

# Sheffield City Region

## Assurance Framework



2019

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## Document Verification

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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 (SCR) 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 Local Enterprise Partnership (LEP), the SCR Mayor, the Mayoral Combined Authority (MCA) 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 appraised, prioritised, 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 SCR governance and policy documents – most notably the MCA Constitution, the Financial Regulations, the Strategic Economic Plan (SEP), and Monitoring and Evaluation Framework.
- 1.3 The Assurance Framework has been developed in response to the National LEP Assurance Framework guidance (January 2019), the 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 2019.

## Updating the Assurance Framework

- 1.5 The SCR Assurance Framework is reviewed and updated at the end of each calendar year.
- 1.6 The next annual review of this document is scheduled to commence in December 2019. The LEP, SCR Mayor and MCA will approve any changes to the Assurance Framework in accordance with normal voting procedures.

## The Structure of this Document

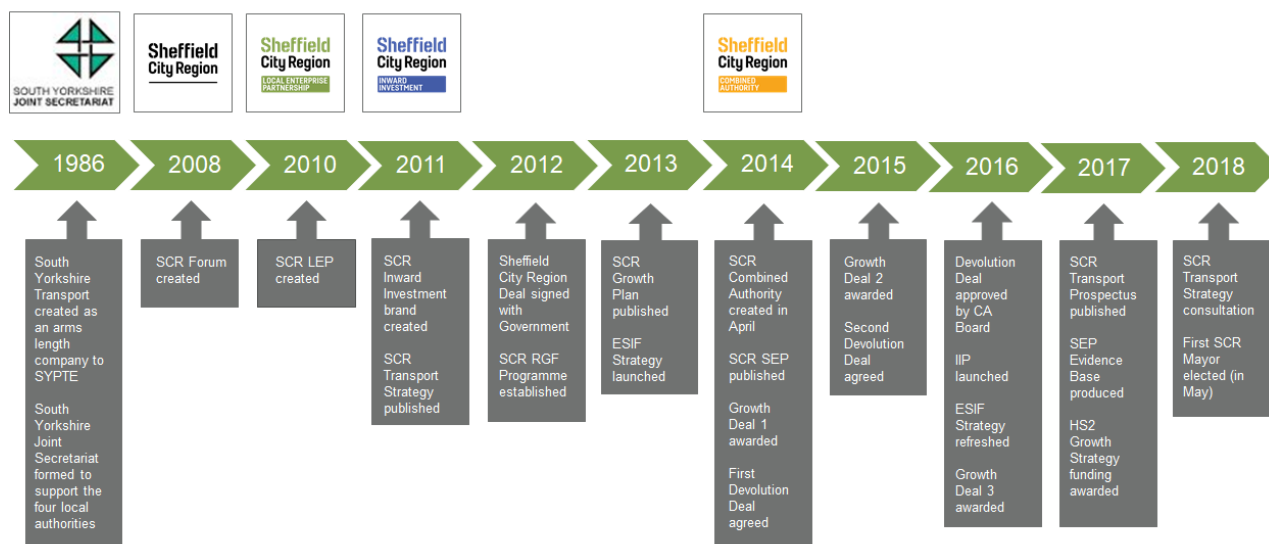
- 1.7 The remainder of this document is structured into the following sections:
  - **Section 2** describes the City Region and the plan for economic growth;
  - **Section 3** explains the structures, roles and responsibilities of the organisations that make up the SCR's decision-making bodies;
  - **Section 4** outlines the processes for ensuring openness and accountability for public funds;
  - **Section 5** describes how the LEP collaborates with other LEPs and engages with partner organisations 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 (SCR) is the name for the “Functional Economic Area” at the heart of the UK, spanning nine local authority districts in South Yorkshire, North Nottinghamshire and Derbyshire.
- 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 SCR Mayor on the 4<sup>th</sup> May 2018.

### Geography

- 2.4 Focused around the core city of Sheffield, the fifth largest city in England, the City Region is a polycentric economy with a series of linked but diverse communities, including the large urban centres of Barnsley, Doncaster and Rotherham, the market towns of Chesterfield and Retford, and rural areas including the Peak District National Park. This reflects an economic geography that is both complex and dynamic.
- 2.5 The LEP's boundaries are coterminous with those of the MCA. The LEP and MCA geography (Figure 2) contains nine local authorities; four constituent authorities in South Yorkshire (Sheffield, Rotherham, Barnsley and Doncaster) and five non-constituent authorities in Derbyshire and Nottinghamshire (Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales and North East Derbyshire).

Figure 2: Map of the Sheffield City Region



## Plan for Economic Growth

- 2.6 The development of the SCR's [Strategic Economic Plan \(SEP\)](#) in 2013/14 set a growth-based vision for both the LEP and MCA.
- 2.7 Focused on creating a bigger, stronger, and more competitive private sector, the SEP outlines a ten-year plan for economic growth. It is built on a strong evidence base and is the result of widespread consultation with business representatives and local industry leaders. The vision, strategic objectives and targets of the SEP, and thus the future economic growth of the City Region, is set out in Figure 3 below.

Figure 3: SCR Strategic Economic Plan 2015-2025 - Priority Objectives and Targets

<b>Our vision is to create:</b>	<b>A City Region with a stronger and bigger private sector that can compete in national and global markets</b>					
<b>Our strategic objectives are to:</b>	Ensure SCR businesses have the support they need to realise their full growth potential		Become more outward looking		Provide the conditions that businesses need to prosper and become more resilient	
<b>To achieve these objectives we need to take action in six areas:</b>	1. Ensure new businesses receive the support they need to flourish	2. Facilitate and proactively support growth amongst existing firms	3. Attract investment from other parts of the UK and overseas, and improve our brand	4. Increase sales of SCR's goods and services to other parts of the UK and abroad	5. Develop the SCR skills base, labour mobility and education performance	6. Secure investment in infrastructure where it will do most to support growth
<b>Success means that by 2024 we will have:</b>	Created 70,000 net new jobs (more in gross terms to offset losses), with 30,000 in highly skilled occupations		Increased our GVA by £3.1 billion		Generated 6,000 new start-up businesses	

- 2.8 The Sheffield City Region was awarded £295.2m of devolved Local Growth Fund (LGF) through the Growth Deal in July 2014 to deliver the SEP. This comprised of a range of funding streams including major scheme

transport funding, skills capital funding and business investment funding. A further £30.7m was awarded in January 2015 and a third-round allocation in January 2017 of £37.8m; resulting in a total LGF allocation of £363.7m.

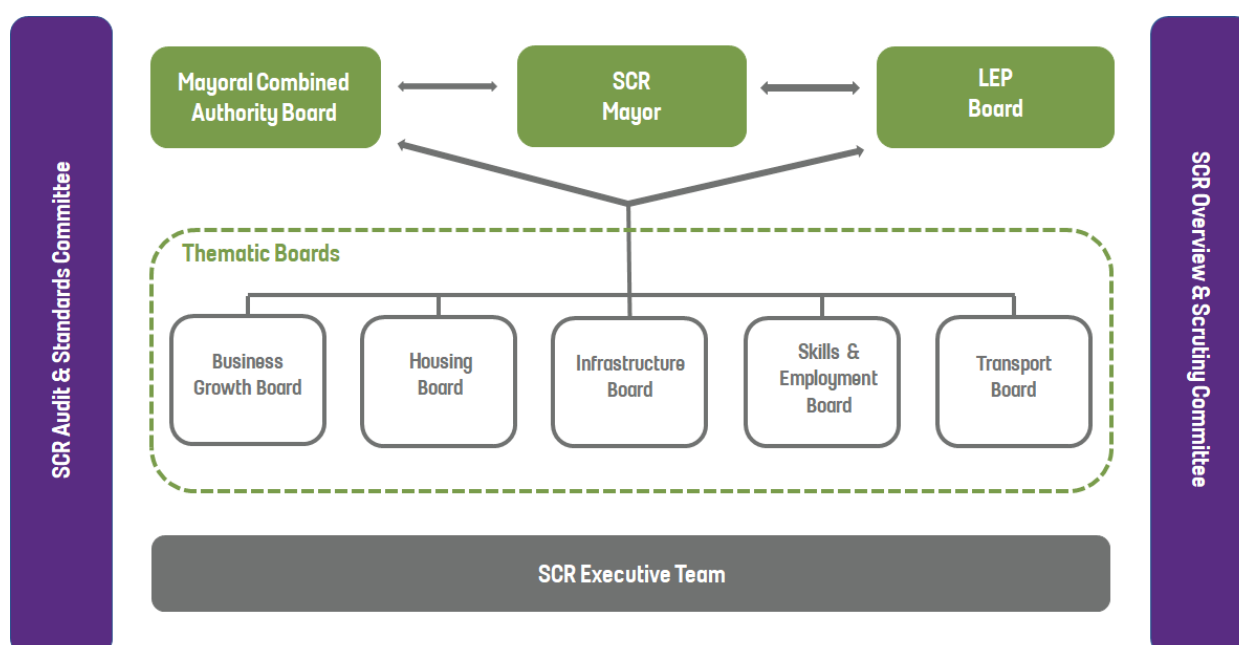
- 2.9 In 2019, the LEP will produce a revised SEP and will support the SCR Mayor in developing a SCR Industrial Strategy (IS). The new SEP will be an overarching ten-year economic strategy which will identify the thematic priorities for growing the economy, boosting prosperity and fostering economic inclusion across the City Region. The IS will be a more focused plan which will specifically outline the investment priorities for driving long-term growth in productivity, scaling up the assets in the City Region and increasing investment in Research and Development (R&D) by businesses within the City Region. Together, the SEP and IS will outline a route map to a more prosperous and productive City Region.
- 2.10 The process for producing the revised SEP and IS includes:
- **Evidence Gathering and Review** – this will bring in the latest evidence on the performance of the local and wider UK economy and will be based on the best available and credible evidence. This will incorporate evidence around thematic areas such as skills, investment and housing and insights around inclusive growth and drivers of productivity change. The data and information will be presented in an Evidence Review document in early 2019.
  - **Partner Engagement** - the Evidence Review will be used to engage partners in identifying additional statistical and anecdotal evidence from a broader range of sources. Stakeholders will assist in refining the focus of the SEP and IS and bring consensus around proposed priority themes and activities.
  - **Consultation** - The draft SEP will be circulated for public consultation in Spring/Summer 2019. Responses from the consultation will be reviewed before a final draft is presented to the LEP and MCA Boards for approval. Partners will be consulted on the draft IS in early 2020.
- 2.11 The finalised and agreed SEP is expected to be in place by the 31st July 2019. The draft IS will be developed over a longer period and will be submitted to Government for agreement by 31 March 2020. Both documents will be reviewed and updated on a regular basis to ensure a sound strategic basis for investment and action.

### 3. Structures and Roles

#### Overview

- 3.1 The Sheffield City Region (SCR) 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 for the Sheffield City Region. The private sector-led LEP supports and works alongside democratically elected Leaders on the MCA Board. The SCR Mayor, Leaders of the City Region's nine local authorities and LEP Chair sit on both Boards. This has resulted in strong linkages 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 SCR Mayor is directly elected by the electorate in South Yorkshire. The SCR Mayor has a manifesto of commitments on which he was elected. The SCR Mayor is a member, and Chair, of the Mayoral Combined Authority (MCA) and leads the City Region; promoting it as a place to live, work, visit and invest in. The SCR Mayor is also a member of the LEP Board.
- 3.4 The SCR Mayor, MCA Board and LEP Board are supported by five Thematic Boards and the SCR Executive Team. The Thematic Boards are responsible for driving forward the agenda of their thematic area. The SCR Executive is an impartial team that advises the SCR Mayor, MCA and LEP on policy, seeks agreement between those bodies and subsequently commissions, manages and monitors the delivery of schemes and projects. The SCR Executive Team also supports the decision-making process. Two independent committees; the Audit and Standards Committee and Overview and Scrutiny Committee; ensure that the MCA, LEP and SCR Mayor are fulfilling their legal obligations, and developing and delivering strategies that are in the best interests of local people.
- 3.5 Figure 4 sets out the overall structure of the SCR as an organisation, and how the Boards and Committees relate to one another.

Figure 4: The Sheffield City Region organisational structure



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

### The Mayoral Combined Authority (MCA)

- 3.7 The Sheffield City Region Combined Authority was formally constituted in law in April 2014. It comprises the nine local authorities that reflect the functional economic geography of the City Region. 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 SCR Mayor in May 2018, it became the Mayoral Combined Authority (MCA).

### Role of the MCA

- 3.8 The MCA is the legal and Accountable Body for funding devolved to the MCA and LEP, including all money allocated to the City Region through its Growth Deal, and any devolution and transport funding. 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

- 3.9 The MCA's remit is strategic economic development and transport. The MCA is responsible for setting the policy direction for the City Region and maximising financial investment to achieve economic growth. The MCA is responsible for making large investment decisions on schemes and projects and ensuring that the policy and strategic objectives of the [Strategic Economic Plan \(SEP\)](#) are delivered.
- 3.10 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
  - Local Industrial Strategy – led by the Mayor.
- 3.11 The constituent members of the MCA are accountable for where public money is being spent. In addition, the SCR Mayor is accountable for the devolved public transport powers through the Bus Services Act.
- 3.12 Additional responsibilities and further powers may be devolved to the SCR Mayor and the MCA, pending agreement by Government, the SCR Mayor and the constituent members of the MCA Board.

### Membership of the MCA

- 3.13 The MCA comprises the nine local authority Leaders and is chaired by the SCR Mayor. The LEP Chair is a non-voting member of the MCA Board.
- 3.14 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 Sheffield City Region Mayoral Combined Authority (MCA) 2019/20

Member	Post	Membership Type
Sheffield City Region	SCR Mayor	Constituent
Barnsley Metropolitan Borough 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
Doncaster Metropolitan Borough Council	Mayor	Constituent
North East Derbyshire District Council	Leader	Non-constituent
Rotherham Metropolitan Borough Council	Leader	Constituent
Sheffield City Council	Leader	Constituent
Sheffield City Region LEP	Chair	Non-voting
Derbyshire County Council	Leader	Observer
Nottinghamshire County Council	Leader	Observer
D2N2 Local Enterprise Partnership (LEP)	Chair	Observer
Barnsley Metropolitan Borough Council	Nominated Representative	Rotational & Non-voting
Sheffield City Council	Nominated Representative	Rotational & Non-voting

- 3.15 The MCA Constitution stipulates that substitute members will be nominated and agreed by the full members annually.
- 3.16 Each year the MCA appoints two additional, non-voting and rotational members from amongst the constituent councils. This is a requirement of the Order by which the Combined Authority was established. In 2019/20 the rotational members are from Barnsley and Sheffield. In 2020/21 they will be from Doncaster and Rotherham.
- 3.17 Observer members can contribute to MCA meetings, but they do not have voting rights. Other organisations are invited to attend MCA meetings in an observer capacity when relevant business is being discussed. 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).
- 3.18 The City Region's geography covers three Local Transport Authority (LTA) areas: South Yorkshire, Derbyshire and Nottinghamshire. The membership of the MCA includes representatives for all three LTA areas, giving the LTAs the opportunity to participate in discussions and decisions on transport schemes across the City Region. The MCA represents the South Yorkshire LTA, Derbyshire County Council represents the Derbyshire LTA and Nottinghamshire County Council represents the Nottinghamshire LTA.
- 3.19 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

- 3.20 The MCA Board meets on an eight-weekly cycle and the meetings are held in public. The Leaders also meet informally and in private to progress the development of plans or programmes and to discuss matters which are confidential or commercially sensitive.

- 3.21 All constituent members of the MCA Board have one equally weighted vote and decisions are made by a majority vote. The MCA Constitution allows for voting rights to be extended to non-constituent members at the discretion of the constituent members. At each meeting of the MCA all items of business are considered in terms of if non-constituent members may or may not vote. Convention has worked that these voting rights are extended to non-constituent authorities apart from where an issue is only relevant to South Yorkshire authorities, for example, in relation to the Transport Levy.
- 3.22 The LEP and D2N2 (Derby and Derbyshire, Nottingham and Nottinghamshire) LEP do not have voting rights as standard on the MCA. However, to encourage embedded joint investment decision making the MCA can extend voting rights to the LEPs and to Derbyshire and Nottinghamshire County Councils at MCA meetings when making decisions on LGF schemes located in the overlap area. Likewise, Derbyshire and Nottinghamshire County Councils are consulted on the development of transport plans such as the SCR Transport Strategy.

### Quoracy for MCA Board Meetings

- 3.23 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.

### The Local Enterprise Partnership Board (LEP)

- 3.24 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

- 3.25 The LEP leads on strategic economic policy development within the City Region and sets the blueprint for how the SCR economy should evolve and grow. The LEP is the developer and author of the [Strategic Economic Plan \(SEP\)](#). The LEP raises the profile, image and reputation of the Sheffield City Region as a place to visit, live, work and invest in.

### Responsibilities of the LEP

- 3.26 The LEP is responsible for setting strategy and acts as the custodian of the SEP. The LEP also supports the SCR Mayor in developing the Local Industrial Strategy. The LEP bids for funding and programmes from Government and is responsible for delivering these programmes. This includes delivering the Growth Deal programme of activity.
- 3.27 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.
- 3.28 The focus of the LEP Board is to discuss the following:
- **SCR Economy** – such as research on how well the SCR economy is performing and the issues and needs of different sectors and markets;
  - **Accepting Schemes to the LEP Programme** – LEP approval is needed before a project can be accepted onto the LEP funded pipeline programme;
  - **Performance** - of SCR 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

- 3.29 The LEP comprises 14 permanent private sector representatives, the nine Leaders of the Local Authorities, the SCR Mayor, a Trades Union representative and two co-opted private sector members who act as specialist advisers on thematic issues. The private sector members include two representatives from the Sheffield City Region's Higher Education (HE) sector.
- 3.30 Membership of the LEP is set out in Table 2 below.

Table 2: Membership of the Sheffield City Region Local Enterprise Partnership (LEP) 2019/20

Member	Post	Membership Type
James Muir	LEP Chair	Private Sector
TBC (Vacant Position)	LEP Vice Chair	Private Sector
Laura Bennett	Permanent Member	Private Sector
Alexa Greaves	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
Owen Michaelson	Permanent Member	Private Sector
Julia Muir	Permanent Member	Private Sector
Lucy Nickson	Permanent Member	Private Sector
Philippa Sanderson	Permanent Member	Private Sector
Richard Stubbs	Permanent Member	Private Sector
TBC (Vacant Position)	Permanent Member	Private Sector
Professor Koen Lamberts	Co-opted Member	Private Sector
Alison Kinna	Co-opted Member	Private Sector
Bill Adams	Trades Union Representative	Membership Body
Sheffield City Region	SCR Mayor	Public Sector
Barnsley Metropolitan Borough Council	Leader	Public Sector
Bassetlaw District Council	Leader	Public Sector
Bolsover District Council	Leader	Public Sector
Chesterfield District Council	Leader	Public Sector
Derbyshire Dales District Council	Leader	Public Sector
Doncaster Metropolitan Borough Council	Mayor	Public Sector
North East Derbyshire District Council	Leader	Public Sector
Rotherham Metropolitan Borough Council	Leader	Public Sector
Sheffield City Council	Leader	Public Sector

- 3.31 Private sector LEP Board members are each 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.
- 3.32 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. The portfolios are listed in Figure 5.

Figure 5: LEP Portfolio and Champion Roles



- 3.33 The current composition of the LEP Board is 61.5% Private Sector members compared to 38.5% Public Sector members; this equates to a ratio that is slightly below the Government's ambition of two-thirds, one-third split.
- 3.34 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: housing, infrastructure, skills and employment. The knowledge and advice provided by the co-opted members during the last year has led to significant progress being made on key projects and initiatives including the launch and delivery of the Housing Investment Fund pilot.
- 3.35 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

- 3.36 The LEP Board meets on an eight-weekly cycle and the meetings are held in private.
- 3.37 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

- 3.38 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.
- 3.39 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 telephone, audio or video link. The member must remain available throughout the agenda items where discussions and decisions are made.
- 3.40 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.
- 3.41 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](#).
- 3.42 If a decision is required to meet agreed timescales and a meeting of the LEP is either not possible or scheduled, written procedures for decision making apply, in line with the LEP Terms of Reference.

### LEP Chair

- 3.43 The LEP Chair must have a private sector background.
- 3.44 The LEP Chair leads on building the reputation and influence of the City Region at a national and international level. The LEP Chair is also a non-voting member of the MCA.

### LEP Vice Chair

- 3.45 The LEP Vice Chair must have a private sector background.
- 3.46 The LEP Vice Chair provides day to day leadership and support to the LEP Board Members, leads on business relations within the City Region, including engaging with the wider business community and deputises for the LEP Chair when necessary.

### Defined Term Limits

- 3.47 The LEP Chair and LEP Vice Chair have defined term limits of three years. They can re-apply for a further term but only through an open and competitive process.
- 3.48 All other permanent private sector LEP Board members 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, not exceeding two years, with a clear rationale and in exceptional circumstances.
- 3.49 Co-opted LEP Board members have a defined term limit of one year, with the exception of the co-opted HE representative who serves a term of three years.

### LEP Board Recruitment and Appointment

- 3.50 Private sector LEP Board members are appointed through an open and transparent recruitment and selection process. In the interests of continuity, the recruitment is staggered so that the terms of all private sector members do not expire at the same time.
- 3.51 Recruitment to fill permanent private sector positions on the LEP Board took place in Summer 2017 and Summer 2018. Recruitment is next scheduled to take place in Summer 2020.

- 3.52 The recruitment process for the LEP Chair took place in Winter 2018. Recruitment for the LEP Vice Chair position concluded in Spring 2019.
- 3.53 Vacant positions for LEP Board members are promoted through the SCR website and social media channels and 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.
- 3.54 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.
- 3.55 Interested candidates are required to complete and submit an application form. A LEP Appointments Panel, which is made-up of LEP Board members, reviews and assesses the applications against the LEP Board Member Job Description and Person Specification, with advice and support from the SCR Executive Team. Candidates are shortlisted for an interview by a panel including the SCR Mayor and LEP Board members.
- 3.56 A combination of the completed application form and interview are used to judge each candidate's experience, suitability and fit. The LEP Appointments Panel then makes a recommendation to the LEP Board on the candidates that should be appointed.
- 3.57 When recruiting new LEP Board members, consideration is given to achieving the optimum composition and 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.
- 3.58 Newly appointed LEP Board members are invited to attend an induction session with the SCR 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 SCR Executive Team.

### Equality and Diversity

- 3.59 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. In determining the optimum composition of the LEP Board, 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. This approach has resulted in the LEP Board being the most diverse it has ever been.
- 3.60 The current gender composition of the LEP Board is detailed in Table 3 below. It illustrates that just over one third of the LEP's appointed members are women (39.1% permanent Private Sector Board members and 50% of co-opted members – combined 40.0%).

Table 3: Gender Composition of LEP Board (February 2019)

Type of Membership	Gender		Total	Gender Ratio	
	Female	Male		Female	Male
Private Sector (Permanent)	5	7	12	41.7%	58.3%
Public Sector (Permanent)	4	6	10	40.0%	60.0%
Membership Body (Permanent)	0	1	1	0%	100%
Permanent Members	9	14	23	39.1%	60.9%
Private Sector (Co-opted)	1	1	2	50.0%	50.0%
Co-opted Members	1	1	2	50.0%	50.0%
<b>TOTAL</b>	<b>10</b>	<b>15</b>	<b>25</b>	<b>40.0%</b>	<b>60.0%</b>

NB: 2 vacant private sector positions (LEP Vice Chair and 1 Permanent Member)

- 3.61 The 2018 LEP Board recruitment process resulted in more women being appointed onto the LEP Board than men (57% women and 43% men). The LEP expects to obtain an equal split of male and female Private Sector Board members by March 2023.

### How the MCA and LEP Work Together

- 3.62 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 together accountability and transparency with business insight. The configuration and membership of the LEP and MCA are designed to be mutually supportive.
- 3.63 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. Whilst the LEP retains ultimate decision-making authority over how these funds are prioritised and spent, the MCA tests the value for money of proposed schemes and projects, and ensures that decisions are made in a legally compliant, responsible and transparent manner.
- 3.64 To maintain good levels of communication and high levels of cooperation, the LEP and MCA are both served by the same team of staff (the SCR Executive Team). Financial information and reports on programme delivery is reported to both the LEP and MCA Boards. This includes details of applications received for LEP funded programmes and contracts awarded.
- 3.65 Given the clarity in remit and strong controls being in place, there are minimal circumstances where the MCA would not comply with a LEP decision. 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 Strategic Economic Plan); or



- The MCA was refusing to operationalise a policy directive of the LEP in accordance with the SEP.

- 3.66 A procedure is in place for managing conflicts should they occur. The three SCR Statutory Officers 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.
- 3.67 In Spring 2019, the LEP will produce and publish a concise and non-technical guide on the respective roles and responsibilities of the LEP and MCA, and an explanation of how the LEP and MCA work together to ensure that members of the public are clear on who is responsible for decision-making in the City Region.

## Thematic Boards

- 3.68 To support decision-making and delivery, the MCA and LEP have been supported by several Thematic Boards, based on the strategic priorities of the SEP. Previously, these Boards have not had delegated authority to make financial decisions on behalf of the MCA. In 2018, SCR undertook a review of the SCR governance structure. The following revised structure was agreed by the MCA and LEP Boards and will be in operation from 1 April 2019.

### Role of the Thematic Boards

- 3.69 The purpose of the Thematic Boards is to provide adequate experienced leadership 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 the SCR's programme 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.
- 3.70 The five Thematic Boards are accountable to the MCA and LEP and each one has a defined portfolio with distinct responsibilities for Business Growth, Housing, Infrastructure, Skills and Employment and Transport.
- 3.71 The Transport Board also provides direction for and oversees the performance of the South Yorkshire Passenger Transport Executive (SYPTTE).

### Responsibilities of the Thematic Boards

- 3.72 Each Thematic Board has a 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.
- 3.73 The responsibilities of the 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 SCR 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 SCR 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.



3.74 The Transport Board also has additional responsibilities. These are:

- Assisting in 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

3.75 The members of each Thematic Board (with the exception of the Transport Board) include:

- Two Leaders from the MCA (one from a constituent Local Authority and one from a non-constituent Local Authority);
- A nominated representative for each of the remaining seven Local Authorities;
- A lead Chief Executive from a Local Authority;
- Two private sector LEP Board members; and
- The MCA Head of Paid Service (or their nominated representative).

3.76 The Transport Board membership structure reflects the statutory responsibilities of the SCR Mayor. Membership of the Transport Board comprises:

- The SCR Mayor (Chair);
- A Leader from the MCA of a constituent local authority (Deputy Chair);
- A nominated representative for each of the remaining three constituent local authorities on the MCA Board;
- A representative for the non-constituent local authorities on the MCA Board;
- A lead local authority Chief Executive;
- A Private Sector LEP Board member;
- The Director General of the SYPTE; and
- The MCA Head of Paid Service (or their nominated representative).

3.77 Board decisions are made on the basis of consensus. Where consensus cannot be reached the issue is escalated to the MCA or LEP, dependent upon the issue in question. Where this is in relation to the policy fit, delivery of the SEP or strategic alignment of a project using funds allocated to the LEP, the issue is escalated to the LEP Board. Where this relates to LEP Accountable Body functions or MCA investments, the issue is escalated to the MCA Board.

3.78 The Thematic Boards can form 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. Task and Finish groups are required to submit reports to the Thematic Board.

### Thematic Board Meetings

3.79 Thematic Boards routinely meet on an eight-weekly cycle and the SCR Executive Team provides the secretariat.

### Quoracy for Thematic Board Meetings

- 3.80 Meetings of the Thematic Boards (with the exception of the Transport Board) are quorate when seven members are present. Transport Board meetings are quorate when two thirds of the members are present.
- 3.81 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.

### Audit and Standards Committee

- 3.82 The SCR Audit and Standards Committee ensures that the LEP, MCA and SCR Mayor are operating in a legal, open and transparent way.
- 3.83 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.
- 3.84 The Audit and Standards Committee monitors the operation of the organisation. Their role is to ensure that the MCA is fulfilling its legal obligations, is managing risk effectively and has robust control measures in place. 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.
- 3.85 Membership of the Audit and Standards Committee is politically balanced and consists of 13 elected Councillors (or their nominated substitute) from the nine local authorities in the Sheffield City Region.
- 3.86 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

- 3.87 The SCR Overview and Scrutiny Committee holds the MCA, SCR Mayor, LEP and Thematic Boards to account for all decisions taken. The Overview and Scrutiny Committee has the authority to review and scrutinise any decision made, or action taken and can, at their discretion, produce reports and make recommendations for change or improvements.
- 3.88 The Overview and Scrutiny Committee is responsible for checking that the MCA and LEP are delivering their objectives, and that SCR policies, strategies and plans are made in the best interests of residents and workers in the City Region. They provide independent scrutiny of SCR initiatives and LEP activities and public consultation on draft strategies.
- 3.89 Membership of the Overview and Scrutiny Committee is politically balanced and consists of 14 elected Councillors from the nine local authorities (or their nominated substitute) in the Sheffield City Region (typically the Chair of each local authority's overarching Scrutiny Committee).
- 3.90 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

- 3.91 The MCA and LEP appoint 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.

3.92 The Statutory Officer roles are defined in the MCA Constitution and comprise:

- **Head of Paid Service** – The SCR Managing Director fulfils the role of the Head of Paid Service. The Head of Paid Service discharges the functions in relation to the Mayoral Combined Authority 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 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 administers the legal duties of the MCA and LEP in accordance with the Local Government Act 1972.

### The SCR Executive Team

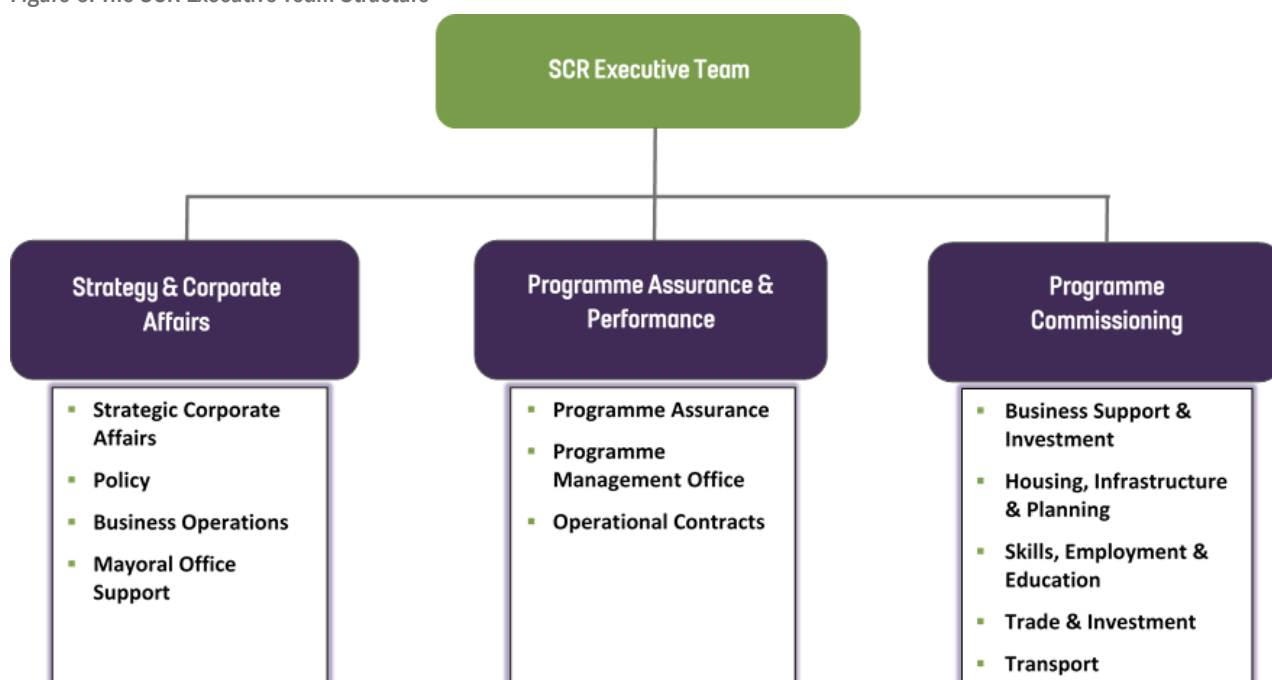
3.93 The MCA Board, LEP Board and Thematic Boards are supported by the SCR Executive Team. The SCR Executive Team is a dedicated resource that provides impartial advice and works in collaboration with partners and stakeholders.

3.94 The role of the SCR Executive Team is to advise the MCA, Mayor and LEP and pro-actively advance the decision-making process through close co-ordination and by working with local authority Leaders, Chief Executives and officers.

3.95 Whilst acting independently of any single authority, at present the SCR Executive is hosted by Barnsley Council (BMBC), on behalf of the MCA. In addition, for efficiency purposes financial services are provided by Sheffield City Council (who fulfil the Section 73 Officer role) and the authority's Monitoring Officer is provided by BMBC.

3.96 The SCR Executive Team's current functions are shown in Figure 6 below.

Figure 6: The SCR Executive Team Structure



3.97 The SCR Executive Team supports the following activities:

- **Developing Policy** - supporting the MCA, SCR Mayor and LEP to draft key policy, including the SEP and SCR Industrial Strategy;
- **Initiating and Encouraging Project Ideas** - the team works with officers from local authorities, the private sector and project and scheme promoters to identify and bring forward viable project ideas that support the strategic objectives of the City Region;
- **Developing Business Cases** - provide support to project and scheme promoters to develop business cases where required;
- **Appraising Projects** - senior officers sit on the SCR Appraisal Panel and independently review and appraise projects prior and make recommendations to the Thematic Boards;
- **Programme Monitoring** - collating and communicating performance on different funding streams to the MCA and LEP Boards and Ministry of Housing, Communities and Local Government (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 of 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 SCR 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 SCR website and publishing information on the 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.

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

## 4. Accountability for Decisions and Public Funds

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- 4.1 A number of measures are in place to ensure that the Mayoral Combined Authority (MCA) and Local Enterprise Partnership (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 the LEP and is responsible for all decisions and expenditure. This includes all funding allocated to the LEP since the formation of the Combined Authority in 2014.
- 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;
  - Managing funds allocated to the SCR Mayor until such time as the Mayor has Executive Functions following the making of a Mayoral Powers Order by Government;
  - Ensuring that the approved Assurance Framework is being adhered to;
  - Ensuring that all contracts entered into discharge their duties; and
  - Maintaining and publishing annual accounts (including Local Growth Fund 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.

### The LEP Board and LEP Chair

- 4.5 The LEP Board and LEP Chair are not legally accountable for funds allocated to the LEP. As stated in Section 3, the LEP retains ultimate decision-making authority over how LEP funds are prioritised and spent but the MCA is legally accountable for the administration of the funding.

### Section 73 Officer

- 4.6 The SCR Section 73 Officer is fully engaged in the operation of the organisation, ensuring that funds are managed responsibly and allocated through a robust application process.
- 4.7 The Section 73 Officer is accountable for:
- Ensuring that funds are used legally, appropriately and are subject to the usual local authority checks and balances, including discharging financial duties under the [Financial Regulations 2018](#);
  - 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
- Assuring 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).

### SCR Appraisal Panel

- 4.8 The SCR Appraisal Panel, in conjunction with an independent and contracted team of specialists and experts (known as CIAT), conducts a technical review of all business cases for projects that are seeking funding. The Panel currently consists of the MCA's three Statutory Officers or their representatives (Monitoring Officer, Section 73 Officer and Head of Paid Service) and relevant officers from the SCR Executive Team. The Panel makes recommendations to the appropriate decision-making Board on the level of risk of a project and whether to endorse, approve, defer or reject funding applications. The SCR Appraisal Panel also advises on any conditions that should be placed on the funding.
- 4.9 The Statutory Officers ensure that the Accountable Body duties are discharged through their representation on the SCR Appraisal Panel. This embeds the roles and functions of the Statutory Officers in the project appraisal process. All projects seeking funding from SCR are reviewed by the SCR Appraisal Panel and are subject to independent technical scrutiny.
- 4.10 The SCR Appraisal Panel meets every two weeks, or more frequently if necessary, to ensure the pipeline of project proposals continues at the required pace.
- 4.11 The appraisal process is detailed in Section 5.

### Internal and External Audit

- 4.12 The MCA has an established process for internal and external audit. Internal audit is a contracted service and 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.
- 4.13 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 business case evaluation and monitoring process. 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 MCA in April 2018.

### Overview and Scrutiny

- 4.14 The SCR's independent Overview and Scrutiny Committee holds the MCA, SCR Mayor, LEP and Thematic Boards to account on behalf of the public. They have the authority to review and scrutinise any decisions made, or actions taken. The Committee can at their discretion, make recommendations for change or improvement.
- 4.15 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.

### Ensuring Value for Money

- 4.16 All projects and programmes that apply for funding are appraised and a Value for Money (VfM) Statement is completed by the SCR Appraisal Panel at every stage of the appraisal process. The VfM Statement outlines the potential costs, benefits, risks and impacts of the project. These statements are on a proportionate basis relative to the level of risk, complexity and funding sought.
- 4.17 The SCR Section 73 Officer is responsible for signing-off VfM Statements and sign-off must be achieved before a project can progress. The VfM Statement is also signed-off by the MCA and LEP.
- 4.18 The VfM Statement for each project, is presented to the appropriate Board or Thematic Board. The Statement includes the SCR Appraisal Panel's justification and recommendation on whether the project should be approved, deferred or rejected and any conditions that should be put in place.
- 4.19 The MCA and/or LEP can decide to remove a scheme or project from the programme if the outcome of the appraisal is that a project does not provide sufficient value for money.
- 4.20 VfM Statements for all approved projects are published on the SCR website.

### Managing Risk

- 4.21 The approach to risk management is comprehensive and in accordance with HM Treasury's Orange Book principles and other project management guidance. The Head of Paid Service is the named officer for managing risk on the MCA and LEP activity.
- 4.22 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.
- 4.23 Risk management controls and mitigation action plans for LEP funded programmes and projects are agreed and added to the SCR 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.
- 4.24 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 SCR Executive Team works with project applicants/scheme promoters to monitor delivery of the contract and risks. The Team compile Quarterly Monitoring reports 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.

## 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 SCR 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 [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 Allocation

- 5.3 The MCA, in consultation with the LEP, is responsible for setting the annual LEP capital and revenue budgets prior to the start of the financial year within the Budget and Policy Framework.
- 5.4 All approved capital and revenue budgets are published on the SCR website. Budgets are monitored on a quarterly basis with reports submitted to the MCA and LEP Boards. Quarterly financial monitoring reports on individual programmes and projects are also submitted.
- 5.5 The budgets identify the funding allocated to each thematic area (for example, skills, business growth and housing). The allocation is dependent on the strategic objectives and investment priorities outlined in the SCR Strategic Economic Plan (SEP) and the resulting Delivery Plans.

### Commissioning and Open Calls

- 5.6 In accordance with the agreed policy, project and programme applications for funding usually originate from two sources:
- **A Thematic Board** – the Thematic Boards will proactively identify potential projects which satisfy the strategic objectives of the SEP and thematic Delivery Plan. These are subject to funding being available.
  - **Via a targeted Open Call for Project Applications** – open calls inviting applicants to bid for funding or propose a project are published on the SCR website. Calls have a specific focus, such as delivering an investment priority or targets in the SEP. Project applicants and scheme promoters will then submit a response or bid.
- 5.7 In addition, the SCR Executive Team may identify a need for a project or programme that meets the strategic priorities and objectives of the SEP, or which will respond to a market failure or economic shock.

### The Appraisal Process

- 5.8 All schemes and projects seeking investment (including projects commissioned by the Thematic Boards, responses to Open Calls and projects identified by the SCR Executive Team), undergo a proportionate appraisal to assess the merits of the application, its strategic fit and value for money. The steps involved in the appraisal process are detailed below.

#### Stage 1 Submission: Strategic Business Case

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- 5.9 A Strategic Business Case (SBC) is the first official communication from a project applicant or scheme promoter. The SBC provides a first view of the 'how, what and when' the project will deliver and its strategic fit with the SEP. The SBC is a standard template and requests the following information from the applicant:
- Project objectives and vision and the rationale for investment;
  - Project outputs and outcomes against the SEP;
  - High level timescales;
  - High level cost of project;
  - Initial funding required; and
  - Project sponsor.

#### Stage 1 Appraisal: Strategic Business Case

- 5.10 The SBC is assessed in line with the five-case model in the HM Treasury Green Book guidance. The SBC is therefore appraised against the following criteria:
- **Strategic Case** - contribution to SCR strategic objectives and national policy objectives;
  - **Economic Case** - impact on local growth, the social, distributional and environmental impacts, and an assessment of the value the project adds;
  - **Financial Case** - cost estimate and sources of funding e.g. identified scheme promoter, private sector and other contributions;
  - **Commercial Case** - proven market place for the project, certainty in outcomes, procurement processes and commercial viability; and
  - **Management Case** – demonstration that the project is capable of being delivered successfully, including Delivery Plans, statutory processes, programme, risk management (with appropriate mitigation plans) and benefit realisation.
- 5.11 To assess complex or transport related schemes, a series of approved and bespoke testing tools and models are used (such as FLUTE 18 and WebTAG) to better understand the potential outcomes and value for money of an application. The VfM Statement will state what tools have been used in conducting the appraisal.
- 5.12 The SCR Executive Team completes a VfM Statement and submits the appraisal report and VfM Statement to the SCR Appraisal Panel for their assessment. The VfM Statement is also submitted to the LEP Board and is published on the SCR website.

#### Stage 1 SCR Appraisal Panel Recommendation: Strategic Business Case

- 5.13 The SCR Appraisal Panel reviews the technical analysis undertaken by the SCR Executive Team. The SCR Appraisal Panel then agrees what recommendation they will make to the Thematic and LEP Boards; either to accept a project to the programme pipeline, defer the project for further work or to reject the project.
- 5.14 The Thematic Board oversees due diligence in appraising the project, but the LEP Board accepts the project onto the pipeline programme.
- 5.15 Once a project has been accepted onto the programme pipeline, the SBC and VfM Statement is published on the SCR website. This is updated periodically to include links to the key documents for each project and a record of progress. The SCR 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 stage in the application process (Outline Business Case and Full Business Case).

## **Stage 2 Submission: Outline and Full Business Cases**

- 5.16 Having been accepted onto the programme pipeline, the project applicant or scheme promoter is required to develop the business case further.
- 5.17 The requirements at this stage are dependent on the nature, scale, risk and complexity of the project. Smaller, simple projects are unlikely to require an Outline Business Case (OBC) in addition to a Full Business Case (FBC). The SCR Executive Team and SCR Appraisal Panel determine whether an OBC is required on a project by project basis.
- 5.18 The OBC and FBC build on the foundations of the Strategic Business Case in that they provide considerably more detail on each of the five cases outlined in the HM Treasury Green Book guidance. If required, the SCR Executive Team will provide guidance to project applicants and scheme promoters to assist them in developing an OBC and FBC.
- 5.19 The five cases must ensure that all impacts of a scheme (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.
- 5.20 It is essential that project applicants and scheme promoters agree the scope of costs and benefits before any substantive business case development is undertaken.
- 5.21 Project applicants and scheme promoters must also ensure that the commercial, financial and management arrangements are appropriate for effective delivery.
- 5.22 Once an OBC and FBC is fully developed it is submitted for appraisal.

## **Stage 2 Appraisal: Outline and Full Business Cases**

- 5.23 An independent assessment is undertaken of all OBCs and FBCs to quality assure and scrutinise the project as well as undertaking all necessary due diligence checks.
- 5.24 When technical expertise or specialist advice is required to appraise the project, the SCR Executive Team uses contractors – the Central Independent Appraisal Team (CIAT) - to assist in appraising the SBC. The SCR Executive Team ensures there is always a clear distinction and adequate separation between the scheme promoters and the decision makers.
- 5.25 Transport projects and schemes are subjected to a WebTAG compliant appraisal at this stage. An Appraisal Scoping Report template is used to assess such schemes, comprising:
  - 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.
- 5.26 The SCR Assurance Team completes a Value for Money (VfM) Statement and submits the appraisal report and VfM Statement to the SCR Appraisal Panel for their assessment.

## Stage 2 SCR Appraisal Panel Recommendation: Outline and Full Business Cases

- 5.27 The SCR Appraisal Panel reviews the technical analysis undertaken by the SCR Executive Team and CIAT (where applicable), along with the VfM Statement. The SCR Appraisal Panel then agrees what recommendation they will make to the Thematic Board; either to fully 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 value for money or significant risk.
- 5.28 The Thematic Board can approve the project if it is within their delegated limit. Projects which exceed the delegation are endorsed by the Thematic Board and submitted to the MCA Board for approval.
- 5.29 All funding decisions are communicated in writing to project applicants.
- 5.30 Following approval of a Full Business Case (FBC) 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 FBC. Compliance checks on any conditions of funding specified by the MCA, LEP or Thematic Board are then carried out by the SCR Executive Team.

## Complaints and Appeals

- 5.31 All applicants for funding are made aware of the recommendations made by the SCR Appraisal Panel and the decision of the relevant approving Board, along with the rationale for the recommendations. Complaints can be made if due process has not been followed.
- 5.32 Decisions made by the MCA, LEP and Thematic Boards are scrutinised by the SCR Overview and Scrutiny Committee. All decisions on funding must follow the appraisal process outlined above to be valid.
- 5.33 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.
- 5.34 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.
- 5.35 The Monitoring Officer will address the allegation following the protocols set out in the [MCA Constitution](#), which is aligned to those of the constituent Local Authority members.
- 5.36 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

- 5.37 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 SCR Appraisal Panel, and Statutory Officers. This is detailed in the [LEP Declarations of Interest Policy](#).
- 5.38 Each member of the MCA, LEP and Thematic Boards is required to make a declaration of interest for the purposes of their individual organisations and is 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 SCR website.

- 5.39 Senior members of staff within the SCR Executive Team and Statutory Officers also complete and maintain an Individual Register of Interest and update it if and when circumstances change. These are also published on the [SCR website](#).

### Future Development

- 5.40 In 2019 the SCR Executive Team will review the procurement and appraisal processes to understand how ethical procurement principles could be applied when appraising and contracting with suppliers. This would be with a view to encouraging suppliers and contractors to adopt good labour and environmental practices.

## 6. Measuring Performance and Success

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- 6.1 Monitoring and measuring the performance of projects provides important lessons which are used to improve future decision-making. This increases the likelihood of successful delivery of future projects.
- 6.2 A comprehensive monitoring and evaluation framework is used and this has been designed to provide robust feedback and identify the lessons learnt from individual projects. The monitoring and evaluation framework sets out several logic models and indicators that are used to understand the inputs, outputs and impacts of investment made in the Sheffield City Region. The process for monitoring and evaluating project and programme performance is outlined below.

### Contract Management

- 6.3 Once a project or scheme is approved, there is regular communication with the project applicant/scheme promoter.
- 6.4 The SCR Executive Team manages the delivery of the contract and works with the applicant/scheme promoter to monitor progress and risks. The SCR Executive Team is responsible for immediately addressing any slippages or concerns regarding project delivery and taking corrective action.
- 6.5 Each grant claim is crosschecked against the approved project baseline information as part of the quarterly reporting processes.

### Monitoring

- 6.6 All project applicants/scheme promoters are required to provide regular financial and delivery information to the SCR Executive Team. This enables the MCA and LEP to fulfil their duties on reporting and accounting for public monies.
- 6.7 The applicant/scheme promoter submits quarterly reports to the SCR Executive Team, who collate the reports for all projects within the programme into a quarterly report to MHCLG. All quarterly reports are signed-off by the Section 73 Officer and LEP Board.
- 6.8 Project Applicants/scheme promoters are responsible for informing the SCR Executive Team of any changes to the scope, costs and implementation timescales for their project. The SCR Executive Team assesses the impact of any changes on the overall programme, budget and expenditure. Cost increases or financial slippage 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.
- 6.9 The SCR Executive Team presents Quarterly Monitoring Reports on project and programme delivery 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.

### Contract Values and Clawback

- 6.10 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.
- 6.11 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. The 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.

- 6.12 The Funding Agreement includes a mechanism for clawback. This ensures that funding is only spent on the specified scheme 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.

## Evaluation

- 6.13 Project applicants/scheme promoters are responsible for ensuring a project is evaluated, in line with the SCR monitoring and evaluation framework, and that adequate resource is allocated to undertake the agreed evaluation.
- 6.14 Project evaluation provides accountability for the investment made. It also provides local evidence on which to base future projects and programmes. The SCR Executive Team reviews the results of the evaluation against the objectives of the scheme as set out in the business case and Funding Agreement and the most appropriate counterfactual. Evaluation results for all projects are published on the SCR website.
- 6.15 Where there is a variation between a project's objectives and its outcomes, the SCR Executive Team works with the promoter to agree corrective action. If the corrective action is unsuccessful, clawback clauses can be invoked as a final resort and to secure the desired outcomes via alternative measures.
- 6.16 At the end of a project, the SCR Executive Team makes a recommendation to the appropriate Thematic Board to formally close the project. This recommendation is endorsed by the Thematic Board and sent to the MCA who finally close the project.
- 6.17 The SCR Executive Team procures external evaluation of LEP funded programmes through an open and competitive process to evaluate the impact of specific funding streams.

## Future Development

- 6.18 In 2019 the SCR Executive Team will conduct a review of the monitoring and evaluation framework with a view to strengthening project and programme evaluation. This will result in a revised framework and metrics for monitoring and evaluating the outputs and outcomes of LEP funded projects and programmes against national and local indicators.

## 7. Inclusive and Collaborative Working

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- 7.1 The strength and success of the Sheffield City Region (SCR) partnership is founded on good governance and partner collaboration. Collaboration and a true partnership approach has been a cornerstone of the LEP achieving what it has to date. This collaboration is resulting in a focused programme of engagement; designed to accelerate the delivery of the SCR Strategic Economic Plan (SEP) and harness the City Region's latent potential.

### Collaboration with Other LEPs

- 7.2 The overlap in geography with other LEPs and neighbouring county authorities is managed through effective liaison, collaboration and joint decision-making.
- 7.3 Between 2016 and 2018 SCR achieved the following by working across LEP geographical borders:
- Employed a dedicated officer within the SCR Growth Hub to engage with businesses and relevant officers in the overlap area with the D2N2 LEP to ensure they receive a clear and coherent package of support;
  - Invested £5m of the SCR 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
  - Learnt from and shared best practice with the HS2 Places Group and worked with the Leeds City Region on proposals for a parkway station, and the Eastern Network Partnership on HS2 route 2b.
- 7.4 The LEP remains committed to working in collaboration with other LEPs to pool knowledge and resource and enhance the effectiveness, transparency and leadership in local economic development.

### The LEP Network

- 7.5 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.

### Engaging with Partners

- 7.6 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 (formerly known as the EEF), as well as Sector Group Chairs, local authority partners and the universities.
- 7.7 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 SCR website and social media channels and through partners such as the business representative organisations.

## 7.8 Examples of collaboration with partners and agencies have included:

- Establishing a SCR Policy Advisory Group to share and pool economic evidence and data to inform the development of the revised SEP and SCR Industrial Strategy;
- 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.

## Engaging with the Public

- 7.9 The MCA publishes a plan on all decisions that will be taken by the SCR 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 a major project or strategy) and decisions which impact on two or more local authority areas. The plan is refreshed and published on the SCR 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.
- 7.10 The plan provides brief information on the project, scheme 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).
- 7.11 The SCR website also explains how members of the public can request information as well as providing feedback and submitting questions for MCA meetings.
- 7.12 The LEP will hold an AGM in Spring 2019 and will hold subsequent AGMs each July from 2020. These will be open to the public and publicised through the SCR website and social media networks and press.
- 7.13 The MCA holds its AGM in June each year.

## Formal and Public Consultation

- 7.14 In accordance with the MCA's statutory obligations, the SCR Executive Team undertakes a public consultation exercise when revising or developing a new strategic document. The consultation period runs for 12 weeks and information on the consultation is posted on the homepage of the SCR 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.
- 7.15 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.
- 7.16 In 2018, the public were consulted on the revised draft SCR Transport Strategy. In 2019, the public will be consulted on the revised SEP.



## 8. Publishing Information

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

### Access to Information

- 8.2 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 SCR 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.
- 8.3 The [SCR Publication Scheme](#), which applies to both the Local Enterprise Partnership (LEP) and MCA, is published on the SCR website. MCA, LEP and Thematic Board papers clearly state whether the paper will be published under the Publication Scheme and whether any exemptions apply.
- 8.4 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. Barnsley Metropolitan Borough Council (on behalf of the MCA) holds records and is the focal point for statutory information requests.
- 8.5 The public are made aware of their right to access information through the SCR website. Requests for information are dealt with in accordance with the relevant legislation and information is not unreasonably withheld. The SCR 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.
- 8.6 All data supplied to the MCA, LEP and SCR 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 [SCR Privacy Policy](#).

### SCR Website

- 8.7 Core information regarding activity being undertaken by the MCA, LEP and SCR Mayor is available on the SCR website. The website has been designed to be easy to navigate and to enable members of the public to locate and download information on decisions and activities.
- 8.8 The SCR 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 SCR Growth Hub;
  - **Governance** – this is a dedicated section on how the City Region functions, including sub-sections on the SCR Board structure and Board membership (Who We Are), LEP and MCA 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;

- **Explore** – this section provides information on the Strategic Economic Plan (SEP), thematic priorities, public consultations on draft SCR strategies, mini-portfolios on LEP funded projects and initiatives and a resources library of key documents and policies including the LEP Terms of Reference, individual LEP policies (detailed in Appendix A), the MCA Constitution and the SCR Assurance Framework; and
- **Mayor** – this section contains information on the elected SCR Mayor including the SCR Mayor's role, powers, priorities and plans.

## Meeting Papers

- 8.9 The schedule of MCA Board, LEP Board, Audit and Standards Committee and Overview and Scrutiny Committee meetings for the calendar year ahead are published on the SCR website.
- 8.10 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 SCR's Head of Paid Service and Monitoring Officer using existing local authority regulations.
- 8.11 Draft minutes of meetings are published no more than ten working days after the meetings on the SCR 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

- 8.12 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.
- 8.13 Details of all project and scheme approvals made by the MCA, LEP and Thematic Boards are recorded in the Minutes of the meetings. In addition, the SCR Executive Team maintains and publishes a [Grants and Contracts Register](#) on the SCR website which provides details of all contracts and agreements signed, a brief summary of the project or scheme, and the value of the contract.
- 8.14 Each Thematic Board is required to produce a Resolution Record for the MCA and LEP Boards 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. The Resolution Records are a standing agenda item for discussion at each MCA and LEP Board meeting and they are published in the meeting paper pack on the SCR website.

## Information on Board Members

- 8.15 The following information on LEP and MCA Board Members is published on the SCR website:
- Biography – including name, job title, organisation represented, any portfolio lead and contact email (MCA Board Members only);
  - Individual Register of Interests;
  - Attendance Record (MCA Board Members only); and
  - Term of Office (LEP Board Members only)

- 8.16 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 SCR 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](#).
- 8.17 The SCR 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 is also recorded in each LEP Board Members' Individual Register of Interest.

## Financial Information

- 8.18 A range of budgetary and financial information is published on the SCR website so that it is transparent and accessible to the public.
- 8.19 MCA 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 SCR structure. This includes approving the transport revenue budget for the South Yorkshire Passenger Transport Executive (SYLTE), setting the transport levy and approving the LEP's capital and revenue budget.
- 8.20 The MCA is also responsible for agreeing an annual programme of capital expenditure, together with proposals for the financing of that programme. This includes schemes promoted by both the MCA and those directly managed by SYLTE.
- 8.21 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 and the 'Quarterly Monitoring' section of the SCR website.
- 8.22 As stated previously in this section, funding decisions are also published on the SCR 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 SCR [Payments Made to Suppliers](#) register.
- 8.23 The LEP's finalised capital and revenue income and expenditure is published every year as part of the [SCR Group Accounts](#) (incorporating the MCA, LEP and SYLTE). 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.
- 8.24 The roles and salary bands of all staff employed in the SCR Executive Team which exceed £50,000 per annum are also published on the SCR website.

## Procurement and Funding Opportunities

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

## Branding

- 8.28 In accordance with European Funding and Local Growth Fund branding guidance, the SCR Executive Team ensures that the correct logos and wording are displayed in all promotional materials for SCR funded projects and programmes. Promotional materials include the SCR website, websites of SCR and scheme promoters, signage, social media posts, press notices and marketing literature.

## LEP Delivery Plan

- 8.29 The LEP has committed to publishing an Annual Delivery Plan and End of Year report in Spring 2019.
- 8.30 The End of Year report will provide an assessment of the LEP's activity and achievements and an assessment of the SCR economy. This will set the baseline position to measure future performance against.
- 8.31 The SCR Annual Delivery Plan 2019/20 will outline the LEP's priorities and planned activities for the year including developmental work and public consultation on the revised Strategic Economic Plan (SEP) and SCR Industrial Strategy (IS).

## Glossary of Terms

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<b>AEB</b>	Adult Education Budget
<b>AGM</b>	Annual General Meeting
<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>DIT</b>	Department for International Trade
<b>FLUTE</b>	Forecasting the interactions of Land-Use, Transport and Economy
<b>IS</b>	Industrial Strategy
<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>SBC</b>	Strategic Business Case
<b>SCC</b>	Sheffield City Council
<b>SCR</b>	Sheffield City Region
<b>Section 73</b>	Equivalent to a Section 151 Officer
<b>SEP</b>	Strategic Economic Plan
<b>SYLTE</b>	South Yorkshire Passenger Transport Executive
<b>WebTAG</b>	Web Based Transport Appraisal Guide

## Appendix A: Summary of LEP Policies

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The Sheffield City Region (SCR) is 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 SCR 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 SCR 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. SCR 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 SCR 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 SCR 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 SCR Executive Team should be submitted and how complaints will be dealt with and responded to.

## Data Management

The [LEP Privacy Policy](#) explains to the general how and why the SCR collects and uses information provided by service users and members of the public. This includes data that is provided to the SCR via the SCR's websites, information provided to SCR 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 SCR 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 (SCR) Mayoral Combined Authority (MCA) and the SCR 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 determines how LEP funding should be invested in developing and growing the SCR economy.

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

### Responsibilities

The Mayoral Combined Authority commits to:

- Approving the LEP annual capital and revenue budgets prior to the start of the financial year, in discussion and agreement with the LEP;
- Testing the value for money of proposed schemes and projects for LEP funding;
- Ensuring that the legal duties of the MCA as the LEP's Accountable Body, operate in a responsible and transparent manner; and
- Informing the LEP of any operational decisions made.

The Local Enterprise Partnership commits to:

- Producing and publishing the Strategic Economic Plan (SEP);
- Supporting the Mayor in producing the Local Industrial Strategy;
- Accepting proposed projects and schemes onto the programme pipeline;
- Making decisions on how the capital and revenue budgets allocated to the LEP are prioritised and spent;
- Ensuring that decisions on proposed projects and schemes are aligned with the objectives of the Strategic Economic Plan and based on value for money assessments; and
- Overseeing the delivery of LEP funded programmes.

### Operating Practices and Policies

The MCA and LEP will be served by a central team of impartial staff (the SCR 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:**

<b>Signature:</b> _____	<b>Signature:</b> _____
<b>Name:</b> Mayor Dan Jarvis MP MBE	<b>Name:</b> James Muir
<b>Position:</b> SCR Mayor and Chair of the Mayoral Combined Authority	<b>Position:</b> LEP Chair
<b>Date:</b> _____	<b>Date:</b> _____



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**City Region**

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