

# Sheffield City Region

## Assurance Framework



2021

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## Version Control

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V3	Incorporated amendments from R Adams and S Davenport	L Whitaker, F Kumi-Ampofo
V4	Incorporated amendments from N MacDonald	L Whitaker
V5	Amended para 3.66 as requested by BEIS	L Whitaker
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# 1. Introduction

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## Purpose of the Assurance Framework

- 1.1 The aim of this document is to set out how the Sheffield City Region Mayoral Combined Authority (MCA) will use public money responsibly, both openly and transparently, and achieve best value for money. This document outlines:
- The respective roles and responsibilities of the Mayoral Combined Authority Board, the Sheffield City Region Mayor, the Local Enterprise Partnership (LEP) Board and other elements of the decision-making and delivery structure;
  - The key processes for ensuring accountability, probity, transparency, legal compliance and value for money;
  - How potential investments will be prioritised, appraised, approved, and delivered; and
  - How the progress and impacts of these investments will be monitored and evaluated.
- 1.2 The Assurance Framework sits alongside several key governance and policy documents – most notably the Devolution Agreement and Settlement Letter, the MCA Constitution, the LEP Terms of Reference, the Financial Regulations, the Strategic Economic Plan (SEP), Renewal Action Plan (RAP), Investment Plan and Monitoring and Evaluation Framework.
- 1.3 The Assurance Framework has been developed in response to the National Local Growth Assurance Framework (January 2019, which incorporates the Single Pot Assurance Framework Guidance 2016), Strengthened Local Enterprise Partnerships Report (July 2018), the LEP Governance and Transparency Best Practice Guide (January 2018) and the Ney Review (October 2017).
- 1.4 This Assurance Framework takes effect from 1 April 2021. It will apply to all new funding bids, funding regimes and projects from this date. For continuity and consistency purposes, some existing projects which are already part way through the 2020 Assurance Framework process, will conclude their approval through that route.

## Updating the Assurance Framework

- 1.5 The Assurance Framework is reviewed and updated at the end of each year. The next annual review of this document is scheduled to commence in November 2021. However, this document may be amended and re-published prior to the annual review date if improvements or significant changes are made to the MCA, LEP or its governance and assurance structures and processes, or if new guidance is received from the Government.
- 1.6 A draft of the Assurance Framework is presented to the MCA and LEP Boards to approve any changes. The Assurance Framework is then submitted to the Ministry of Housing, Communities and Local Government (MHCLG) and other Government Departments for approval, including the Department for Transport and Department for Education.

## The Structure of this Document

- 1.7 The remainder of this document is structured into the following sections:

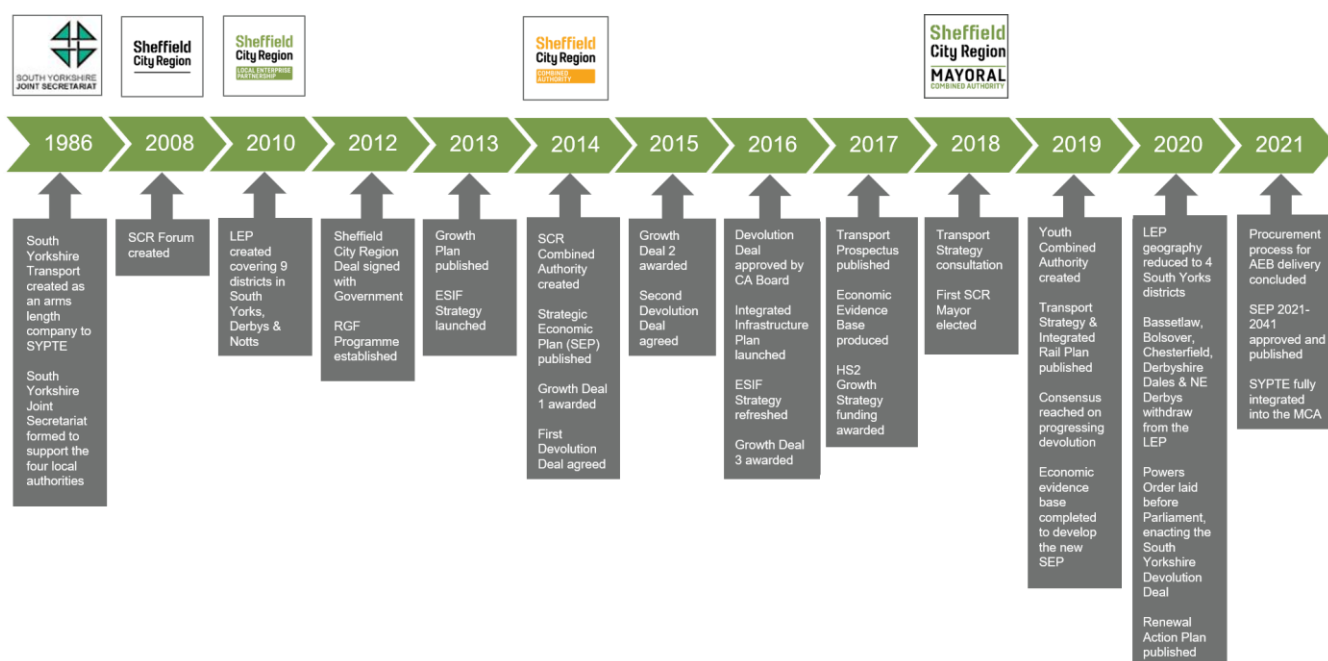
- **Section 2** describes the Sheffield City Region, the funding devolved by Government and the plan for economic growth;
- **Section 3** explains the structures, roles and responsibilities of the organisations that make up the decision-making bodies;
- **Section 4** outlines the processes for ensuring openness and accountability for public funds;
- **Section 5** describes how the MCA and LEP collaborate and engage with other MCAs, LEPs, partners and the public;
- **Section 6** illustrates how decisions are made in a robust, evidenced and transparent manner;
- **Section 7** explains how projects are delivered and monitored and evaluated;
- **Section 8** outlines how information is published;
- **Appendix A** provides a summary of the policies that the LEP is governed by; and
- **Appendix B** is a joint statement from the LEP and MCA on their respective roles and responsibilities.

## 2. About the Sheffield City Region

### History

- 2.1 The Sheffield City Region geographical area consists of the four local authority districts in South Yorkshire.
- 2.2 The concept of the Sheffield City Region dates back to 2008 when the SCR Forum was created. However, joint working across the South Yorkshire authorities significantly predates this, as shown in Figure 1 below.

Figure 1: Sheffield City Region Timeline



- 2.3 The SCR Forum evolved into the Local Enterprise Partnership (LEP) in 2010. This was followed by the formation of the Mayoral Combined Authority (MCA) on the 1<sup>st</sup> April 2014 and the election of the first Mayor on the 4<sup>th</sup> May 2018. The South Yorkshire Devolution Deal<sup>1</sup> was signed into law on 27 July 2020.

### Geography

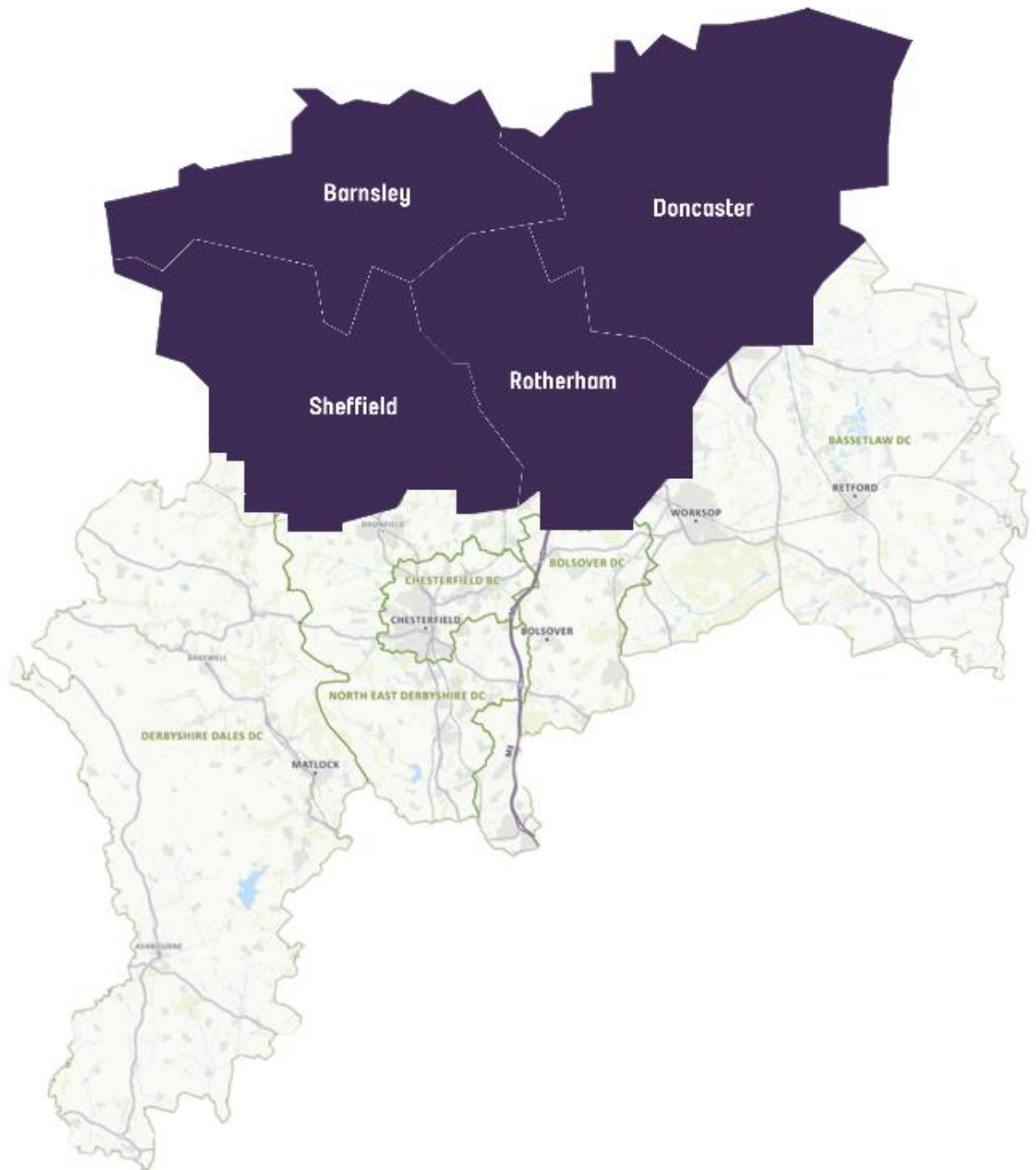
- 2.4 The MCA and LEP's boundaries are coterminous. The geography consists of the four local authority districts in South Yorkshire (Barnsley, Doncaster, Rotherham and Sheffield).
- 2.5 The wider functional economic area for the Sheffield City Region also covers five neighbouring districts in the D2N2 LEP area: Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales and North East Derbyshire (Figure 2). Prior to 1 April 2020, these districts were full members of the Sheffield City Region LEP, when revisions to the LEP's geography were made to comply with the LEP Review recommendation on removing overlaps with other LEPs.
- 2.6 Whilst the five districts in Derbyshire and Nottinghamshire are no longer members of the Sheffield City Region LEP, they continue to be non-constituent members of the MCA in accordance with the 2014 Order<sup>2</sup>

<sup>1</sup> [The Barnsley, Doncaster, Rotherham and Sheffield Combined Authority \(Functions and Amendment\) Order 2020](#)

<sup>2</sup> [The Barnsley, Doncaster, Rotherham and Sheffield Combined Authority Order 2014](#)

that created the MCA. Discussions will take place throughout 2021 to determine the best way of engaging with the non-constituent local authorities on cross-border economic issues.

Figure 2: Map of the Sheffield City Region and the wider Functional Economic Area

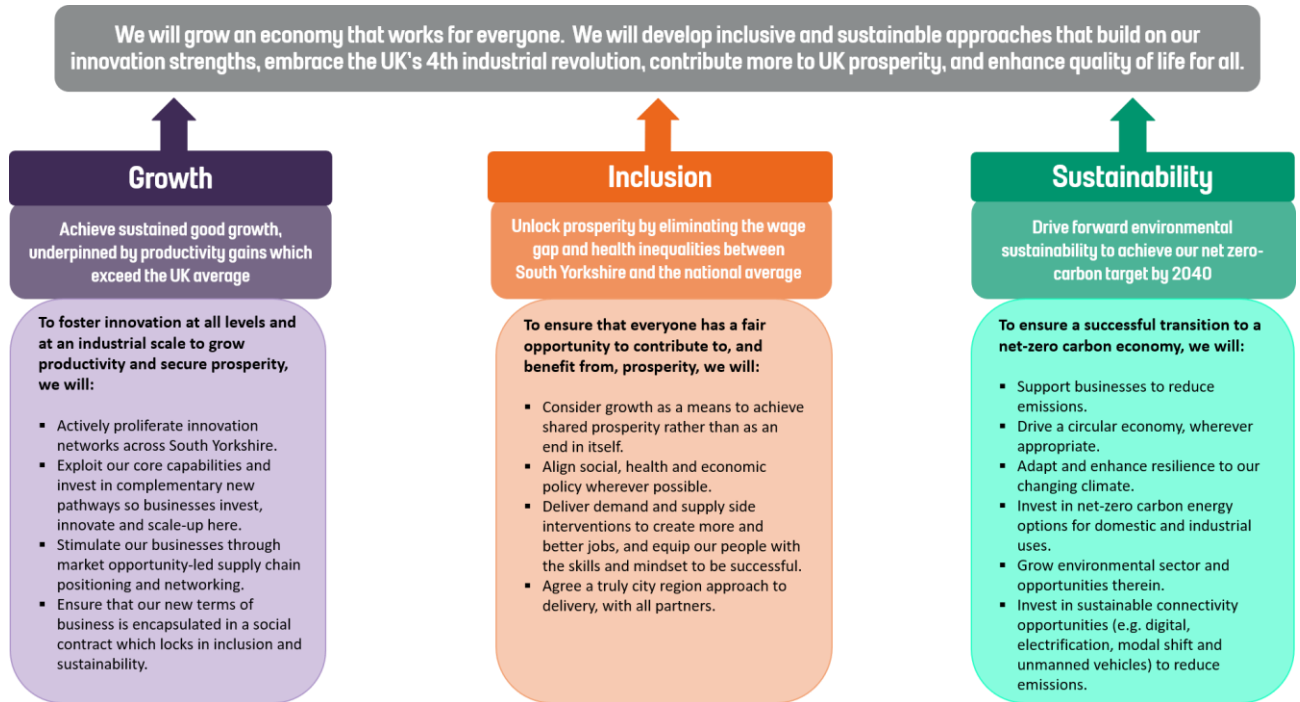


## Plan for Economic Growth

- 2.7 In 2020, the MCA and LEP completed work on developing a Renewal Action Plan (RAP) in response to the COVID Pandemic and its attendant socio-economic challenges, to outline the objectives and priorities for economic recovery and growth for the Sheffield City Region. The RAP accompanies a new Strategic Economic Plan (SEP) which was approved by the MCA and LEP Boards in January 2021.

- 2.8 The SEP is a twenty-year economic strategy which sets out the vision and policy objectives for growing the economy at pace; ensuring that all people and places have a fair opportunity to contribute to and benefit from prosperity and protecting and enhancing our environment.
- 2.9 The SEP is built on a broad range of socio-economic data and is the result of extensive consultation with business representatives, local industry leaders, local authorities, residents and stakeholder organisations. The vision and policy objectives for economic growth across the City Region, are set out in Figure 3 below.

Figure 3: Strategic Economic Plan 2021-2041 (January 2021)



- 2.10 The SEP will be reviewed and updated on a regular basis to ensure a sound strategic basis for investment.
- 2.11 The RAP is a jobs-led plan that outlines £1.7bn of priority interventions for supporting our Employers, People and Places focusing particularly on the immediate term. The priorities are set out in Figure 4 below:

Figure 4: Renewal Action Plan

	Programme Objectives	Targets & Outputs
<b>People</b>	Help people find jobs and adapt to the new economy	<p>Helping 35,000 people re-engage with the labour market, creating benefits such as:</p> <ul style="list-style-type: none"> <li>• 3,000 apprenticeships and other training positions</li> <li>• NEET levels below national average</li> <li>• Higher share of leavers/graduates in education or work within 12-18 months</li> </ul>
<b>Employers</b>	Support employers to adapt, survive and thrive despite COVID	<p>Over 25,000 businesses supported:</p> <ul style="list-style-type: none"> <li>• COVID-adapted working environments</li> <li>• Reduced carbon emissions</li> <li>• 15,000 jobs created through supply chain re-shoring / localising</li> <li>• Invoice and cashflow support</li> <li>• Investment to innovate and thrive</li> </ul>
<b>Places</b>	Infrastructure investment to level up our economy, create jobs, and transform our communities	<p>Strengthened communities and urban centres underpinned by:</p> <ul style="list-style-type: none"> <li>• Maintained cycling and walking rates</li> <li>• Uplift in urban footfall and spend</li> <li>• Created / supported 6,000 new jobs across infrastructure programmes</li> <li>• Improved local economic resilience and health and wellbeing</li> </ul>

2.12 Together, with the Transport Strategy, the Net Zero Work Programme, and the local authority Leaders’ priorities for Gainshare, the SEP and the RAP set the blueprint for how devolved and awarded funding from Government will be invested. The SEP and RAP also set the criteria that all programmes, schemes and projects will be measured and assessed against; from application stage through to contracting and delivery.

### Devolved Powers and Funding

2.13 The South Yorkshire Devolution Deal provides the ability to establish a single pot of funding to invest in economic development. This includes Gainshare, the Adult Education Budget, a consolidated transport budget and other local growth monies as detailed below.

#### Gainshare

2.14 The Gainshare (grant-based investment funding) allocation for South Yorkshire through the Devolution Deal is £30m per annum for a period of 30 years. This consists of 60% capital and 40% revenue funding and is to be invested in the delivery of the MCA and LEP’s strategic and economic priorities.

#### Adult Education Budget (AEB)

2.15 From the start of the 2021/22 academic year, the MCA will assume responsibility for the Adult Education Budget (AEB). Devolution of AEB will support high quality adult education across South Yorkshire. This equates to around £35m per annum.

#### Transport Settlement

2.16 The MCA is responsible for the consolidated devolved capital transport budget. This consists of the Integrated Transport Block, the Highways Maintenance Block (excluding PFI), and Highways Maintenance incentive funding.

#### Transforming Cities Fund (TCF)



2.17 Following a successful bidding process, in March 2020, the Government awarded £166m from the Transforming Cities Fund (TCF) to the Sheffield City Region for a period of three years.

#### **Getting Building Fund (GBF)**

2.18 In June 2020, the MCA was awarded £33.6m for a prioritised programme of Major Capital Infrastructure Schemes under the Government's Getting Building Fund. The fund is to be used to accelerate 'shovel ready' infrastructure schemes.

#### **Brownfield Fund (BF)**

2.19 The MCA was allocated £40m in June 2020 to deliver a programme of housing schemes on brownfield sites over the next 5 years through the Government's Brownfield Fund.

#### **Emergency Active Travel Fund**

2.20 During 2020, the MCA was awarded £8.7m in two tranches to support investment in active travel infrastructure in order to accelerate modal shift from car journeys, improve decongestion, safety for non-motorised road users and air quality, and promote healthier lifestyles.

#### **UK Shared Prosperity Fund (UKSPF)**

2.21 In November 2014, the Chancellor of the Exchequer announced that a UK Shared Prosperity Fund (UKSPF) pilot programme in 2021-22 to help UK regions to prepare for a longer-term UKSPF from 2023. The UKSPF will replace the previous six-year Local Growth Fund (LGF) programme and EU Structural Funds.

2.22 More detailed information on the UKSPF pilot will be published in early 2021 but it is expected to be focussed on supporting infrastructure improvements and regeneration in areas of deprivation, tailored employment and skills development and supporting businesses with innovation and green technology adoption.

#### **Powers**

2.23 Under the South Yorkshire Devolution Deal, the MCA and Mayor were granted the following devolved powers from Government:

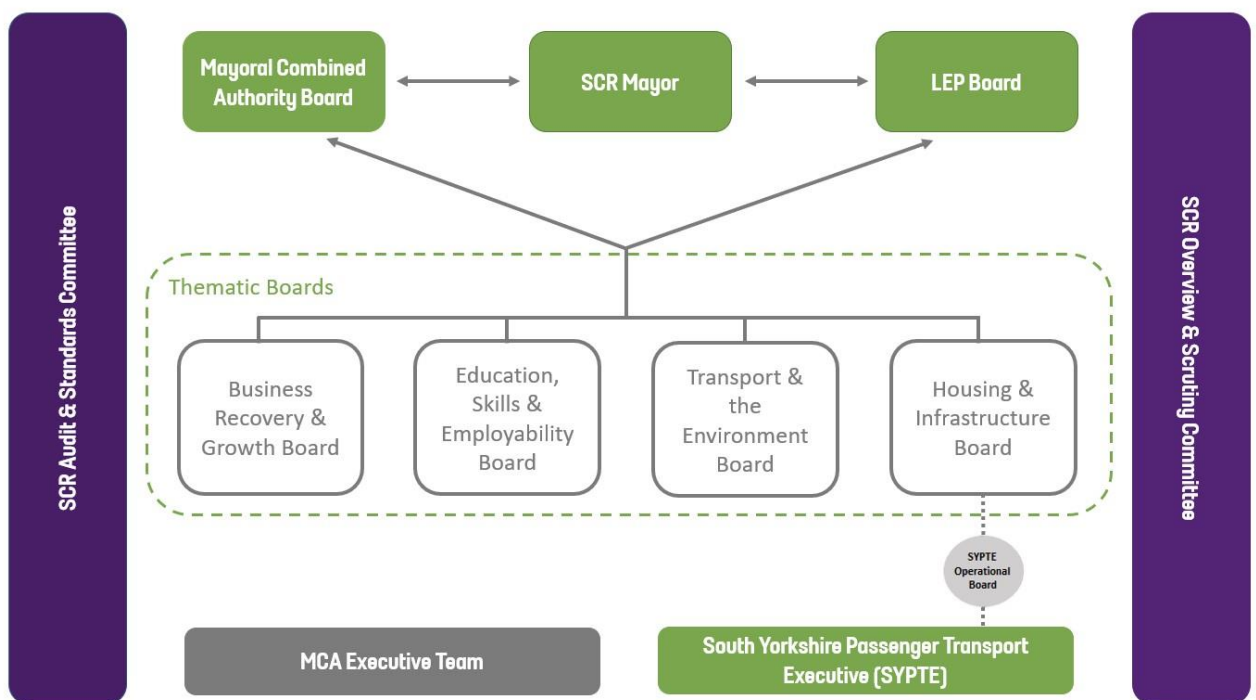
- The full devolution of the 19+ Adult Education Budget for college and training providers;
- To improve the supply and quality of housing and secure the development of land or infrastructure;
- To create a non-statutory Spatial Framework for South Yorkshire;
- The option to establish Mayoral Development Corporations;
- To provide grants and make agreements with other bodies on the management of the strategic highway network; and
- The option to introduce a Mayoral precept.

### 3. Structures and Roles

#### Overview

- 3.1 The MCA and LEP governance model combines the best of private sector expertise and public sector capacity, transparency and accountability.
- 3.2 The Mayoral Combined Authority (MCA) and Local Enterprise Partnership (LEP) form the core decision-making Boards. The private sector led LEP, supports and works alongside democratically elected Leaders on the MCA Board. The Mayor, the Leaders of the four local authorities in South Yorkshire and LEP Chair sit on both Boards. This has resulted in strong partnership between the MCA and LEP. It also ensures that a single oversight is in place to deliver efficient, effective, accountable and informed decision-making.
- 3.3 The Mayor, MCA Board and LEP Board are supported by four Thematic Boards and the MCA Executive Team. The Thematic Boards are responsible for driving forward the agenda of their thematic area. The MCA Executive Team advises the Mayor, MCA and LEP on policy, seeks agreement between those bodies and subsequently commissions, manages and monitors the delivery of projects. The MCA Executive Team and local authority Chief Executives also support the decision-making process. Two independent committees, the Audit and Standards Committee and Overview and Scrutiny Committee, ensure that the MCA, LEP and Mayor are fulfilling their legal obligations, and developing and delivering strategies that are in the best interests of local people.
- 3.4 Figure 5 sets out the overall structure and how the Boards and Committees relate to one another.

Figure 5: The Organisational Structure



- 3.5 In 2021, SYLTE will be fully amalgamated into the MCA with SYLTE staff becoming part of the MCA Executive Team.

- 3.6 The following sections provide a description of the different elements of the structure and their respective roles and responsibilities.

### **The Mayor**

- 3.7 The Mayor is directly elected by the electorate in South Yorkshire (Barnsley, Doncaster, Rotherham and Sheffield) and serves a four-year term of office. The Mayor was elected in May 2018 and the next Mayoral Election is scheduled to take place in May 2022.

### **Role of the Mayor**

- 3.8 The Mayor has a manifesto of commitments on which he was elected, and he exercises powers and functions that are devolved to the MCA by central Government.
- 3.9 The Mayor is the Chair of the MCA and leads the MCA in terms of proposing and agreeing the revenue and capital budgets of the MCA, including allocation of the consolidated transport budget, appropriate use of the Adult Education Budget and how Gainshare is utilised to support the MCA's policies.
- 3.10 The Mayor is a member of the LEP Board and also promotes South Yorkshire as a place to live, work, visit and invest in.

### **Responsibilities of the Mayor**

- 3.11 The decision-making powers and functions of the Mayor are:
- Development of a strategy and spending plan for the delivery of mayoral functions;
  - Responsibility for a consolidated, devolved transport budget, with a multi-year settlement to be agreed at the Spending Review;
  - Responsibility and the power to approve franchised bus services, to support the MCA's delivery of smart and integrated ticketing across South Yorkshire;
  - Responsibility for an identified Key Route Network of local authority roads that will be collaboratively managed and maintained by the MCA on behalf of the Mayor;
  - Powers over strategic planning, including the responsibility to create a spatial framework for the Sheffield City Region;
  - Ability to create Mayoral Development Areas or Corporations in agreement with the relevant MCA member.

### **The Mayoral Combined Authority (MCA)**

- 3.12 The Sheffield City Region Combined Authority was formally constituted in law in April 2014. It comprises the four constituent local authorities for South Yorkshire and five non-constituent local authorities from the neighbouring D2N2 LEP area. The constituent members are Barnsley, Doncaster, Rotherham and Sheffield. The non-constituent members are Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales and North East Derbyshire. With the election of the Mayor in May 2018, it became the Mayoral Combined Authority (MCA).

### **Role of the MCA**

- 3.13 The MCA is the legal and Accountable Body for funding devolved and awarded to the MCA and LEP. The MCA is also the Local Transport Authority for South Yorkshire. This role and its accompanying responsibilities are defined in the [MCA Constitution](#).

## Responsibilities of the MCA

- 3.14 The MCA's remit is strategic economic development, housing, skills and transport.
- 3.15 The MCA is responsible for setting the policy direction in South Yorkshire and maximising financial investment to achieve economic growth. The MCA is also responsible for making large investment decisions and ensuring that the policy and strategic objectives of the SEP are delivered.
- 3.16 On this basis, typically the agenda for the MCA is focused on different elements of the SEP and takes decisions and oversees performance on items including:
- Programme updates – on initiatives being delivered;
  - Investment decisions;
  - Monitoring of financial and output performance;
  - Assurance, strategic risk management and governance; and
  - Strategies and plans.
- 3.17 The constituent members of the MCA are accountable for where and how public money is being spent.
- 3.18 Additional responsibilities and further powers may be devolved to the Mayor and the MCA, pending agreement by Government, the Mayor, MCA and the constituent authorities.

## Membership of the MCA

- 3.19 Membership of the MCA is set out in Table 1 below. This specifies the type of membership; constituent, non-constituent and observer.

Table 1: Membership of the MCA 2021/22

Member	Post	Membership Type
South Yorkshire	Mayor	Constituent
Barnsley Metropolitan Borough Council	Leader	Constituent
Doncaster Metropolitan Borough Council	Mayor	Constituent
Rotherham Metropolitan Borough Council	Leader	Constituent
Sheffield City Council	Leader	Constituent
Bassetlaw District Council	Leader	Non-constituent
Bolsover District Council	Leader	Non-constituent
Chesterfield Borough Council	Leader	Non-constituent
Derbyshire Dales District Council	Leader	Non-constituent
North East Derbyshire District Council	Leader	Non-constituent
Sheffield City Region LEP	Chair	Non-voting
Barnsley Metropolitan Borough Council	Nominated Representative	Rotational
Sheffield City Council	Nominated Representative	Rotational

- 3.20 The MCA Constitution stipulates that substitute members will be nominated and agreed by the full members annually.
- 3.21 Each year the MCA appoints two additional, rotational members from amongst the constituent councils. This is a requirement of the Order by which the Combined Authority was established to ensure that the majority of Members are from constituent councils. In 2021/22, the rotational members are from Barnsley and

Sheffield. In 2022/23, they will be from Doncaster and Rotherham. By convention these Members do not attend or vote.

- 3.22 Organisations are invited to attend MCA meetings as an observer. These can include Government agencies (such as Homes England or Network Rail) and other LEPs which have close economic links with the Sheffield City Region (for example but not restricted to the Leeds City Region, Manchester and Humber LEPs).
- 3.23 All MCA Board members are expected to conduct themselves in accordance with the Nolan Principles of Public Life. These principles are embedded in the [MCA Members' Code of Conduct](#) as detailed in the MCA Constitution.

### **MCA Board Meetings**

- 3.24 The MCA Board meets on an eight-weekly cycle and the meetings are held in public.
- 3.25 All constituent members of the MCA Board and the Mayor have one equally weighted vote. Non-constituent members have no automatic right to vote. The MCA Constitution allows for voting rights to be extended to non-constituent members at the discretion of the constituent members.
- 3.26 Decisions are made by a majority of the members present at MCA meetings and voting when using the powers held by the Authority when it was established in 2014. For the new powers devolved to the MCA through the devolution deal, the Mayor must be part of the majority of members present and voting on the exercise of such functions. These functions are:
- Adult Education Budget;
  - Skills powers/duties; and
  - Housing functions.

The Constitution sets the majority as the Mayor plus 75% of the Members from the constituent councils present at the meeting. By convention, if 100% of the Members from the constituent councils are in favour of a resolution, then the Mayor will also vote in favour (as that is the will of the MCA), unless the Mayor gives minuted reason for not doing so.

- 3.27 The approval of the non-statutory Spatial Framework will require a unanimous decision from all constituent members. The establishment of any Mayoral Development Corporation will require the agreement of the Mayor and the MCA member that represents that place.
- 3.28 The Mayor's budget proposals will be approved by the MCA in accordance with the Combined Authorities (Finance) Order 2017 and the Constitution.

### **Quoracy for MCA Board Meetings**

- 3.29 At least three voting members of the MCA must be present for a meeting to be valid. If a decision is required to meet agreed timescales and a meeting of the MCA is either not possible or scheduled, written procedures for decision making apply, in line with the MCA Constitution and the relevant Overview and Scrutiny regulations.

## **The Local Enterprise Partnership Board (LEP)**

3.30 The Local Enterprise Partnership (LEP) is a voluntary business-led partnership which brings together business leaders, local politicians and other partners to promote and drive economic growth across the Sheffield City Region. The Sheffield City Region LEP was established in 2010.

#### Role of the LEP

3.31 The LEP leads on strategic economic policy development within the City Region and sets the blueprint for how the Sheffield City Region economy should evolve and grow. The LEP is the developer and author of the SEP. The LEP works to raise the profile, image and reputation of the Sheffield City Region as a place to visit, live, work and invest in.

#### Responsibilities of the LEP

3.32 The LEP is responsible for setting strategy and acts as the custodian of the SEP. The LEP bids for funding and programmes from Government and is responsible for delivering these programmes. This included delivering the Growth Deal programme of activity which concluded on 31 March 2021.

3.33 The LEP is also responsible for ensuring that policy and decisions both receive the input of key business leaders, and by extension, reflect the views of the wider business community. The LEP fulfils this responsibility by leading on engagement with local businesses and policy makers at a City Regional, national and international level.

3.34 The focus of the LEP Board is to discuss and make decisions on the following:

- **South Yorkshire Economy** – such as research on how well the economy is performing and the issues and needs of different sectors and markets;
- **Performance** - of LEP funded programmes;
- **Providing a Forum for Debate** - between the public and private sectors; and
- **Economic Strategy and Policy Development** – on new initiatives being brought forward.

#### Membership of the LEP

3.35 The LEP currently comprises 13 permanent private sector representatives, the four Leaders of the Local Authorities and the Mayor, a Trades Union Representative and up to five co-opted private sector members who act as specialist advisers on thematic issues. Membership of the LEP is set out in Table 2 below:

Table 2: Membership of the Sheffield City Region Local Enterprise Partnership (LEP) 2021/22

Member	Post	Membership Type
James Muir	LEP Chair – Permanent Member	Private Sector
Nigel Brewster	LEP Vice Chair – Permanent Member	Private Sector
Lucy Nickson	LEP Vice Chair – Permanent Member	Private Sector
Alexa Greaves	Permanent Member	Private Sector
Gemma Smith	Permanent Member	Private Sector
Professor Chris Husbands	Permanent Member	Private Sector
Peter Kennan	Permanent Member	Private Sector
Tan Khan	Permanent Member	Private Sector
Neil MacDonald	Permanent Member	Private Sector

Richard Stubbs	Permanent Member	Private Sector
Joe Chetcuti	Permanent Member	Private Sector
Karen Beardsley	Permanent Member	Private Sector
Cathy Travers	Permanent Member	Private Sector
Angela Foulkes	FE College Representative	Private Sector
Professor Dave Petley	HE Representative	Private Sector
Dan Fell	Chambers of Commerce Representative	Private Sector
Bill Adams	Trades Union Representative	Membership Body
Paul Leedham	Co-opted Member	Private Sector
Michael Faulks	Co-opted Member	Private Sector
MCA	Mayor	Public Sector
Barnsley Metropolitan Borough Council	Leader	Public Sector
Doncaster Metropolitan Borough Council	Mayor	Public Sector
Rotherham Metropolitan Borough Council	Leader	Public Sector
Sheffield City Council	Leader	Public Sector

- 3.36 Private sector LEP Board members are assigned a portfolio of work based on their expertise and knowledge. The portfolios are thematic based, and each LEP Board member leads on the LEP's activity on that theme.
- 3.37 The LEP Board also designates a private sector LEP Board member to be Small Business Champion and Equality and Diversity Champion. The Small Business Champion is tasked with leading engagement with small businesses, and ensuring that the views of micro, small and medium sized businesses are adequately represented by the LEP. The Equality and Diversity Champion ensures that the LEP Board understands its role in promoting diversity and eliminating discrimination.
- 3.38 The current composition of the LEP Board is 75% Private Sector members compared to 21% Public Sector members and 4% Membership Body members. This equates to a ratio that is substantially higher than the Government requirement of a two-third, one-third split.
- 3.39 Co-opted members were first introduced onto the LEP Board in Autumn 2017 to provide additional specialist advice and expertise on the SEP's thematic priorities, such as infrastructure, skills and employment. The knowledge and advice provided by the co-opted members has led to significant progress being made on key projects and initiatives including the development and delivery of the Housing Investment Fund pilot.
- 3.40 All LEP Board members are expected to conduct themselves in accordance with the Nolan Principles of Public Life. These principles are embedded in the [LEP Code of Conduct](#). LEP Board members are required to sign a document confirming that they will subscribe to Nolan principles as a condition of their appointment.

### LEP Board Meetings

- 3.41 The LEP Board meets on an eight-weekly cycle and the meetings are held in private, with the exception of an Annual General Meeting (AGM).
- 3.42 All Board members (apart from co-opted members) have equal voting rights, and decisions are taken on the basis of a simple majority.

### Quoracy for LEP Board Meetings

- 3.43 Meetings of the LEP Board are considered quorate when at least one quarter of the Private Sector Members and at least one quarter of the constituent local authority members are present.
- 3.44 A LEP Board Member may be counted in the quorum if they are able to participate in the meeting by remote means such as by internet, audio or video link. The member must remain available throughout the agenda items where discussions and decisions are made.
- 3.45 Co-opted members, and any LEP Board member who is obliged to withdraw under the LEP Code of Conduct, are not counted towards the quorum.
- 3.46 To ensure that LEP Board members are suitably committed to the work of the LEP, consistent non-attendance at meetings is grounds for termination of membership. This is outlined in the [LEP Terms of Reference](#).
- 3.47 If a decision is required to meet agreed timescales and a meeting of the LEP is either not possible or scheduled, the urgency procedure for decision making applies, as outlined in LEP Terms of Reference will be implemented.

### LEP Chair

- 3.48 The LEP Chair must have a private sector background.
- 3.49 The LEP Chair leads on building the reputation and influence of South Yorkshire at a national and international level. The LEP Chair is also a non-voting member of the MCA.

### LEP Vice Chair

- 3.50 The LEP has two Vice Chairs.
- 3.51 The LEP Vice Chairs must have a private sector background.
- 3.52 The LEP Vice Chairs provide day to day leadership and support to the LEP Board Members, lead on business relations within the City Region, engage with the wider business community and deputise for the LEP Chair when necessary.

### Defined Term Limits

- 3.53 The LEP Chair and LEP Vice Chairs have defined term limits of three years. They can re-apply for a further term.
- 3.54 All other permanent private sector LEP Board member, and the named HE representative, are appointed for an initial term of three years. As set-out in the LEP Terms of Reference, the Chair may extend the appointment of an individual for a further term of up to three years. With a clear rationale, and only in exceptional circumstances, a further extension not exceeding two years may be granted.
- 3.55 Co-opted LEP Board members have a defined term limit of one year. However, following a recommendation from the LEP Appointments Panel, the LEP Chair can at their discretion, extend the term of co-opted members for a further period.
- 3.56 The Trades Union Congress (TUC), Chambers of Commerce and FE Colleges (via the Association of Colleges) nominate their named representatives on an annual basis.



## LEP Board Recruitment and Appointment

- 3.57 Private sector LEP Board members are appointed through an open and transparent recruitment and selection process, which is run on an annual basis. In the interests of continuity and succession planning, the recruitment is staggered so that the terms of all private sector members do not expire at the same time.
- 3.58 When private sector members either approach the end of their term, or if a LEP Board member resigns mid-term, the vacant positions on the LEP Board are promoted through the MCA website, social media channels and are advertised in local and regional media. Local business representative organisations are also consulted about LEP Board vacancies and advertise and promote these vacancies through communications with their members.
- 3.59 When recruiting new LEP Board members, consideration is given to achieving diversity on the LEP Board in line with the [LEP Diversity Policy](#). However, all Board appointments are made on merit, and within the context of the skills and experience required by the LEP Board.
- 3.60 Interested candidates are required to complete and submit an application form. A LEP Appointments Panel, which is made-up of LEP Board Vice Chairs, reviews and assesses the applications against the LEP Board Member Job Description and Person Specification, with advice and support from the MCA Executive Team. Candidates are shortlisted for an interview by a panel including LEP Board members (usually the Vice Chairs), a member of an independent business representative body, and the MCA Chief Executive or Deputy Chief Executive.
- 3.61 A combination of the completed application form and interview are used to judge each candidate's experience, suitability and fit. The LEP Appointments Panel makes the appointments which are then ratified by the LEP Board.
- 3.62 Newly appointed LEP Board members are invited to attend an induction session with the MCA Executive Team to develop their understanding of the City Region, the organisational and decision-making structure, the LEP's priorities and plans and support available to LEP Board members from the MCA Executive Team.
- 3.63 Vacant positions for the Chair and Vice Chair roles are promoted in the same way. However, these positions are also advertised in national media outlets and on the Government's Public Appointments website. The Mayor leads the appointment panel for the LEP Chair, which also includes another LEP Board Member, an independent business representative organisation, a Local Authority Chief Executive and either the MCA Chief Executive or Deputy Chief Executive.

## Equality and Diversity

- 3.64 The [LEP Diversity Policy](#) seeks to ensure that the composition of the LEP Board is diverse and reflective of the City Region in the broadest sense. Consideration is given to gender, race, protected characteristics and areas of expertise including industry knowledge, geography, sectors and business size. This is done with a view to obtaining an appropriate balance of membership. Applications from under-represented groups are encouraged.
- 3.65 The current gender composition of the LEP Board is detailed in Table 3 below. It illustrates that 38.5% of the LEP's permanent private sector members are women.

Table 3: Gender Composition of LEP Board (February 2021)

Type of Membership	Gender		Vacant Posts	Total	Gender Ratio	
	Female	Male			Female	Male
Private Sector (Permanent)	5	8	0	13	38.5%	61.5%
Public Sector (Permanent)	1	4	0	5	20.0%	80.0%
Membership Body (Permanent)	0	1	0	1	0%	100%
<b>Permanent Members</b>	<b>6</b>	<b>13</b>	<b>0</b>	<b>19</b>	<b>31.6%</b>	<b>68.4%</b>
Private Sector (Co-opted & Named Representatives)	1	4	0	5	20.0%	80.0%
<b>Co-opted/Representative Members</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>5</b>	<b>20.0%</b>	<b>80.0%</b>
<b>All Private Sector (TOTAL)</b>	<b>6</b>	<b>12</b>	<b>0</b>	<b>18</b>	<b>33.3%</b>	<b>66.7%</b>
<b>All Members (TOTAL)</b>	<b>7</b>	<b>17</b>	<b>0</b>	<b>24</b>	<b>29.2%</b>	<b>70.8%</b>

3.66 The LEP will obtain an equal split of male and female LEP Board members by March 2023.

### How the MCA and LEP Work Together

3.67 A key facet of the governance arrangements in the City Region is the strong inter-relationship between the LEP and MCA and overlap of membership. Building on the best of the public and private sectors, this brings accountability, transparency and business insight together. The configuration and membership of the LEP and MCA are designed to be mutually supportive.

3.68 The MCA is the legally Accountable Body for all funds awarded to the LEP and approves the LEP annual capital and revenue budgets prior to the start of the financial year. However, the LEP advises on how these funds are prioritised.

3.69 The MCA tests the value for money of proposed projects, and makes decisions in a legally compliant, responsible and transparent manner.

3.70 To maintain good communication and cooperation, the LEP and MCA are both served by the same team of staff (the MCA Executive Team). Financial information and updates on programme delivery are reported to both the LEP and MCA Boards. This includes details of applications received for LEP funded programmes and contracts awarded.

3.71 Given the clarity in remit and strong controls being in place, there are minimal circumstances where the MCA would not comply with the LEP's advice. However potentially this could occur if:

- The LEP was seeking to influence a decision of the MCA, which is within the remit of the Accountable Body, specifically an operational decision as opposed to a strategic decision regarding the economic strategy;
- The LEP was seeking to influence a decision which is non-compliant with public accountability requirements and procedures, or does not offer value for money;
- The MCA was seeking to influence a decision which is within the remit of the LEP (for example, supporting a project that is not aligned with the objectives of the SEP); or
- The MCA was refusing to operationalise a policy directive of the LEP in accordance with the SEP.

3.72 A procedure is in place for managing conflicts in decision-making should they occur. The three Statutory Officers (Head of Paid Service, Section 73 Officer and Monitoring Officer) would first attempt to resolve the

conflict with the Chairs of the LEP and MCA Boards. If the conflict cannot be resolved, and depending on the nature of the conflict, this would be formally escalated to either the LEP Board or MCA Board to discuss and agree a resolution.

- 3.73 A Memorandum of Understanding concisely and simply explains the respective roles and responsibilities of the LEP and MCA, and how they work together. This is published and ensures that members of the public are clear on who is responsible for decision-making in the City Region. This document is contained in Appendix B.

## Thematic Boards

- 3.74 To support decision-making and delivery, the MCA and LEP are supported by four Thematic Boards, which are based on the broad strategic priorities of the SEP. The four Thematic Boards all have delegated authority to make financial decisions on behalf of the MCA up to defined limits.

### Role of the Thematic Boards

- 3.75 The purpose of the [Thematic Boards](#) is to provide adequate and experienced capacity to review projects and make investment decisions. These Boards bring together the public and private leadership of the MCA and LEP to drive the delivery of activity, ensuring that the focus remains on the outcomes being delivered. The Thematic Boards therefore enable the MCA and LEP Boards to operate strategically rather than merely as investment boards.
- 3.76 The four Thematic Boards are accountable to the MCA and each one has a defined portfolio with distinct responsibilities for Business Recovery & Growth, Housing & Infrastructure, Education, Skills & Employability and Transport & the Environment.
- 3.77 The Transport & the Environment Board has a broader role than the other three Thematic Boards; specifically, co-ordinating the transport activities, and overseeing the performance, of the South Yorkshire Passenger Transport Executive (SYPTTE).

### Responsibilities of the Thematic Boards

- 3.78 Each of the four Thematic Boards (Business Recovery & Growth; Housing &, Infrastructure; Education, Skills & Employability; and Transport & the Environment) has delegated authority to approve projects with a value of less than £2 million. Decisions made by the Thematic Boards are presented to the MCA Board in a written Delegated Decisions Report. As the delegating body, the MCA has the right to review decisions made by the Thematic Boards.
- 3.79 The responsibilities of the four Thematic Boards are to:
- Shape future policy, priorities and programmes for the LEP and MCA Boards to approve;
  - Review programme and funding applications of less than £2 million that have been through the appraisal process and decide whether to approve, defer or reject the application;
  - Review programme and funding applications of £2 million or more that have been through the appraisal process and make a recommendation to the MCA Board for approval, deferment or rejection of the application;
  - Accept grants with a value of less than £2 million; and
  - Monitor programme delivery and performance on their thematic area.
- 3.80 The Transport & the Environment Board has the following additional responsibilities:

- Shaping the development of the transport strategy and strategies for its implementation;
- Overseeing the performance of SYPTE in delivering operational transport services and its capital programme and providing SYPTE with political direction;
- Recommending the capital programme of SYPTE for approval to the MCA; and
- Recommending the revenue budget of SYPTE for approval to the MCA.

## Membership of the Thematic Boards

3.81 The members of the four Thematic Boards are set out in Table 4 below:

**Table 4: Membership of the Thematic Boards 2021/22**

Business Recovery & Growth	Education, Skills & Employability	Housing & Infrastructure	Transport & the Environment
One Leader from the MCA of a South Yorkshire local authority	One Leader from the MCA of a South Yorkshire local authority	One Leader from the MCA of a South Yorkshire local authority	One Leader from the MCA of a South Yorkshire local authority
	Leader of Chesterfield Borough Council (non-constituent local authority from the MCA)		The Director General of the SYPTE
A nominated representative for each of the South Yorkshire local authorities	A nominated representative for each of the South Yorkshire local authorities	A nominated representative for each of the South Yorkshire local authorities	A nominated representative for each of the South Yorkshire local authorities
A lead Chief Executive from a South Yorkshire local authority	A lead Chief Executive from a South Yorkshire local authority	A lead Chief Executive from a South Yorkshire local authority	A lead Chief Executive from a South Yorkshire local authority
Two private sector LEP Board members	Two private sector LEP Board members	Two private sector LEP Board members	Two private sector LEP Board members
Head of Paid Service (or their nominated representative)	Head of Paid Service (or their nominated representative)	Head of Paid Service (or their nominated representative)	Head of Paid Service (or their nominated representative)
A non-voting representative for the other non-constituent local authorities from the MCA	A non-voting representative for the other non-constituent local authorities from the MCA	A non-voting representative for the other non-constituent local authorities from the MCA	A non-voting representative for the other non-constituent local authorities from the MCA

3.82 Board decisions are made on the basis of consensus. Where consensus cannot be reached the issue is escalated to the MCA.

3.83 The Thematic Boards can form operational Hubs or Task and Finish groups of key stakeholders and advisors to assist in the management and monitoring of individual programmes or projects. Any such groups are purely advisory and cannot assume any of the Thematic Board's responsibilities for decision-making. They are also required to submit reports to the Thematic Board.

## Thematic Board Meetings

- 3.84 Thematic Boards meet on an eight-weekly cycle and the MCA Executive Team provides the secretariat function.

## Quoracy for Thematic Board Meetings

- 3.85 Meetings of the Thematic Boards (with the exception of the Transport & the Environment Board) are quorate when five members are present; of which two are from South Yorkshire (constituent) local authorities and one is a LEP private sector member.
- 3.86 Transport & the Environment Board meetings are quorate when six members are present. of which two are from South Yorkshire (constituent) local authorities and one is a LEP private sector member.
- 3.87 A member who is obliged to withdraw under the [MCA Code of Conduct](#) or [LEP Code of Conduct](#) shall not be counted towards the quorum.
- 3.88 If a decision is required to meet agreed timescales and a meeting of the Thematic Board is either not possible or scheduled, written procedures for decision making apply, in line with the Thematic Boards Protocol for Decisions Between Meetings.

## Audit and Standards Committee

- 3.89 The [Audit and Standards Committee](#) ensures that the LEP, MCA and Mayor are operating in a legal, open and transparent way.
- 3.90 In accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance, the Committee provides a high-level focus on assurance and governance arrangements.
- 3.91 The Audit and Standards Committee monitors the operation of the organisation. Their role is to ensure that the MCA is fulfilling its legal obligations, complies with statutory requirements, is managing risk effectively and has robust control measures in place for all devolved powers and funding. The Committee reviews and endorses all budgets and accounts, including those for the LEP, before they are finalised and presented to the MCA Board for approval, and identify any risks.
- 3.92 Membership of the Audit and Standards Committee is politically balanced and consists of 8 elected Councillors (or their nominated substitute) from the four South Yorkshire local authorities and two independent members.
- 3.93 The Audit and Standards Committee meets at least quarterly and reports into the MCA on both financial and non-financial performance.

## Overview and Scrutiny Committee

- 3.94 The [Overview and Scrutiny Committee](#) holds the MCA, Mayor, LEP and Thematic Boards to account for all decisions taken, including devolved powers and funding. The Overview and Scrutiny Committee has the authority to review and scrutinise any decision made, or action taken by the LEP, MCA, Mayor, Thematic Boards or [MCA Executive Team](#). The Committee can, at their discretion, produce reports and make recommendations for change or improvements.
- 3.95 The Overview and Scrutiny Committee is responsible for checking that the MCA and LEP are delivering their objectives, and that policies, strategies and plans are made in the best interests of residents and workers in

the Sheffield City Region. They provide independent scrutiny of initiatives and LEP activities and public consultation on draft strategies.

- 3.96 Membership of the Overview and Scrutiny Committee is politically balanced and consists of 10 elected Councillors from the four South Yorkshire local authorities (or their nominated substitute); typically, the Chair of each local authority's overarching Scrutiny Committee.
- 3.97 The Overview and Scrutiny Committee meets on a quarterly basis. The MCA is required to consider the conclusions of any review by the Overview and Scrutiny Committee at the next available meeting.

### Statutory Officers

- 3.98 The MCA appoints three [Statutory Officers](#) to discharge duties and obligations on their behalf. The Statutory Officers ensure that the MCA is acting in accordance with its legal duties and responsibilities, operating within the financial regulations and receiving appropriate advice on policy and governance.
- 3.99 The Statutory Officer roles are defined in the MCA Constitution and comprise:
- **Head of Paid Service** – The Chief Executive of the MCA fulfils the role of the Head of Paid Service. The Head of Paid Service discharges the functions in relation to the MCA as set out in section 4 of the Local Government and Housing Act 1989 and acts as the principal advisor to the LEP.
  - **Section 73 Officer** – The Group Finance Director fulfils the role of Section 73 Officer in accordance with the Local Government Act 1985. The Section 73 Officer administers the financial affairs of the MCA and LEP.
  - **Monitoring Officer** – The Monitoring Officer discharges the functions in relation to the MCA as set out in section 5 of the Local Government and Housing Act 1989.

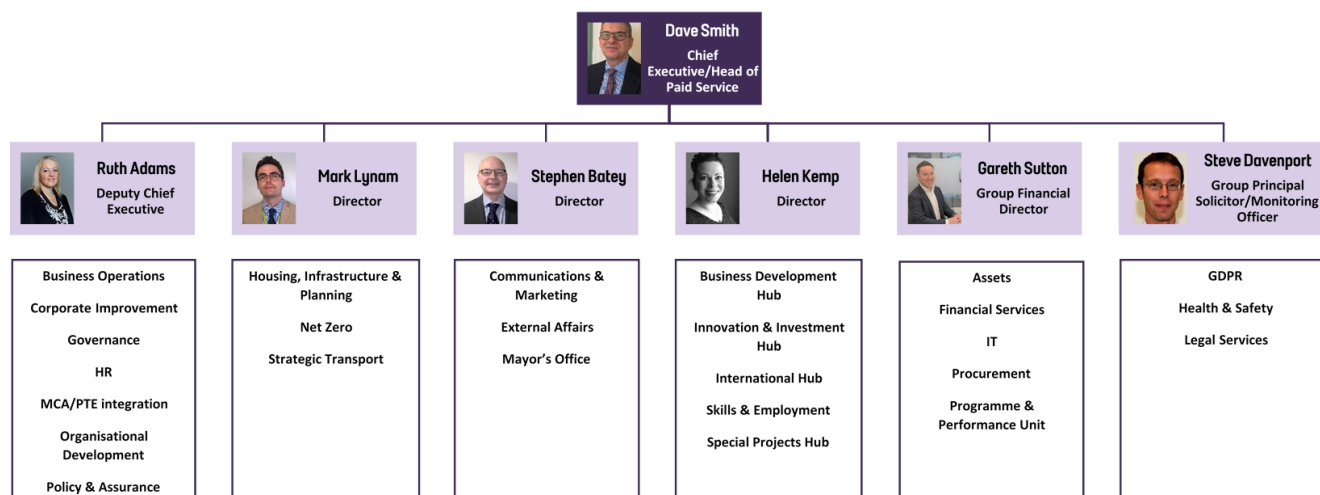
### Remuneration Panel

- 3.100 An independent Remuneration Panel convenes to identify the salary and allowances that should be paid to the Mayor and Deputy Mayor for their term of office. The MCA does not currently have a Deputy Mayor.
- 3.101 The Remuneration Panel reports their recommendations in a report to the MCA Board who decide the salary and allowances that will be paid.

### The MCA Executive Team

- 3.102 The MCA Board, LEP Board and Thematic Boards are supported by the MCA Executive Team. The MCA Executive Team is a dedicated resource that provides impartial advice and works in collaboration with partners and stakeholders.
- 3.103 The role of the MCA Executive Team is to advise and support the MCA, Mayor and LEP.
- 3.104 The MCA Executive Team of staff are employed by the MCA and the current functions are shown in Figure 6 below.

Figure 6: The MCA Executive Team Structure



3.105 The MCA Executive Team supports the following activities:

- **Developing Policy** - supporting the MCA, Mayor and LEP to draft key policy, including the SEP;
- **Initiating and Encouraging Project Ideas** - the team works with officers from local authorities, the private sector and project applicants to identify and bring forward viable project ideas that support the strategic objectives of the City Region;
- **Advising Funding Applicants on Business Cases and the Appraisal Process** – advising project applicants on how to develop a robust and comprehensive Business Case;
- **Appraising Business Cases** – independently reviewing and appraising business cases and funding applications through the Assurance Panel and contracting specialists and subject experts to undertake technical reviews as required, prior to making recommendations to the Thematic Boards;
- **Programme and Project Design and Development** – designing and developing investment programmes and projects to deliver the agreed policy objectives of the Mayor, MCA and LEP, in line with the agreed Investment Plan. This sometimes includes preparing and submitting funding bids to Central Government proactively or in response to specific calls and opportunities that may arise;
- **Programme Monitoring** - collating and communicating performance on different funding streams to the MCA and LEP Boards and MHCLG as per the Government's requirements;
- **Project Monitoring and Evaluation** - managing the monitoring and evaluation framework, and providing reports and updates to the Thematic Boards, MCA and LEP;
- **Administration and secretariat function for the Boards** – ensuring MCA, LEP and Thematic Board meetings are planned and arranged in a timely fashion and communicated;
- **Compiling Papers and Reports** - for the Mayor and Board members;
- **Enquiries** – dealing with the media and handling general enquiries from the public;
- **Publishing Information** – ensuring that minutes, agendas and papers of the meetings of the LEP, MCA Board, Audit and Standards Committee and Overview and Scrutiny Committee are published promptly on the MCA website and publishing information on MCA and LEP policies and procedures; and
- **Promoting the City Region** – to potential investors and the public as a place to invest, work and live.

3.106 The functions of the MCA Executive Team are organised to maintain 'ethical walls' and ensure that there are no opportunities for conflicts of interest between project and programme commissioning and project appraisal.





## 4. Accountability for Public Funds

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- 4.1 Several measures are in place to ensure that the Mayor, MCA and LEP are managing and administering public funds in a responsible, efficient, transparent and accountable manner.

### The Accountable Body

- 4.2 The MCA is the legal and Accountable Body for powers and funding devolved by Government. The MCA is also the legal and accountable body for the LEP and is therefore responsible for all decisions and expenditure.
- 4.3 The MCA holds all funding, enters into contractual arrangements and processes payments. The MCA also provides programme management to account for the funding and ensures that the impact of investment is assessed.
- 4.4 The MCA is accountable for:
- Ensuring that its decisions and activities conform with legal requirements regarding equalities, environmental and European legislation (such as State Aid), and that records are maintained so that this is evidenced;
  - Retaining overall responsibility for the appropriate use of public funds by the MCA, LEP and Thematic Boards;
  - Ensuring that the approved Assurance Framework is being adhered to;
  - Ensuring that all contracts entered discharge their duties; and
  - Maintaining and publishing annual accounts (including devolved and other funding sources received from Government), in accordance with the relevant regulations, each year in draft form by 31 May and finalised in July.
- 4.5 In accordance with section 101 of the Local Government Act 1972, the MCA delegates certain decisions to the Statutory Officers. The [Scheme of Delegation](#) in Part 4. E of the Constitution specifies the delegations for funding and decision-making that are available to the Head of Paid Service (the Chief Executive of the MCA), the Section 73 Officer (Group Finance Director), and the Monitoring Officer.

### Section 73 Officer

- 4.6 The Section 73 Officer is fully engaged in the operation of the organisation, ensuring that devolved funds are managed responsibly and allocated through a robust application process.
- 4.7 The Section 73 Officer is accountable for:
- Ensuring that devolved funds, including the AEB, are used legally, appropriately and are subject to the usual local authority checks and balances, including discharging financial duties under the [Financial Regulations 2019](#);
  - Ensuring that the MCA acts in a manner that is lawful, transparent, evidence based, consistent and proportionate, including the publication of annual audited accounts;
  - Signing-off Value for Money Statements for all funding applications during the appraisal process as true and accurate;
  - Certifying that funding can be released under the appropriate conditions (in line with statutory duties);

- Signing-off quarterly reports to the Ministry of Housing, Communities and Local Government (MHCLG) on programme performance and expenditure;
- Ensuring that the established professional codes of practice are applied; and
- Ensuring that strong governance arrangements and LEP policies are in place to ensure that the LEP is operating robustly and transparently (by providing an Annual Assurance Statement and letter to the MHCLG Accounting Officer).

## Internal and External Audit

- 4.8 The MCA has an established process for internal and external audit. Internal audit is a contracted service provided by Grant Thornton. Ernst and Young are the appointed external auditors. As the MCA is the Accountable Body, the audit arrangements cover both the LEP and the MCA's funding and activities, including devolved monies.
- 4.9 In conjunction with the internal audit team, the MCA Head of Paid Service, Section 73 Officer and Monitoring officer prepare an annual Internal Audit Plan at the start of each financial year, which is reviewed towards the end of the financial year. The Internal Audit Plan includes all aspects of the appraisal, assurance, monitoring and evaluation processes. This provides independent and objective assurance to the MCA. The Plan is approved by the MCA and is considered by the Audit and Standards Committee. The current plan was approved by the Audit and Standards Committee in July 2020.

## Overview and Scrutiny

- 4.10 The independent Overview and Scrutiny Committee holds the MCA, Mayor, LEP and Thematic Boards to account on behalf of the public. They have the authority to review and scrutinise any decisions made including the investment of devolved funds, or actions taken. The Committee can at their discretion, make recommendations for change or improvement.
- 4.11 The Overview and Scrutiny Committee has an annual [Work Programme](#) of topics that they will scrutinise. Committee members are encouraged to propose additional topics for scrutiny.

## Assurance Panel

- 4.12 The Assurance Panel conducts a technical review of all business cases for projects that are seeking funding. The Panel currently consists of a LEP Board member who acts as Chair, the MCA's three Statutory Officers or their representatives (Monitoring Officer, Section 73 Officer and Head of Paid Service) and relevant officers from the MCA Executive Team. The Panel makes recommendations to the appropriate decision-making Board on the value for money and level of risk of a project and whether to endorse, approve, defer or reject funding applications. The Assurance Panel also advises on any conditions that should be placed on the funding and advises on the merits of potentially competing funding applications by considering the net impact of the overall investment programme.
- 4.13 The Statutory Officers ensure that the Accountable Body duties are discharged through their representation on the Assurance Panel. This embeds the roles and functions of the Statutory Officers in the project appraisal process. All projects seeking funding are reviewed by the Assurance Panel and are subject to independent technical scrutiny.
- 4.14 The Assurance Panel meets every two weeks, or more frequently if necessary, to ensure the pipeline of project proposals continues at the required pace.
- 4.15 The appraisal process is detailed in Section 5.

## Ensuring Value for Money

- 4.16 All projects and programmes that apply for funding are appraised and assessed for Value for Money (VfM) using the HM Treasury Green Book and appraisal guidance published by individual Government departments such as the Department for Education and Department for Transport and the Ministry for Housing, Community and Local Government.
- 4.17 The VfM assessment considers the potential costs, benefits, risks, uncertainties and impacts of the project. A Benefit Cost Ratio (BCR) is calculated for the project wherever possible but this is just one of the basket of metrics considered in the VfM assessment. All of the wider monetised and non-monetised impacts and benefits of a project are quantified wherever possible and non-quantifiable benefits are also assessed qualitatively. Non-monetised costs and disbenefits are also qualitatively assessed.
- 4.18 A VfM Statement is completed by the Assurance Panel at every stage of the appraisal process (Strategic Outline Case, Business Justification Case, Outline Business Case and Full Business Case) and published on the MCA website with the business case to enable partners and members of the public to comment. The initial, adjusted and final BCR for transport projects is calculated in accordance with the DfT's Value for Money Advice Note for Local Transport Decision Makers.
- 4.19 The VfM statements are on a proportionate basis relative to the level of risk, complexity and funding sought.
- 4.20 The Section 73 Officer is responsible for signing-off VfM Statements and this must be done before a project can progress to the next stage of the appraisal process. The VfM Statement is also signed-off by the MCA at each stage of the appraisal process.
- 4.21 The VfM Statement for each project, is presented to the appropriate Board or Thematic Board. The Statement includes the Assurance Panel's justification and recommendation on whether the project should be approved, deferred or rejected and any conditions that should be put in place.
- 4.22 The ambition is always to support projects that demonstrate High VfM. However, projects that are appraised as offering lower VfM, may still be funded if there is a strong strategic business case and the project will deliver the strategic and economic objectives in the SEP (for economic growth, inclusion and sustainability), or where the project is essential to unlock or enable other development to take place. However, the MCA and/or LEP can decide to remove a project from the programme if the appraisal identifies Poor or Low VfM.

## Managing Risk

- 4.23 The approach to risk management is comprehensive and in accordance with HM Treasury's Orange Book principles and other project management guidance. The Deputy Chief Executive of the MCA is the named officer for managing risk on the MCA and LEP activity.
- 4.24 Robust control measures and a Strategic Risk Management Framework are in place to provide accountability and support due diligence. The Strategic Risk Management Framework guides the identification, assessment and management of risks for all activities.
- 4.25 Risk management controls and mitigation action plans are agreed and added to the programme Risk Register. A plan is then constructed to reduce the likelihood of the risk occurring and/or decrease the impact of a risk, should it occur.
- 4.26 Funding applicants are required to include risk and contingency plans as part of their application for funding. Once a project has received funding approval, the MCA Executive Team works with project applicants to monitor delivery of the contract and risks. Quarterly Monitoring reports are compiled for the Thematic Boards to identify any issues with delivery, perceived or actual risks to the project, any corrective action and any change requests (for example, a reduction in grant or an extension to the timescale for delivering key

milestones). Any risks to the delivery of the SEP Programme are reported to, and considered by, the Chairs and Vice Chairs of the MCA and LEP respectively.

### **Annual Reviews by Government**

- 4.27 The MCA holds a review meeting with Government each year to discuss delivery of the Devolution Deal and investment of devolved funding. The meeting is an opportunity to identify achievements and successes and any areas for improvement.
- 4.28 The LEP is reviewed twice a year by Government; a Mid-Year Review and an Annual Performance Review. The review considers the governance arrangements that are in place, strategic approach and performance against profiled expenditure and outputs on funding awarded to the LEP. A representative of the MCA attends the Annual Performance Review meeting, along with the LEP Chair and/or LEP Deputy Chair.

## 5. Robust and Transparent Decision-Making

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- 5.1 In accordance with the Transparency Code and Government guidance on best practice, the Mayor, MCA Board, LEP Board and Thematic Boards are expected to act in the interests of the Sheffield City Region when making investment decisions. All decisions are made via an approved process, free from bias or perception of bias.
- 5.2 To ensure that decision-making is robust and transparent, all meetings of the MCA Board, Audit and Standards Committee and Overview and Scrutiny Committee are held in public. The MCA also publishes a monthly [Forward Plan of Key Decisions](#) to alert the public to decisions that will be taken, in advance of the decision being made. The decision-making process is detailed below.

### Budget Setting and Allocation

- 5.3 The annual Mayoral Budget is developed by the Mayor, alongside the MCA revenue and capital budget. The budgets are presented to the MCA Board in draft form in November and again for final approval each January. The budgets must be agreed in accordance with the Combined Authorities (Finance) Order 2017 and the Constitution.
- 5.4 The budget for the allocation and investment of Gainshare funding for the 2021/22 and 2022/23 financial years was agreed by the MCA Board in advance. The budget was set in accordance with the agreed investment priorities identified and agreed by members in the Renewal Action Plan (RAP) that was submitted to Government in Summer 2020. Activities funded with Gainshare are managed and accounted for alongside all funding devolved and awarded to the MCA and LEP.
- 5.5 The MCA, in consultation with the LEP where appropriate, is responsible for setting the annual capital and revenue budgets for any funding allocated to the LEP prior to the start of the financial year.
- 5.6 All approved capital and revenue budgets are published on the MCA website. Budgets are monitored on a quarterly basis with reports submitted to the Boards. Quarterly financial monitoring reports on individual programmes and projects are also submitted.
- 5.7 The Investment Plan identifies how all devolved funding will be invested to deliver the South Yorkshire Devolution Deal and the strategic objectives and investment priorities outlined in the SEP and RAP. Individual Delivery Plans identify how budgets will be spent in each of the thematic areas (for example, skills, business growth and housing). The Investment and Delivery Plans are informed by quantitative data and qualitative information on the performance and health of the Sheffield City Region economy, and analysis of economic, social and environmental needs. This ensures that the development of new schemes and interventions will address weaknesses and opportunities in the economy.
- 5.8 Investment decisions on the allocation and use of the Adult Education Budget (AEB) in South Yorkshire are made with full consideration to the statutory entitlements. Approximately half of the AEB is allocated to the delivery of the following statutory entitlements:
- English and Maths, up to and including Level 2, for individuals aged 19 and over, who have not previously attained a GCSE grade A\* to C or grade 4, or higher, and/or;
  - First full qualification at Level 2 for individuals aged 19 to 23, and/or;
  - First full qualification at Level 3 for individuals aged 19-23.
- 5.9 The remainder of the AEB is allocated to non-statutory training and is procured through an open, commissioning process.

5.10 The MCA Board is the final decision-making body for AEB funding awards.

## Commissioning and Open Calls

5.11 In accordance with the agreed policy, programme and project applications for funding usually originate from three sources:

- **A Thematic Board** – the Thematic Boards will proactively identify potential projects which satisfy the policy objectives of the SEP, RAP and thematic Delivery Plan. These are subject to funding being available.
- **MCA Executive Team** – the MCA Executive Team may identify a need for a programme or project that either meets the policy objectives and strategic outcomes of the SEP, RAP or which will respond to an economic shock. These details may be held within an agreed Commissioning Framework or Delivery Plan.
- **Via a targeted Open Call for Project Applications** – open calls inviting applicants to bid for funding or propose a project are published on the MCA website. Calls have a specific focus, such as delivering an investment priority or targets in the SEP. Project applicants will then submit a response or bid.

5.12 Commissioning for non-statutory AEB delivery began at the end of 2020. Training providers are required to submit a Delivery Plan which will be appraised. Following a moderation process, the MCA will consider and then approve all funding allocations.

5.13 The procurement process for non-statutory AEB delivery follows established rules and best practice for procurement including the latest HM Treasury Green Book and AEB funding and appraisal guidance and will seek best value for money.

## The Appraisal Process

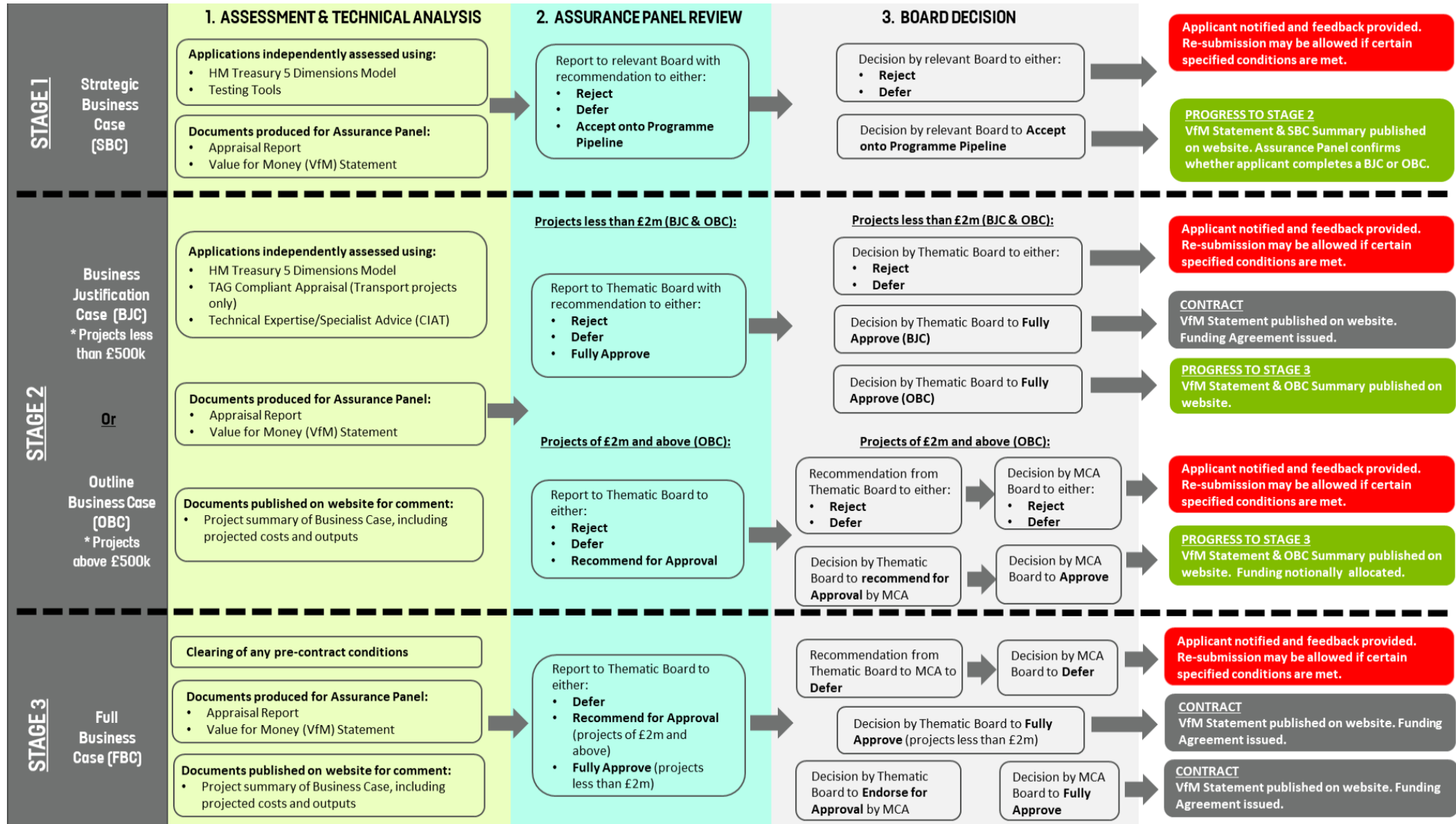
5.14 All schemes seeking investment (including projects commissioned by the Thematic Boards, responses to Open Calls and projects identified by the MCA Executive Team but excluding AEB), undergo a proportionate process and appraisal to assess the merits of the application, its strategic fit and value for money.

5.15 Each project and application for funding is assessed on its own merit, including where there are potentially competing applications for funding.

5.16 For transport schemes, central case assessments must be based on forecasts which are consistent with the definitive version of NTEM (DfT's planning dataset). This requirement doesn't stop MCAs and LEPs considering alternative planning assumptions as sensitivity tests and considering the results of these in coming to a decision about whether to approve a scheme.

5.17 The steps involved in the appraisal process are detailed and illustrated in Figure 7. The MCA can decide to agree a bespoke process for project development and assurance which may omit stages to what is shown below, if the circumstances demand this. This will be in situations where for example, a national funding allocation demands such changes in order to meet the eligibility criteria. In any cases where there is a departure from the full process, the MCA will agree a revised process based on the existing stages laid out in this document.

Figure 7: Business Case Development, Appraisal and Approval Process



## Pre-Submission: Programme and Project Ideas Entry

- 5.18 For an investment idea or concept to be considered by the LEP and MCA, a process is required so that the basic details can be discussed and assessed. This acts as a filter and an early check on the expectations of all parties, ensuring that scheme promoters do not deploy resources into further project development and the production of a more detailed business case until exploratory discussions have taken place with the MCA and LEP. The discussion will be used to confirm that the intended outcomes are likely to contribute to the agreed policy objectives and strategic outcomes. A form is the usual means by which initial ideas, concepts and proposals are captured and assessed. The MCA Executive Team works with the relevant Thematic Board to consider this and may then make a proposal to the LEP or MCA Board to accept a proposal onto the programme pipeline, or to defer or reject it.

## Stage 1 Submission: Strategic Business Case

- 5.19 The purpose of the Strategic Business Case (SBC) is to establish the case for change and should provide a first detailed (albeit high level) view of the 'how, what and when' the project will deliver. It is important that an SBC can demonstrate its alignment with the SEP and RAP which set the blueprint for how funds will be invested. The SBC is a standard template and requests the following information from the applicant:
- Project objectives and the rationale for investment;
  - Project outputs and outcomes against the SEP and RAP;
  - High level timescales;
  - High level cost estimate of project (a range will suffice at this stage);
  - Initial estimate of funding required;
  - Project sponsor; and
  - Identifying risks, initial options analysis and the preferred way forward.

## Stage 1 Appraisal: Strategic Business Case

- 5.20 The SBC is assessed in line with the five-dimension model in the HM Treasury Green Book and appraisal guidance published by individual Government departments. The SBC is therefore appraised against the following criteria:
- **Strategic Dimension** – contribution to strategic objectives and national policy objectives;
  - **Economic Dimension** – impact on local and national growth, likely BCR category, the social, distributional and environmental impacts, and an assessment of the value the project adds;
  - **Financial Dimension** – cost estimate and sources of funding e.g. identified scheme promoter, private sector and other contributions;
  - **Commercial Dimension** – proven marketplace for the project, certainty in outcomes, procurement processes and commercial viability, consideration of social value; and
  - **Management Dimension** – demonstration that the project is capable of being delivered successfully, including Delivery Plans, statutory processes, programme, risk management (with appropriate mitigation plans), State Aid and benefit realisation.
- 5.21 The biggest emphasis at this stage is on the Strategic Dimension and to an extent the Economic Dimension. It is at this stage that a decision is made regarding the strategic fit of the proposed intervention's objectives, outcomes, impact and benefits relative to the SEP and RAP. This needs to be proven and agreed at this stage. An early assessment of the potential value for money offered by the preferred way forward, relative to the current situation and the do minimum option, informs the programme entry decision.



- 5.22 To assess complex or transport related schemes, a series of approved and bespoke testing tools and models may be used (such as FLUTE 18, SCRTM1) to better understand the potential outcomes and value for money of an application. A proportionate TAG assessment is undertaken, relative to the size of the project, to consider aspects such as the quality of the built environment. The VfM Statement confirms what tools have been used in conducting the appraisal at this stage.
- 5.23 The MCA Executive Team completes a VfM Statement and submits the appraisal report and VfM Statement to the Assurance Panel for their assessment.

### **Stage 1 Assurance Panel Recommendation: Strategic Outline Case**

- 5.24 The Assurance Panel reviews the technical analysis undertaken by the MCA Executive Team and then agrees what recommendation will be made to the appropriate Board; either to accept a project to the programme pipeline, defer the project for further work or to reject the project.
- 5.25 Dependent on the source and level of funding, the MCA, LEP Board or a Thematic Board will have ultimate oversight of which projects are invited to develop their business cases further. The MCA is ultimately responsible for the TCF programme but individual TCF project applications can be approved by the Transport and Environment Board if they fall within their delegated limit. A VfM statement is submitted to the relevant board alongside other assessment information so that they can make a decision on which projects should be selected to further develop their business cases. In cases where the LEP or MCA have funding oversight, Thematic Boards may be consulted during the Strategic Business Case assessment and selection process.
- 5.26 Once a project has been accepted onto the programme pipeline, the VfM Statement is published on the MCA website alongside a summary of the SBC. This is updated periodically to include links to the key documents for each project and a record of progress. The MCA Executive Team collects any external comments on these schemes, and these are considered as part of the appraisal process. Project sponsors are also required to publish their SBC's on their own websites (or an appropriate summary of the submission) and must consider all comments received and reflect this in the next stages of the application process (Outline Business Case and Full Business Case).

### **Stage 2 Submission: Outline Business Case**

- 5.27 Having been accepted onto the programme pipeline, the project applicant or scheme promoter is required to develop the project and subsequently the business case further. The aim of an Outline Business Case (OBC) is to:
- Identify the investment option which optimises value for money;
  - Prepare a scheme for procurement; and
  - Put in place the necessary funding and management arrangements for the successful delivery of the scheme.

Once an OBC has been developed, there will be a clear understanding of the project plan, project management and governance arrangements, benefits realisation and risk management arrangements. Project assurance and post-project evaluation details will be fully worked-up.

- 5.28 The requirements at this stage are dependent on the nature, scale, risk and complexity of the project. For most small value cases (less than £500,000 total project value and offering a low level of risk), a project will go through a Business Justification Case (BJC) rather than require an OBC and Full Business Case (FBC). Small value projects which are complex, or which present significant risk will still require an OBC and FBC.

- 5.29 The OBC and FBC build on the foundations of the Strategic Outline Case in that they provide considerably more detail on each of the five dimensions outlined in the latest HM Treasury Green Book guidance. The MCA Executive Team will provide guidance to project applicants and scheme promoters to assist them in developing an OBC and FBC, including DfT business case guidance for transport projects.
- 5.30 A series of gateway checks are in place to ensure that projects are developed to the appropriate standard at the right time, to enable informed decisions to be made by the appropriate Boards.
- 5.31 If agreed at programme level by the MCA, individual projects may be supported with their capital development costs to assist with timely progression of business cases. A proportion of total project costs may be released early at OBC stage (typically 2% of the total project cost) for capital scheme development, and/or at FBC stage (typically around 10% of the total project cost) to support detailed design and other procurement costs and fees to progress the scheme. For TCF and other transport projects, the amount of funding that would be available for early release is around 12% of the scheme value (based on a costed fee plan) to mitigate risks associated with developing and delivering large schemes. For all other projects, the amount of funding that will potentially be released early is around 10% (based on a costed fee plan). The full development funding awarded is entirely subject to clawback if the application does not result in successful capital delivery over an agreed timeframe.
- 5.32 The five dimensions help to ensure that all impacts of a project (monetised and non-monetised) are presented in the OBC and FBC for consideration. The OBC and FBC templates and guidance set out the basis for capturing impacts, including Optimism Bias. The Optimism Bias for transport projects is calculated in accordance with the DfT's Value for Money Advice Note for Local Transport Decision Makers.
- 5.33 It is essential that project applicants and scheme promoters agree the scope of costs and benefits before any substantive business case development is undertaken.
- 5.34 Project applicants and scheme promoters must also ensure that the commercial, financial and management arrangements are appropriate for effective delivery.
- 5.35 Once a final version of the OBC is received from an applicant, it is published on the MCA website to enable partners, stakeholders and members of the public to comment on the proposed project, and its projected costs and outputs. Any comments received are considered as part of the appraisal.
- 5.36 A fully developed OBC will have determined the preferred option, potential value for money, ascertained affordability and funding requirements and be preparing the potential deal which enables successful delivery. Once an OBC is fully developed it is submitted for appraisal.

## **Stage 2 Appraisal: Outline Business Case**

- 5.37 An independent assessment is undertaken of all OBCs to quality assure and scrutinise the project as well as undertaking all necessary due diligence checks. Any comments received via the MCA website on the published business case are considered.
- 5.38 When technical expertise or specialist advice is required to appraise the project, the MCA Executive Team uses experts – the Central Independent Appraisal Team (CIAT) - to assist in appraising the Business Case. The MCA Executive Team ensures there is always a clear distinction and adequate separation between the scheme promoters and the decision makers.
- 5.39 Transport projects undergo a proportionate TAG compliant appraisal. An Appraisal Scoping Report template is used to assess such schemes, comprising the:
- Level of analytical detail to be applied to approve a scheme against overarching Government transport objectives and the rationale for this;

- Modelling tools to be applied;
- Alternative interventions to be considered; and
- Timescales for business case development.

5.40 The MCA Executive Team completes a Value for Money (VfM) Statement and submits the appraisal report and VfM Statement to the Assurance Panel for their assessment.

### **Stage 2 Assurance Panel Recommendation: Outline Business Case**

5.41 The Assurance Panel reviews the technical analysis undertaken by the MCA Executive Team and CIAT (where applicable), including the VfM Statement. The Assurance Panel then agrees what recommendation they will make to the Thematic Board; either to approve the project or defer the project for further work. At this stage it is still possible that an application could be recommended for rejection on the grounds of Poor VfM (determined as having a BCR rating of below 1, along with other indicators also showing poor levels accounting for significant non-monetised impacts and key uncertainties) or presenting significant uncertainty or risk.

5.42 The Thematic Board can approve the Outline Business Case if it is within their delegated limit. Projects which exceed the delegation are endorsed by the relevant Thematic Board and then submitted to the MCA Board for approval.

5.43 Meeting papers for the MCA or relevant Thematic Board are published on the MCA website a week before the meeting, including the project summaries and VfM assessments of applications seeking OBC approval.

5.44 At OBC stage, the funding decision of the MCA (or Thematic Board with delegated authority) will be notionally allocated, subject to appropriate conditions being met within an agreed timeframe. All funding decisions are communicated in writing to project applicants.

5.45 Following approval of an OBC, it may be necessary to complete a range of statutory processes to ensure the project is actually ready to start. This could include for example, obtaining planning permission, initiating a Compulsory Purchase Order, or satisfying a number of conditions agreed as part of the OBC. Compliance checks on any conditions of funding specified by the MCA, LEP or Thematic Board are then carried out by the MCA Executive Team, and updated documents on the project including the VfM Statement is published on the MCA website.

### **Stage 3 Submission and Appraisal: Full Business Case**

5.46 Much of the work involved in producing the FBC focuses on revisiting and updating the conclusions of the OBC and documenting the outcomes of the procurement. The purpose of the FBC is to:

- Identify the procurement opportunity which offers optimum value for money;
- Agree the commercial and contractual arrangements for the successful delivery; and
- Put in place the detailed management arrangements for successful delivery.

Any pre-contract conditions which were put in place as part of the OBC approval should be cleared during the development of an FBC.

5.47 Once a final version of the FBC is received from an applicant, it is published on the MCA website to enable partners, stakeholders and members of the public to comment. Any comments received are considered before the project receives full approval.

- 5.48 The Assurance Panel reviews the technical analysis undertaken by the MCA Executive Team and CIAT (where applicable), including the VfM Statement. The Assurance Panel then agrees what recommendation they will make to the Thematic Board; either to approve the project or defer the project for further work.

### Stage 3 Agreement: Full Business Case

- 5.49 Meeting papers for the MCA or relevant Thematic Board are published on the MCA website a week before the meeting, including the project summaries and VfM assessments of applications seeking FBC approval.
- 5.50 The Thematic Board can approve the Full Business Case if it is within their delegated limit. Projects which exceed the delegation are endorsed by the relevant Thematic Board and then submitted to the MCA Board for approval.
- 5.51 At this point, the MCA, or Thematic Board if it is within their delegation limits, will be asked to grant authority to enter into a Funding Agreement once funding approval is given. Updated documents on the project including the VfM Statement are published on the MCA website.

### Complaints and Appeals

- 5.52 All applicants for funding are made aware of the recommendations made by the Assurance Panel and the decision of the relevant approving Board, along with the rationale for the recommendations. Complaints can be made if the applicant deems that due process has not been followed.
- 5.53 Decisions made by the Mayor, MCA, LEP and Thematic Boards can be scrutinised by the Overview and Scrutiny Committee. All decisions on funding must follow the appraisal process outlined above to be valid.
- 5.54 If a complaint is made, the MCA Chair and Monitoring Officer will convene an independent committee to review the issue and make a recommendation to the MCA/LEP Board as appropriate.
- 5.55 In any case where it is alleged that the MCA, LEP or Thematic Board is (a) acting in breach of the law, (b) failing to adhere to the process outlined in this Assurance Framework, or (c) failing to safeguard public funds, complaints are directed to the MCA's Monitoring Officer or their deputy. This includes complaints from stakeholders, members of the public or internal whistleblowers.
- 5.56 As the MCA is the accountable body for all funding decisions, the Monitoring Officer will address the allegation following the protocols set out in the [MCA Constitution](#).
- 5.57 If the MCA or LEP cannot resolve the issue to the complainant's satisfaction, and the complaint relates to funding allocated to the City Region, the issue may be passed to the relevant Government department (such as the MHCLG, or the Department for Transport (DfT)).

### Conflicts of Interest and Decision-Making

- 5.58 At all stages of decision-making, the national guidance on registering conflicts of interest is adhered to. This includes any interests declared by members of the MCA, LEP and Thematic Boards, the Assurance Panel, and Statutory Officers. This is detailed in the [LEP Declarations of Interest Policy](#).
- 5.59 Each member of the MCA, LEP and Thematic Boards is required to declare their pecuniary and non-pecuniary interests (whether they are a member in their individual capacity or representing an organisation). Members are also responsible for reviewing and updating their register. This includes declaring any gifts or hospitality received. Declarations of interest are also sought and recorded in the minutes of each MCA, LEP

and Thematic Board meeting. The [Individual Register of Interest](#) forms and the [Register of Declarations Made at Meetings](#) are regularly updated and published on the MCA website.

- 5.60 Senior members of staff within the MCA Executive Team and Statutory Officers also complete and maintain an Individual Register of Interest and update it when circumstances change. These are also published on the MCA website.

## 6. Contract Management

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- 6.1 Once a project is approved, contracts are issued and regular communication with the project applicant or scheme promoter is maintained throughout the project's lifetime.

### Contracting

- 6.2 A Funding Agreement between the MCA and project applicant/scheme promoter sets out the conditions relating to the MCA's agreement to fund the project and the responsibilities of the MCA and applicant/scheme promoter in managing, delivering and monitoring the project.
- 6.3 The Funding Agreement specifies that grants and loans are capped, and applicants/scheme promoters bear the risk for all overspend on the project beyond the approved amount.
- 6.4 The Funding Agreement also stipulates the expected outputs and outcomes that the project will deliver.

### Payment Against Claims

- 6.5 Payment milestones are agreed with the project applicant/scheme promoter at the point of contract. The milestones depend on the complexity, cost and timescales of the project. This forms part of the programme management role of the MCA, which is subject to external audit.
- 6.6 Each grant claim is crosschecked against the approved project baseline information as part of the quarterly reporting processes.

### Managing Contract Performance

- 6.7 The MCA Executive Team manages the delivery of the contract and works with the applicant/scheme promoter to monitor the project's progress and risks. Monitoring conditions are set out initially in a grant determination letter from Government for each funding source, so the MCA Executive Team is required to adopt a flexible approach to managing contract performance. This may be dependent on the funding source, value or risk of a particular programme or project.
- 6.8 The MCA Executive Team monitors the delivery of the project, and the progress made in achieving the outputs and outcomes, in line with the Monitoring and Evaluation Framework.
- 6.9 The MCA Executive Team is responsible for immediately addressing any slippages or concerns regarding project delivery and taking corrective action, including updating the Risk Register as necessary.
- 6.10 A change control process is in place to ensure that variations to an approved project are discussed with the project applicant and agreed with the MCA Executive Team. Variations to a project are logged on the project's file and reported to the LEP, MCA and Thematic Boards when appropriate. Minor changes which do not alter the terms of the Funding Agreement can be agreed between the project applicant and MCA Executive Team. The relevant Board is however, notified of any changes that are contrary to the terms of the Funding Agreement, such as changes to a project's income, expenditure or output profile.
- 6.11 Where there is significant underperformance or cause for concern, a project will be referred to the MCA, LEP or Thematic Boards for a decision.

## Clawback

- 6.12 The Funding Agreement includes a mechanism for clawback based on an assessment of risk. This ensures that funding is only spent on the specified project and linked to the delivery of outputs and outcomes, whilst giving the MCA and LEP the option of clawing back funds for poor performance or misuse of funds.

## 7. Measuring Performance and Success

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- 7.1 Monitoring and measuring the performance of projects and programmes provides important lessons which are used to improve future decision-making. This increases the likelihood of successful delivery of future projects.

### Monitoring and Evaluation Framework

- 7.2 A comprehensive monitoring and evaluation framework is in place which has been designed in accordance with the most recent HM Treasury's Magenta and Green Book principles and other monitoring and evaluation guidance, such as that published by the What Works Centre.
- 7.3 The Monitoring and Evaluation Framework sets out how projects and programmes including devolved funds such as AEB and TCF will be assessed both during their delivery and post-delivery phases, to understand the inputs, outputs and impacts of investment made in the Sheffield City Region. The framework outlines in detail the processes in place to enable the MCA Executive Team to gather robust feedback on delivery performance and identify the lessons learnt from projects and programmes and any best practice that can be applied to future activity, programmes and policy. The Framework supports the Government's five-yearly Gateway Review process for evaluating investment funds.
- 7.4 The framework sets out several logic models, and identifies the performance metrics and indicators that are used to assess the impact of a project or programme and its contribution to delivering the Devolution Deal, and SEP and RAP objectives and output and outcome targets for economic growth. This includes the specific objectives and targets for devolved funding such as AEB and TCF.
- 7.5 The SEP includes a broad range of economic, social and environmental indicators that new MCA and LEP funded schemes and projects will be measured against. The SEP indicators are also used to regularly track the overall performance and health of the Sheffield City Region economy. This quantitative data helps to inform the development of new schemes and interventions to address weaknesses and challenges in the local economy.
- 7.6 The process for monitoring and evaluating project and programme performance is summarised in the sections below.

### Monitoring

- 7.7 All project applicants/scheme promoters and AEB delivery partners are required to provide regular financial and delivery information, including progress made in achieving the expected outputs and outcomes, to the MCA Executive Team. The Programme and Performance Unit maintain oversight of contract delivery, through regular contact with applicants, scheme promoters and delivery partners including site visits where appropriate. The Unit gathers information and data to ensure that a robust audit trail is in place.
- 7.8 The applicant/scheme promoter and AEB delivery partner submits quarterly reports to MCA Executive Team. All quarterly reports are signed-off by the Section 73 Officer and LEP Board. This enables the MCA and LEP to fulfil their duties on reporting and accounting for public monies.
- 7.9 Site visits to project applicant/scheme promoters and AEB and TCF delivery partners are conducted once per year as a minimum.
- 7.10 Project Applicants/scheme promoters and AEB delivery partners are responsible for informing the MCA Executive Team of any changes to the scope, costs and implementation timescales for their project. The



MCA Executive Team assesses the impact of any changes on the overall programme, budget and expenditure. Cost increases, financial slippage and significant changes to outputs and outcomes are reported to the appropriate Board where necessary. The MCA does not guarantee that it will meet any cost increases either in full or in part.

- 7.11 The MCA Executive Team presents Quarterly Monitoring Reports on project and programme delivery, including AEB, to the MCA, LEP and relevant Thematic Board. This ensures that LEP members are informed of progress on projects and are sighted on any issues that will result in financial slippage or underperformance.
- 7.12 Quarterly reports on project and programme performance are also submitted to the relevant Government department, specifically MHCLG, the Department for Education and Department for Transport.
- 7.13 Following devolution of the AEB in 2021/22 academic year, the MCA will submit an annual report to Government each January on the delivery of AEB functions from the previous academic year to date including:
- South Yorkshire policies for adult education
  - Expenditure against AEB
  - Data analysis of AEB delivery in South Yorkshire

## Evaluation

- 7.14 The frequency and type of evaluation conducted, depends on the contract value, duration and complexity of the project. The level of evaluation required is determined at Outline Business Case stage so that adequate resource can be allocated to fund the cost of evaluation prior to the project's approval. This enables evaluation to be factored into a project and programme's design from the outset.
- 7.15 Pilot projects and major schemes such as AEB and TCF, are subject to more extensive and frequent evaluation; typically, annual interim evaluation and a final evaluation after the project has ended.
- 7.16 As a minimum, all projects are evaluated post-delivery on the project's impact, to ascertain whether the project's objectives, outputs and outcomes were achieved, the reasons and results of any under or over performance, and to identify any lessons or recommendations that should be applied to future projects.
- 7.17 The MCA Executive Team procures external and independent evaluation of all MCA and LEP funded programmes and projects, including AEB and TCF through an open and competitive process to evaluate the impact of specific funding streams, significant investments and pilot projects.
- 7.18 Research and evaluation consultants are invited to apply to be part of an Evaluation Panel and deliver independent evaluation of projects, schemes and programmes. Experts are contracted based on their subject and thematic expertise and evaluation experience.
- 7.19 The use of external evaluation experts to provide technical expertise and specialist advice on conducting project and programme evaluation, ensures that all evaluation conducted on projects and programmes funded by the MCA and LEP is as objective and impartial as possible.
- 7.20 Project evaluation provides accountability for the investment made. It also provides local evidence on which to base future projects and programmes. The MCA Executive Team reviews the results of the evaluation against the objectives of the project as set out in the business case and Funding Agreement and the most appropriate counterfactual. Evaluation results for all projects are published on the MCA website.

- 7.21 Where there is a variation between a project's objectives and its outcomes, the MCA Executive Team works with the promoter to agree corrective action. If the corrective action is unsuccessful, clawback clauses in the Funding Agreement can be invoked as a final resort and to secure the desired outcomes via alternative measures.
- 7.22 The MCA Executive Team compiles a summary report for the MCA of all projects that have completed during the previous quarter. This report confirms whether the project has delivered against its spending profile and achieved the outputs and objectives in the Funding Agreement. The report also recommends whether each project can be closed.
- 7.23 As part of the annual report to Government on the delivery of AEB functions from the previous academic year to date, the MCA will also provide an update on interim evaluation findings on the impact that AEB has had in South Yorkshire. These findings will be derived from qualitative data such as employer and learner survey responses and quantitative data on the take-up of AEB funded provision in South Yorkshire and improvements in participation, progression and attainment in statutory and non-statutory training.
- 7.24 In addition, other devolved investment funds to Mayoral Combined Authorities are subject to the Government's Gateway Review process. An independent panel assesses and evaluates the impact of investments on the economy and economic growth every five years. The first Gateway Review for the MCA is expected to take place in 2025.

## 8. Inclusive and Collaborative Working

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- 8.1 The strength and success of the Sheffield City Region partnership is founded on good governance and partner collaboration. Collaboration and a true partnership approach have been a cornerstone of the MCA and LEP achieving what they have to date. This collaboration is resulting in a focused programme of engagement; designed to accelerate the delivery of the SEP and harness the City Region's latent potential.

### The LEP Network

- 8.2 The LEP is an active member of the national LEP Network and is committed to developing and sharing best practice with the LEP Network and its members. The LEP is also committed to learning and embedding the best practice of other LEPs within the Sheffield City Region.

### Collaboration with Other LEPs, Metro Mayors and the Northern Powerhouse

- 8.3 The Mayor, MCA and LEP are committed to working in collaboration with other LEPs, Mayoral Combined Authorities and the Northern Powerhouse to pool knowledge and resource and enhance the effectiveness, transparency, decision-making and leadership in local economic development.
- 8.4 The Mayor, MCA and LEP have achieved the following by working across geographical borders:
- Led a trade delegation to India in conjunction with NP11 members (the 11 LEP areas in the Northern Powerhouse) and led the NP11's presence and programme at MIPIM 2020;
  - Collaborated with Transport for the North (TfN) and LEPs across the North of England to inform the development of TfN's Strategic Transport Plan. TfN also contributed to the development of the Sheffield City Region Transport Strategy and Integrated Rail Action Plan;
  - Worked in partnership with the Metro Mayors (M9) on an Air Quality Summit and joint lobbying to Government for increased powers and funding;
  - Collaborated on Working Win, the health-led employment trial;
  - Agreed a Collaboration Framework with D2N2 LEP to share data and manage activities, projects and communications in the former geographical overlap area;
  - Invested £5m of the Sheffield City Region Growth Deal allocation in upgrading the Midland Main Line at Market Harborough, in conjunction with the D2N2 and the Leicester and Leicestershire LEPs;
  - Completed a wave 1 Science and Innovation Audit with the Lancashire Partnership around shared sectoral strengths; and
  - Shared intelligence on AEB procurement.

### Engaging with Other Partners

- 8.5 Regular meetings are held with partners to ensure an open and two-way dialogue on activity being undertaken across the City Region, and to discuss the development of strategies and progress in delivering the SEP priorities and objectives. These meetings take place with business representative organisations, including the Chambers of Commerce, Federation of Small Business, CBI, Institute of Directors and Make UK, as well as local authority partners and the universities.
- 8.6 A programme of engagement events is also held with partners across the City Region. Typically, these events are thematic based, and are used to obtain input and feedback from partners to inform the City Region's policies, strategies and project formulation. These engagement events are advertised on the MCA website and social media channels and through partners such as the business representative organisations.

8.7 Examples of collaboration with partners and agencies have included:

- Establishing a Sheffield City Region Policy Advisory Group to share and pool economic evidence and data to inform the development of the new SEP;
- Establishing a Local Resilience Forum to collaborate on the response to the COVID-19 pandemic;
- Development of a Renewal Action Plan to direct investment towards economic recovery and growth;
- Having representation on the Northern Powerhouse Investment Fund Board;
- Playing an active role in the north of England Growth Hub network, which is designed to share best practice;
- Playing an active part of the national network established for the devolution of the Adult Education Budget (AEB). The LEP has led the work around data analysis/labour market intelligence and the contractual arrangements for the operation of the AEB in a devolved model; and
- Developing a strong working relationship with Department for International Trade (DIT) on the Northern Powerhouse agenda, including trade missions and having three exciting investment propositions showcased through the Northern Powerhouse Investment portfolio/pitchbook.

8.8 Local and national partners have been, and will continue to be, fully engaged throughout the development phase of AEB devolution. A Skills Advisory Network brings together employers and further and higher education institutions from the Sheffield City Region with representatives from the Department for Education and the Department for Work and Pensions. The Network will assist in the identification and setting of the processes and priorities for AEB funding awards and monitoring and evaluation of AEB delivery.

## Engaging with the Public

- 8.9 The MCA publishes a plan on key decisions that will be taken at least 28 days before the decision is due to be made. The [Forward Plan of Key Decisions](#) includes decisions that have a financial implication (such as projects that are seeking investment from the MCA and LEP, new programmes or schemes that would be delivered across the city region, or new strategies) and non-financial decisions which impact on two or more local authority areas. The plan is refreshed and published on the MCA website every month and it enables members of the public to view information on decisions before they are made so that they can comment on them.
- 8.10 The plan provides brief information on the project, programme or strategy, the date the decision will be taken, the lead officer's contact details and information on how to access any relevant reports (subject to restrictions on their disclosure).
- 8.11 In addition to publishing information on potential investment decisions in the Forward Plan of Key Decisions, the VfM Statement and business case for each project is published and publicised on the MCA website at every stage of the appraisal process. This enables members of the public and stakeholders to comment on proposed projects before funding decisions are made. All comments received are considered by the Assurance Panel in deciding whether to recommend a project for approval, deferment or rejection, and are made available to the MCA, LEP and Thematic Boards.
- 8.12 The MCA website also explains how members of the public can request information as well as providing feedback and submitting questions for MCA meetings.
- 8.13 The LEP holds an Annual General Meeting (AGM) each year which is open to the public and publicised through the Sheffield City Region website and social media networks and press.
- 8.14 The MCA holds its AGM in June each year.

## Formal and Public Consultation

- 8.15 In accordance with the MCA's statutory obligations, the MCA Executive Team undertakes a public consultation exercise when revising or developing a new strategic document. The consultation period runs for between 6 and 12 weeks. Information on the consultation is posted on the homepage of the MCA website with a draft document and details of how to submit views, comments and supporting evidence electronically and by post. Information on any scheduled consultation events are also displayed.
- 8.16 Comments and evidence submitted by partners and individuals during the public consultation period are logged, analysed and categorised, with records kept on how the final draft of the strategy has been amended to reflect the comments and evidence received.
- 8.17 In 2018, the public were consulted on the draft South Yorkshire Transport Strategy and in 2020, the public were consulted on the draft Strategic Economic Plan.

## 9. Publishing Information

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- 9.1 The MCA is subject to the same Transparency Code that applies to local authorities. To deliver the responsibilities under the code, the MCA and LEP has developed a robust, but proportionate, approach to sharing and publishing information so that it is accessible to the public.

### Access to Information

- 9.2 The MCA Constitution includes a publication scheme which sets out how and when agendas, minutes, papers and other documents produced by the MCA, LEP and MCA Executive Team will be made available to the public. It also sets out any exceptions to publishing information, such as not disclosing information that is prohibited by law or which is exempt under the Local Government Act 1972 Schedule 12A or Freedom of Information Act 2000.
- 9.3 The [Publication Scheme](#), which applies to both the Local Enterprise Partnership (LEP) and MCA, is published on the MCA website. MCA, LEP and Thematic Board papers clearly state whether the paper will be published under the Publication Scheme and whether any exemptions apply.
- 9.4 The MCA is subject to the Local Government Act 1972, Freedom of Information Act 2000, Data Protection Acts of 1998 and 2018, the General Data Protection Regulations (GDPR) and the Environmental Impact Regulations 2004. As Accountable Body, the MCA fulfils these functions on behalf of the LEP.
- 9.5 The public are made aware of their right to access information through the MCA website. Requests for information are dealt with in accordance with the relevant legislation and information is not unreasonably withheld. The MCA Executive Team elects to publish more information on activities and decisions than is stipulated in Government guidance, so that Freedom of Information requests are less necessary.
- 9.6 All data supplied to the MCA, LEP and MCA Executive Team, including personal, financial, confidential and sensitive information is processed and handled in line with data protection legislation. Personal information is stored securely to maintain privacy. This process is detailed in the [Privacy Policy](#).

### MCA Website

- 9.7 Core information regarding activity being undertaken by the MCA, LEP and Mayor is available on the MCA website.
- 9.8 The MCA website is structured into the following sections:
- **Investors** – this section is targeted at potential inward investors and contains information on the portfolio of land available for investment and the Enterprise Zone locations in the City Region;
  - **Business** – this section is aimed primarily at indigenous businesses and explains the schemes and initiatives available to support businesses to start-up, thrive and grow, including the Sheffield City Region Growth Hub;
  - **Governance** – this is a dedicated section on how the City Region functions, including sub-sections on the Board structure and Board membership (Who We Are), LEP and MCA policies, procedures, processes, decision-making and expenditure (How We Make Decisions), agendas and papers for meetings of the different Boards (Meetings), statutory notices on the Mayoral Election (Democracy and Elections) and the LEP Board Recruitment process and vacancies;

- **What We Do** – this section provides information on the SEP, thematic priorities, public consultations on draft strategies, mini-portfolios on LEP funded projects and initiatives and a resources library of key documents and policies; and
- **Mayor** – this section contains information on the elected Mayor including the Mayor’s role, powers, priorities and plans.

## Meeting Papers

- 9.9 The schedule of MCA Board, LEP Board, Audit and Standards Committee and Overview and Scrutiny Committee meetings for the year ahead are published on the MCA website.
- 9.10 The notice of the meeting, the agenda and accompanying papers are published five clear working days in advance of the meeting. Where papers contain commercially sensitive information or are subject to one of the exemptions under the Local Government Act 1972 Schedule 12A or Freedom of Information Act 2000, they are not published and are categorised as a private item. Decisions on whether individual agenda items are private items are made by the LEP Chair in consultation with the Head of Paid Service and Monitoring Officer using existing local authority regulations.
- 9.11 Draft minutes of meetings are published no more than ten working days after the meetings on the MCA website. All MCA minutes are signed at the same or next suitable meeting of the Authority and published within ten clear working days.

## Notice of Decisions

- 9.12 As stated in previous sections, the MCA publishes a Forward Plan of Key Decisions that will be taken by the MCA, LEP or Thematic Boards at least 28 days before the decision is made to enable members of the public to view and comment on them.
- 9.13 Details of all project approvals made by the MCA, LEP and Thematic Boards are recorded in the Minutes of the meetings. In addition, the MCA Executive Team maintains and publishes a [Grants and Contracts Register](#) on the MCA website which provides details of all contracts and agreements signed, a brief summary of the project, and the value of the contract.
- 9.14 A Delegated Authority Report for decisions taken by each Thematic Board is produced for the MCA which documents all decisions that the Board has taken, including any approval they have given to projects within their delegated authority limit (up to £2 million) and any endorsement, deferment or rejection of projects that exceed their delegation. Delegated Authority Reports is a standing agenda item for discussion at each MCA meeting and they are published in the meeting paper pack on the MCA website.

## Information on Board Members

- 9.15 The following information on LEP and MCA Board Members is published on the MCA website:
- Biography – including name, job title, organisation represented, membership of Committees and any lead roles;
  - Individual Register of Interests;
  - Declarations at Meetings;
  - Attendance Record;
  - Gifts and Hospitality Record; and
  - Term of Office

- 9.16 LEP Board members are not remunerated. Members are entitled to claim back travel and subsistence costs incurred whilst undertaking duties and responsibilities on behalf of the LEP. The MCA Executive Team publishes details of all expenses and subsistence claimed by LEP Board Members and authorised by the Head of Paid Service in [Quarterly Expenses Reports](#).
- 9.17 The MCA Executive Team also publishes [Quarterly Gifts and Hospitality Reports](#) which summarise any gifts or hospitality accepted and received by LEP Board members with a notional or actual value that exceeds £50. Gifts and hospitality are also recorded in each LEP Board Members' Individual Register of Interest.

## Financial Information

- 9.18 A range of budgetary and financial information is published on the MCA website so that it is transparent and accessible to the public.
- 9.19 MCA, Mayoral and LEP budgets are set prior to the start of the financial year within the Budget and Policy Framework. As the Accountable Body, the MCA is responsible for setting and approving the annual budgets for the organisations within the MCA governance structure. This includes approving the transport revenue budget for the South Yorkshire Passenger Transport Executive (SYPTe), setting the transport levy and approving the LEP's capital and revenue budget.
- 9.20 The MCA is also responsible for agreeing an annual programme of capital expenditure, together with proposals for the financing of that programme. This includes projects promoted by both the MCA and those directly managed by SYPTe.
- 9.21 Quarterly updates on the performance of the LEP capital and revenue programmes are provided to the MCA and LEP Boards and these are published in meeting papers.
- 9.22 As stated previously in this section, funding decisions are also published on the MCA website in the [Grants and Contracts Register](#). Payments to general suppliers that have a value of more than £250 are published every month in the [Payments Made to Suppliers](#) register.
- 9.23 The LEP's finalised capital and revenue income and expenditure is published every year as part of the [Group Accounts](#) (incorporating the MCA, LEP and SYPTe). The draft accounts are considered by the MCA and LEP Boards in June/July each year. The finalised accounts which include the [Annual Governance Statement](#), are published alongside the [Independent Audit Certificate](#) for the financial year.
- 9.24 The roles and salary bands of all staff employed in the MCA Executive Team which exceed £50,000 per annum are also published on the MCA website.

## Procurement and Funding Opportunities

- 9.25 The MCA Executive Team publishes calls for projects on a regular basis on the MCA website and social media feeds. The application templates and guidance documents for each commissioning call are available via the MCA website. Calls for ESIF funded activity are also advertised on the [www.gov.uk](http://www.gov.uk) website.
- 9.26 An open and competitive procurement process is in operation. When undertaking any procurement, all Boards, officers and staff must comply with the Contract Procurement Rules. Opportunities to supply goods and services are advertised on the [YORTender](#) website with a link from the MCA website.
- 9.27 Information on how businesses can access advice and support services, including applying for grant-funded programmes, is advertised in the [Business](#) section of the MCA website.



## Branding

- 9.28 In accordance with branding guidance on awarded and devolved funding, the MCA Executive Team ensures that the correct logos and wording are displayed in all promotional materials for MCA and LEP funded projects and programmes. Promotional materials include the MCA website, websites of project applicants/scheme promoters, signage, social media posts, press notices and marketing literature.

## LEP Delivery Plan

- 9.29 The LEP publishes an [Annual Delivery Plan and End of Year report](#) in May each year.
- 9.30 The Annual Delivery Plan outlines the LEP's priorities and planned activities for the coming year including developmental work and any public consultation that is expected to take place.
- 9.31 The End of Year report provides an assessment of the LEP's activity and achievements against the Annual Delivery Plan and an assessment of how the South Yorkshire economy has changed over the course of the year. This sets the baseline economic position to measure future performance against.

## Glossary of Terms

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<b>AEB</b>	Adult Education Budget
<b>AGM</b>	Annual General Meeting
<b>BCR</b>	Benefit Cost Ratio
<b>BMBC</b>	Barnsley Metropolitan Borough Council
<b>CIAT</b>	Central Independent Appraisal Team
<b>D2N2</b>	Derby, Derbyshire, Nottingham and Nottinghamshire Local Enterprise Partnership
<b>DfE</b>	Department for Education
<b>DfT</b>	Department for Transport
<b>DIT</b>	Department for International Trade
<b>DMBC</b>	Doncaster Metropolitan Borough Council
<b>FLUTE</b>	Forecasting the interactions of Land-Use, Transport and Economy
<b>LEP</b>	Local Enterprise Partnership
<b>LGF</b>	Local Growth Fund
<b>LTA</b>	Local Transport Authority
<b>MCA</b>	Mayoral Combined Authority
<b>MHCLG</b>	Ministry of Housing, Communities and Local Government
<b>OBC</b>	Outline Business Case
<b>R&amp;D</b>	Research and Development
<b>RMBC</b>	Rotherham Metropolitan Borough Council
<b>SBC</b>	Strategic Business Case
<b>SCC</b>	Sheffield City Council
<b>SCR</b>	Sheffield City Region
<b>SCRTM1</b>	Sheffield City Region Transport Model 1
<b>Section 73</b>	Equivalent to a Section 151 Officer
<b>SEP</b>	Strategic Economic Plan
<b>SYPTTE</b>	South Yorkshire Passenger Transport Executive
<b>TAG</b>	Transport Appraisal Guide (formerly known as WebTAG)
<b>TCF</b>	Transforming Cities Fund

# Appendix A: Summary of LEP Policies

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The Sheffield City Region MCA and LEP are strongly committed to putting in place robust decision-making and financial management policies and procedures to ensure that public money is being spent responsibly and is accounted for.

Each year, the suite of LEP policies are reviewed and refined in an effort to continually improve governance and accountability. The LEP's policies are listed below and published on the MCA website at <https://sheffieldcityregion.org.uk/about-us-governance-policy/how-we-make-decisions-2/>.

## LEP Terms of Reference

The [LEP Terms of Reference](#) outlines the role and aims of the LEP Board and the duties of LEP Board members. It also details the LEP's Board member recruitment and appointment process, the roles of the Chair and Deputy Chair, and the decision-making process.

## LEP Board Recruitment

The [LEP Board Appointment Process](#) explains how vacancies on the LEP Board will be openly advertised, and how Board appointments will be made by a LEP Appointments Panel in a transparent, competitive and non-discriminatory way.

## Equality and Diversity

The LEP's commitment and approach to ensuring equality and diversity is detailed in the [LEP Diversity Policy](#). The policy covers recruitment and selection and all engagement with individuals and organisations. The policy also outlines the LEP Board's commitment to nominating a LEP Board member to act as Diversity Champion. The policy applies to LEP Board members, the MCA Executive Team and any Thematic Board members.

## Code of Conduct

All LEP Board members proactively sign-up to the [LEP Code of Conduct](#) when they are appointed to the Board, as a condition of their appointment. The Code of Conduct explicitly requires LEP Board members to conform with the Seven Principles of Public Life (Nolan principles) – selflessness, integrity, objectivity, accountability, openness, honesty and leadership. MCA Executive Team staff are required to sign the employee's Code of Conduct as a condition of their employment which requires them to carry out their duties in accordance with the Nolan principles.

## Remuneration and Expenses

LEP Board members are not remunerated. Members are entitled to claim back travel and subsistence costs incurred whilst undertaking duties and responsibilities on behalf of the LEP. The [LEP Expenses Policy](#) explains the requirement for travel and subsistence to be pre-approved by the Head of Paid Service prior to being incurred and the process for claiming expenses.

## Gifts and Hospitality

LEP Board members are required to notify the Head of Paid Service in writing of all offers of hospitality and gifts received with a value of more than £50. The [LEP Gifts and Hospitality Policy](#) aligns with Local Authority systems

and standards on accepting and declaring gifts. The policy also applies to the MCA Executive Team and any Sub-groups involved in advising on or making decisions.

### **Conflicts of Interest**

The [LEP Declarations of Interest Policy](#) requires all LEP Board members and senior officers to complete and maintain an up to date Register of Declarations to avoid any conflicts of interest when advising on, or making decisions.

### **Whistleblowing**

The [LEP Whistleblowing Policy](#) provides information on how concerns about the LEP, LEP Board members and the MCA Executive Team should be raised, how the concerns will be handled and how concerns will be dealt with sensitively and in confidence.

### **Complaints**

The [LEP Confidential Complaints Policy](#) explains how complaints about the LEP, LEP Board members and the MCA Executive Team should be submitted and how complaints will be dealt with and responded to.

### **Data Management**

The Privacy Policy explains how and why information provided by service users and members of the public is collected and used. This includes data that is provided to the MCA Executive Team via the MCA website, information provided to funded services and projects (e.g. Growth Hub, Skills Bank, Working Win) and data provided over the telephone. The policy ensures that the LEP and MCA Executive Team will only process data in a legally compliant way, and that personal information will be handled in confidence and stored securely to maintain privacy.

## Appendix B: Joint Statement from LEP and MCA

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This Memorandum of Understanding (MoU) sets out the respective roles and responsibilities of the Sheffield City Region Mayoral Combined Authority (MCA) and the Local Enterprise Partnership (LEP). It has been produced to provide clarity on how decisions on public funds are made within the Sheffield City Region.

### Roles

The MCA is the legal and Accountable Body for funding devolved by Government to the MCA and LEP, including the Growth Deal. The MCA is also the Local Transport Authority for South Yorkshire.

The LEP is a voluntary business-led partnership which drives economic growth and advises how LEP funding should be invested in developing and growing the Sheffield City Region economy.

The Mayor is directly elected by the electorate in South Yorkshire to lead the Sheffield City Region and to promote it as a place to live, work and invest in. The Mayor is Chair of the MCA and is a member of the LEP Board.

### Responsibilities

The Mayoral Combined Authority is required to:

- Approve all annual capital and revenue budgets prior to the start of the financial year;
- Accept proposed projects onto the programme pipeline;
- Ensure that decisions on proposed projects are aligned with the objectives of the SEP and RAP;
- Test the value for money of proposed projects;
- Ensure that the legal duties of the MCA as the LEP's Accountable Body, operate in a responsible and transparent manner; and
- Inform the LEP of any operational decisions made.

The Local Enterprise Partnership is required to:

- Produce and publish the Strategic Economic Plan (SEP);
- Support the Mayor in producing the Local Industrial Strategy;
- Advise the MCA on decisions of how any capital and revenue budgets allocated to the LEP are prioritised and spent; and
- Oversee the delivery of any LEP funded programmes and projects.

### Operating Practices and Policies

The MCA and LEP will be served by a central team of impartial staff (the MCA Executive Team) who will provide advice and report on financial information and programme delivery to both the MCA and LEP Boards.

The MCA and LEP agree to conform with the Seven Principles of Public Life (Nolan principles) – selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

The MCA and LEP are opposed to all forms of unlawful, unfair and inappropriate discrimination, and commit to provide equality and fairness to all those who wish to work with them and to not act less favourably on the grounds of any protected characteristic.

### Amendments

This MoU can be amended at any time with agreement of both the MCA and LEP.

The Mayoral Combined Authority and Local Enterprise Partnership affirm to know, understand and agree to this Memorandum of Understanding as negotiated together.

**Signed on Behalf of the Sheffield City Region  
Mayoral Combined Authority:**

**Signed on Behalf of the Sheffield City Region Local  
Enterprise Partnership:**

**Signature:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Name:** Mayor Dan Jarvis MP MBE  
**Position:** Sheffield City Region Mayor and Chair  
of the Mayoral Combined Authority

**Name:** James Muir  
**Position:** LEP Chair

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Sheffield**  
**City Region**

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Sheffield City Region

11 Broad Street West

Sheffield

S1 2BQ

+44 (0)114 220 3400

[enquiries@sheffieldcityregion.org.uk](mailto:enquiries@sheffieldcityregion.org.uk)

[www.sheffieldcityregion.org.uk](http://www.sheffieldcityregion.org.uk)