

SHEFFIELD CITY COUNCIL

EXECUTIVE FUNCTIONS DECISION RECORD

The following decisions were taken on Wednesday 13 February 2013 by the Cabinet.

Date notified to all members: 15th February, 2013.

The end of the call-in period is 4:00 pm on Thursday, 21st February, 2013.

The decision can be implemented from Friday, 22nd February, 2013.

Item No

8. **REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2012/13 (MONTH 8)**

8.1 The Executive Director, Resources submitted a report which provided the Month 8 Monitoring Statement on the City Council's Revenue and Capital Budget for 2012/13.

8.2 **RESOLVED:** That Cabinet:-

- (a) notes the updated information and management actions provided by this report on the 2012/13 budget position;
- (b) notes but does not approve the carry forward requests detailed in Appendix 1;
- (c) in relation to the Capital Programme:-
 - (i) notes the proposed additions to the capital programme listed in Appendix 2, including the procurement strategies and delegations of authority to the Director of Commercial Services or Delegated Officer, as appropriate, to award the necessary contracts following stage approval by Capital Programme Group;
 - (ii) notes the proposed variations and slippage in Appendix 2 and the EMT approved variations;
 - (iii) approves the variations in Appendix 2 which are within its delegated authority;
 - (iv) delegates to the Cabinet Members for Finance and Resources and Culture, Sport and Leisure authority to approve the additional works for the Manor Toddler Play scheme, and
 - (v) notes the latest position on the Capital Programme.

8.3 Reasons for Decision

- 8.3.1 To formally record changes to the Revenue Budget and the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the capital programme in line with latest information.

8.4 Alternatives Considered and Rejected

- 8.4.1 A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme

8.5 Any Interest Declared or Dispensation Granted

None

8.6 Reason for Exemption if Public/Press Excluded During Consideration

None

8.7 Respective Director Responsible for Implementation

Laraine Manley, Executive Director, Resources.

8.8 Relevant Scrutiny and Policy Development Committee If Decision Called In

Overview and Scrutiny Management Committee.

11. HOUSING STRATEGY 2013-23

- 11.1 The Executive Director, Place, submitted a report setting out the Council's Housing Strategy for 2013-2023 setting Sheffield City Council's approach to housing in all tenures and in all areas of the City. The Strategy would be supported by an Action Plan which would be refreshed every three years to make it responsive to the local and national housing landscape but will be guided by the overarching themes and priorities of the Strategy.

11.2 RESOLVED: That Cabinet:-

- (a) endorses the Housing Strategy 2013-23 as a statement of the City's housing priorities; and
- (b) approves the accompanying 2013-16 Housing Strategy

Action Plan.

11.3 Reasons for Decision

- 11.3.1 To enable the Council to set out a clear vision and delivery plan for housing and housing services which will help the Council to achieve its ambitions to create a Great Place to Live and Sustainable Communities.
- 11.3.2 The new Housing Strategy will help our partners, funders and residents understand our housing ambitions for new and existing homes in the city and the housing services provided for Sheffield's residents. In addition, it will enable them to consider and develop their own opportunities to deliver this shared vision.

11.4 Alternatives Considered and Rejected

- 11.4.1 Although local authorities do not have a statutory duty to produce a housing strategy, previous government guidance has urged local authorities to take a more strategic approach to housing as part of their place shaping role.
- 11.4.2 Without a current housing strategy there will be no clear vision for Sheffield's housing that can be shared with partners, residents and funding bodies. In the past, funding bodies have requested to see the housing strategy as part of their decision making process. The lack of a strategy will also make it more difficult to develop a strategic approach to investment that amounts to millions of pounds over the life of the strategy.
- 11.4.3 Any benefit gained from not allocating resources to develop a strategy and monitor its action plan would be outweighed by the cost incurred through not developing a joined up strategic approach to housing policy and investment decisions. Progress updates of the strategy's action plan will also help to ensure that housing priorities that have been identified by partners and residents will be regularly monitored and reported on.

11.5 Any Interest Declared or Dispensation Granted

None

11.6 Reason for Exemption if Public/Press Excluded During Consideration

None

11.7 Respective Director Responsible for Implementation

Simon Green, Executive Director, Place.

11.8 **Relevant Scrutiny and Policy Development Committee If Decision Called In**

Safer and Stronger Communities.

12. **SHEFFIELD CITY REGION GROWTH FUND ROUND 3 - UNLOCKING BUSINESS INVESTMENT**

12.1 The Executive Director, Place, submitted a report setting out proposals for the Council to act in the capacity of Accountable Body on behalf of the Sheffield City Region Local Enterprise Partnership (LEP) in relation to a £25m of Regional Growth Funding (RGF) programme secured under round 3. The City Council will be responsible for contracting with the Department for Business, Innovation and Skills (BIS) for the delivery of the programme, for receiving and managing the funds, for undertaking the technical assessment of the business proposals and for contracting with the recipient businesses. In respect of the contract with BIS, we will carry responsibility for the delivery of the programme outcomes.

12.2 The LEP, in whose name the bid was submitted, will retain a strategic/policy responsibility for the programme, including setting the overall approach to investment, leading the call for new proposals and reviewing overall progress of the programme and reporting this to the LEP Board.

12.3 **RESOLVED:** That Cabinet agrees to:-

- (a) the principle of the Council taking on the role of Accountable Body and establishing management arrangements for the assessment of investment applications, contracting for the delivery of job outcomes with business and monitoring the performance of these projects until 2016/17;
- (b) delegate authority to the Executive Director, Place, in consultation with the Cabinet Member for Business, Skills and Development, the Director of Finance, and the Director of Legal Services, to agree the terms of and conclude the funding agreement with the Department for Business Innovation and Skills (BIS);
- (c) delegate authority to the Director of Creative Sheffield, in consultation with the Cabinet Member for Business, Skills and Development and the Director of Legal Services and Director of Finance to agree any variations to the agreement with BIS;
- (d) delegate authority to the Director of Creative Sheffield, in consultation with the Director of Finance and Director of Legal Services, to approve the scheme delivery plan for this programme which will include detailed methodology for the assessment, contracting and monitoring of business investment proposals;

- (e) delegate authority to the Director of Creative Sheffield to approve investment decisions and contract with successful companies, in consultation with the Chief Executive of the Sheffield City Region Local Enterprise Partnership;
- (f) delegate authority to the Director of Creative Sheffield to contract with business applicants in a form agreed with Legal Services; and
- (g) delegate to the Director of Creative Sheffield, in consultation with the Director of Finance and the Chief Executive of the Sheffield City Region Local Enterprise Partnership, authority to approve appropriate expenditure from the revenue finance approved by BIS for the purpose of managing these funds.

12.3 **Reasons for Decision**

12.3.1 This is now the third round of RGF and to date Sheffield specifically, and the City Region more generally, has had only very limited success in securing funds. Round 1 was largely limited to direct, large scale, bids and very few went forward from Sheffield City Region and only the Finningley Link Road and Advanced Manufacturing Research Centre were successful. In round 2, BIS encouraged programme bids and SCC worked with City Region partners to put together a proposal designed to distribute funds (with support) to Small and Medium Enterprises. The bid was not successful, although very similar programmes were supported through the Banks (eg Natwest and HSBC) which was clearly the Government's preferred route. Against this background, when round 3 was announced, we felt that it was imperative that Authorities worked with the LEP to put together a credible programme bid which would be able to support companies in the City Region with investment projects smaller than £1m. In order to do so, it was necessary to underpin the bid with a local authority accountable body and it was felt that Sheffield City Council was best placed to provide this function.

12.3.2 RGF is the most significant investment funding for business to emerge from Government since the demise of the RDAs. It is important that we are able to play a significant role in ensuring these funds are available to the City Region and Sheffield businesses in particular. We expect to support approximately 50/60 businesses through these funds up to half of which could be from Sheffield. The £25m will lever in a minimum of £100m of additional private sector investment and generate an absolute total of 1900 new or safeguarded jobs by the end of 2015/16.

12.4 **Alternatives Considered and Rejected**

12.4.1 **Not acting as Accountable Body for RGF**

SCC was the only LA in South Yorkshire prepared to take on this role and probably the only one with capacity. A Local Authority Accountable Body was a pre-requisite for a LEP led RGF bid, so failure to identify a suitably

qualified authority acting in this role would have jeopardised our ability to draw down £25m for the benefit of small and medium sized businesses in the City Region.

12.4.2 Allowing the LEP business entity (LEPCO) to take over the role.

This would not have been acceptable to BIS and the LEPCO would not have had the systems in place to carry out the essential functions required to administer the fund. In reality this was not a realistic option.

12.4.3 Procuring a Fund Manager/Grant Administrator

This would potentially have been a feasible option. However, this would have only covered part of the issue – ie the actual, administration of the grants/loans. The Council would still have had to contract with BIS and would have been responsible for the on-going monitoring of investments. So, whilst aspects of this option would have had some merit, we believe that it would not have represented a comprehensive and cost effective option.

12.5 Any Interest Declared or Dispensation Granted

None

12.6 Reason for Exemption if Public/Press Excluded During Consideration

None

12.7 Respective Director Responsible for Implementation

Simon Green, Executive Director, Place.

12.8 Relevant Scrutiny and Policy Development Committee If Decision Called In

Environment and Economic Well-being.

Councillor
Chair,
Cabinet,
13th February, 2013.