Summit**

The Board was informed of the Directors of Housing's continuing commitment to hosting the SCR Housing Summit. It was noted Scott Cardwell has written to the Housing Minister regarding diary availabilities.

It was noted the meeting with Ed Lister (HCA Chair) took place as expected. Matters discussed included a request for the HCA to recognise the SCR's ability to present schemes for funding consideration, collectively at the programme level rather than individually. The Board was informed of Ed's intention to attend a following meeting with SCR representatives in the spring and every 6 months thereafter.

**Action: Michael / Huw to continue to ensure the Board is kept up to date in respect of HCA engagements.**

**MH / HB**

**4. Announcements**

It was confirmed a letter was sent to Tony Stacey on the Board's behalf congratulating him on his OBE award.

**5. JAB / OPE**

It was noted Sharon Kemp (RMBC Chief Executive and JAB Chair) has reasserted her keenness to attend a future Board meeting to discuss JAB / OPE matters in detail.

**7. SCR Emerging Inclusive Industrial Strategy (EIS) (formerly known as the SCR Strategic Economic Plan)**

**Action: Michael to ensure the Board is sighted on the consultative draft of the EIS ahead of its publication**

**MH**

**11. SCR Housing Providers' Forum**

It was noted the Forum are due to undertake a review of the relationship between homelessness and the housing need at their December meeting and identify matters to take forward. It was confirmed the findings would be reported to IHEB

**Action: Michael to report back on the Forum's findings**

**MH**

**12. MIPIIM**

**Action: Michael to circulate a paper noting outline plans for MIPIIM 2018**

**MH**

Martin informed the Board that 'housing' will be a significant element of the offer.

3	<p><b><u>Declarations of Interest</u></b></p> <p>None noted.</p>	
4	<p><b><u>Urgent Items / Announcements</u></b></p> <p>None requested.</p>	
5	<p><b><u>EZ Accelerator Fund</u></b></p> <p>A report was presented to provide a review of the success of the Enterprise Zone Accelerator Fund and to seek Executive Board approval to expand the offer to cover other 'acceptable' uses within the Enterprise Zone (EZ) Vision.</p> <p>The Board was reminded that at the Infrastructure Board in January 2017 (and confirmed at the February meeting) it was agreed that the EZ Accelerator Fund (the EZ Fund) would be prioritised for the first 6 months for projects in line with the EZ vision i.e. for end users in the modern manufacturing and technology sector and that this would be revisited following 6 months to determine whether this should be extended to supporting sectors deemed to be acceptable.</p> <p>The report advised the Board that whilst the EZ Vision was prioritising the modern manufacturing and technology sector, the EZ Governance Board meeting on 26<sup>th</sup> September recognised that the logistics sector is an important sector that is performing well across the SCR with positive interest for further growth in the SCR.</p> <p>It was confirmed this extension of support to other acceptable sectors would not diminish the Board's capability to veto funding recommendations to the CA and noted the JESSICA Board would continue to apply the same degree of diligence to all schemes.</p> <p>The Board noted general support for the suggestion that additional acceptable sectors may be considered but agreed schemes should still be considered on a case by case basis and assessed from a strategic perspective, rather than decisions being determined by the market and agreed that the relaxation of the criteria should not apply retrospectively and therefore the current Jessica offer stands as a novel and pilot approach.</p> <p><b>RESOLVED, that the Board supports the extension of the parameters of the Enterprise Zone Accelerator Fund to supporting sectors deemed to be acceptable uses within the EZ vision (including logistics), <u>with all schemes to be considered on a case by case basis</u> as well as continuing to support end users in the modern manufacturing and technology sector, and recommends this approach to the SCR Combined Authority</b></p>	
6	<p><b><u>SCRIF Business Case – Knowledge Gateway</u></b></p>	

A report was received requesting the Board's consideration of the recommendation to progress the Sheffield City Council: Knowledge Gateway scheme business case to Full Approval and endorse the entering into a loan agreement for £4,115,000 subject to the conditions set out by the SCR Technical Assurance Panel.

Mayor Jones questioned the consideration of another scheme for the SCRIF, given the programme already being oversubscribed.

Mayor Jones also suggested the inclusion of the scheme on the forthcoming CA agenda (30<sup>th</sup> October) ahead of all IHEB Board members being given the opportunity to comment on the proposals did not represent good governance and lessened the role of the Board in providing support and guidance to the CA.

However, it was noted SCRIF is underspending and the progression of this scheme would help address that situation in this financial year without increasing the overall SCRIF programme profile.

It was recognised the approval process for this scheme on this occasion was not ideal but was a consequence of specific timing constraints.

In addition, it was noted that the approval process for the Worksop 2a scheme had also been undertaken contrary to standard practise (by written procedures) and all Board Members had provided support for this scheme.

The report noted the conditions of award were noted as being that the SCR will give a SCC 100% loan for the scheme and that at practical completion, 50% of the loan will convert to grant, and that once half the jobs (set out in the full business case) have been delivered, the remaining 50% of the loan will be converted to grant.

In addition, the report noted that the recommended clawback conditions are that (given that SCRIF investment only returns value for money if the proposed acceleration occurs and clawback is therefore linked to not only the quantum of outputs but the rate of delivery) if at the end of three years (November 2020) at least 50% of the estimated jobs have not been achieved, for each job below half the total that is not delivered, SCC will return £15k to the SCR.

RESOLVED, that the Board

- 1. Endorses the recommendation to progress the Sheffield City Council: Knowledge Gateway scheme business case to Full Approval**
- 2. Endorses the entering into a loan agreement for Sheffield City Council: Knowledge Gateway at a cost of £4,115,000 subject to the conditions set out in the Appraisal Panel Summary Table (attached at Appendix 1 to the accompanying report)**

	<p><b>3. Recommends these endorsements to the SCR Combined Authority for approval.</b></p> <p><b>4. Agrees the nature and timing with which this scheme has been presented to the Board does not represent good governance, and that these concerns should also be referenced at the CA.</b></p> <p><b>Action: John / Colin to ensure the Board’s comments regarding the nature of how this scheme was presented for consideration are reported at the CA.</b></p>	<p><b>JM / CB</b></p>
<p><b>7</b></p>	<p><b><u>Bids to the DCLG Housing Investment Fund (HIF) and the One Public Estate (OPE) / Land Release Fund (LRF)</u></b></p> <p><u>DCLG HIF</u> The Board was provided with information regarding the 2 funding elements of the HIF (marginal viability and forward funding). It was noted this matter was reported in full to the September CA meeting.</p> <p>It was confirmed the CA is responsible for agreeing the sifting and ranking of SCR schemes. Six bids have been put forward, ranked and presented to relevant bodies (HCA, DCLG) for consideration, with supporting letters of endorsement. An additional letter of endorsement has been submitted in support of a scheme in Chesterfield.</p> <p>It was noted decisions on the SCR’s bids are expected December.</p> <p><u>One Public Estate (OPE) Land Release Fund (LRF)</u> It was noted a report was due to be presented to the 30<sup>th</sup> October CA meeting requesting responsibility for submitting bids be delegated to the Head of Paid Service .</p> <p><b>Action: Michael to keep the Board updated with regard to LRF bids</b></p>	<p><b>MH</b></p>
<p><b>8</b></p>	<p><b><u>SCR Housing Fund Update</u></b></p> <p>The Board was informed of the CA’s approval for the creation of an £8m fund to help unlock potential housing sites, subject to bids meeting a series of ‘principles’. It was noted officers have been working on defining these principles to the satisfaction of the SCR statutory officers and an update is due to be presented to the next CA meeting.</p> <p>It was noted that approval Monday of these principles will allow transactions against the fund to commence.</p> <p>The Board was reminded that as this is LGF funding, it is open to all interested parties, not just local authorities. To date, 18 ‘conversations’ have commenced and the deadline for submitting bids is 15<sup>th</sup> November.</p>	

	<p>It was noted the CA will be asked to agree that all bids of less than £2m may be considered by a 'Governance Board' but bids of over £2m will have to be considered by the CA itself, via recommendation by the IHEB.</p> <p>It was noted a huge interest in the initiative, and keenness to engage has, been observed at LEP Sector Group meetings.</p>	
9	<p><b><u>Board Arrangements</u></b></p> <p>Consideration was given to the future logistical arrangements of a joint Infrastructure and Housing Executive Board.</p> <p>The benefits of integration, and opportunities to consider matters of mutual interest and challenge were acknowledged.</p> <p>However, it was agreed that 'housing' needs to be given equal importance as part of any new processes, and it would be unfortunate if the excellent, multi-perspective debates and wide participation from the private sector 'players' that has been evident at past HEB meetings was lost.</p> <p>In discussion, it was agreed the next meeting should:</p> <ul style="list-style-type: none"> <li>• Be open to all current IEB and HEB regular attendees (ahead of a future debate around membership going forward)</li> <li>• Be held at the AMP</li> <li>• Have an agenda structured to afford 2x15 minute introductory overviews of key housing and infrastructure matters followed by discussion of matters of joint interest.</li> </ul> <p>It was also agreed new arrangements should be deemed 'interim' (pending the CA's anticipated review of governance structures and propensity for the Executive Boards to be replaced by 'Delivery Boards') and subject to continued monitoring around their effectiveness.</p> <p>It was noted that to ensure the joint Board can meet its obligation to give all Members the opportunity to comment on matters before they are recommended to the CA, and capture any required caveats and revisions, meetings would have to take place at least 10 days before CA meetings (as CA papers (containing those recommendations) must by law published 8-9 days beforehand).</p> <p><b>Action: Colin to consider and propose a revised schedule of meetings and engage the districts' Directors of Housing and Regeneration in discussion around district representation at future joint meetings.</b></p> <p>The joint IHEB forward plan to April 2018 was provided for information.</p> <p><b>RESOLVED, that the Board agrees to taking forward joint Infrastructure and Housing Executive Board meetings, with new arrangements deemed 'interim' (pending the CA's anticipated</b></p>	CB

	<b>review of governance structures and propensity for the Executive Boards to be replaced by ‘Delivery Boards’) and subject to continued monitoring around their effectiveness.</b>	
<b>10</b>	<p><b><u>Any Other Business</u></b></p> <p>i. <u>Ministerial Visit</u>  The Board was informed Lord Prior (Parliamentary Under Secretary of State at the Department for Business, Energy and Industrial Strategy) would be visiting the City region next week to meet representatives of the construction sector.</p> <p><b>Action: Colin to circulate further details of the visit</b></p>	<b>CB</b>
<b>11</b>	<p><b><u>Date of the Next Meeting</u></b></p> <p>TBC.</p>	