

OVERVIEW AND SCRUTINY COMMITTEE

**MEETING TO BE HELD AT 10.30 AM ON WEDNESDAY, 20 SEPTEMBER 2017
IN WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS LS1 2DE**

A G E N D A

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF INTEREST**
- 3. EXCLUSION OF THE PRESS AND PUBLIC**
- 4. MINUTES OF THE MEETING HELD ON 28 APRIL 2017**
(Pages 1 - 4)
- 5. INCLUSIVE GROWTH**
(Pages 5 - 26)
- 6. LOAN TO OXFORD GB2 (LEEDS HILTON)**
(Pages 27 - 30)
- 7. WYCA OFFICE ACCOMMODATION**
(Pages 31 - 36)
- 8. DEVOLUTION**
A verbal update will be given.
- 9. FORWARD PROGRAMME OF WORK**
(Pages 37 - 38)
- 10. ITEMS FOR FEEDBACK TO WYCA**

11. ITEMS FOR INFORMATION

(a) DRAFT MINUTES OF THE WYCA MEETING HELD ON 3 AUGUST 2017

(Pages 39 - 48)

Signed:

A handwritten signature in black ink, appearing to be 'BGM', with a long horizontal line extending to the right.

WYCA Managing Director



**MINUTES OF THE MEETING OF THE
OVERVIEW AND SCRUTINY COMMITTEE
HELD ON FRIDAY, 28 APRIL 2017 AT COMMITTEE ROOM A, WELLINGTON
HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Robert Light (Chair)	Kirklees Council
Councillor Stephen Baines	Calderdale Council
Councillor James Baker	Calderdale Council
Councillor Ian Cuthbertson	City of York Council
Councillor Michael Ellis	Bradford Council
Councillor Peter Harrand	Leeds City Council
Councillor Fozia Shaheen	Bradford Council

In attendance:

Councillor Peter Box	Chair, WYCA (to minute 64)
Ben Still	WYCA
Caroline Allen	WYCA
James Flanagan	WYCA
Ruth Chaplin	WYCA

60. Apologies for Absence

Apologies for absence were received from Councillors B Boyce, J Brooks, D Foster, K Groves, M Isherwood, A Manifold, N Mohammed, J Pryor and B Rhodes

61. Declarations of Interest

Councillor Ellis declared an interest as he is a member of the Regional Flood and Coastal Committee and Airedale Drainage Commission.

62. Exclusion of the Press and Public

There were no items on the agenda requiring exclusion of the press and public.

63. Minutes of the Meeting held on 22 March 2017

Resolved: That the minutes of the meeting held on 22 March 2017 be approved and signed by the Chair.

64. Devolution Update

The Chair welcomed Councillor Peter Box to the meeting and he provided members with an overview of the progress and challenges in securing an ambitious, economically-led mayoral devolution deal for Leeds City Region.

Councillor Box outlined the various policy options for a mayoral devolution deal which had been considered by WYCA on 2 February 2017. WYCA had requested a formal response from Government on the proposal for a Leeds City Region deal which was submitted to HM Treasury in September 2015, with a view to agreeing a way forward. Councillor Box advised members of correspondence with the Secretary of State for Communities and Local Government and of a subsequent meeting held with Yorkshire's Leaders on 9 March 2017. The Secretary of State had requested that options be put to central government based on the guiding principles outlined in his letter, followed by an early meeting with a view to concluding a deal as soon as possible this year. It was acknowledged that the announcement of the General Election on 8 June 2017 would impact on this but Councillor Box stressed that a meeting would be sought with the Secretary of State at the earliest opportunity.

Councillor Box commented that Leeds City Region had secured the biggest Growth Deal in the country, established the £1bn West Yorkshire Plus Transport Fund and agreed a non-mayoral devolution deal. However it was recognised that without a mayoral deal the future funding and delivery of local growth programmes and investments could become more problematic and the areas which had secured deals with directly elected 'metro' Mayors would benefit from enhanced funding opportunities and devolved and delegated decision making.

Members discussed the geographic footprint proposals and Councillor Box confirmed he would be prepared to support a mayoral deal for the City Region based on the Government's formal agreement to the 'asks' submitted to HM Treasury in September 2015 and that WYCA would consider supporting a deal based on a bigger geography but subject to making a robust business and economic case. Councillor Box stressed that Government had to be fair and even-handed in its approach to devolution. For example in explaining why a type of deal agreed to in one area could not be permitted in another.

Councillor Box was thanked for attending the meeting and for the informative discussion. The Committee would continue to be kept informed of any further developments.

Resolved: That the current progress in respect of securing a devolution deal for the Leeds City Region be noted.

65. Governance Arrangements

The Committee considered a report which sought members' views on the governance arrangements which had been considered and approved by WYCA at its meeting held on 6 April 2017.

Members welcomed the proposals outlined in the report which was attached at Appendix A. It was proposed to integrate LEP Panels into WYCA's decision making structure with the first cycle of new advisory committees to commence in September. The LEP Board would be asked to agree the revised committee arrangements including a proposal to appoint 2 non-voting private sector representatives to the Transport Committee at their next meeting.

It was noted that the Committee had previously discussed the changes to governance arrangements required by Order of the Secretary of State in respect of Overview & Scrutiny arrangements and these would take effect from 8 May 2017. Members highlighted the changes which affected the quorum for the Committee and the need to ensure that two thirds of the membership would need to be in attendance at future meetings. They asked that this be brought to the attention of the District Council Leaders and Chief Whips of all their political parties before their Annual Meetings.

Resolved:

- (i) That the Overview & Scrutiny Committee endorse the proposals outlined in the report to be considered by the LEP Board and WYCA.
- (ii) That the forthcoming changes to the quorum of the Committee be brought to the attention of the District Council Leaders and Chief Whips of all their political parties.

66. Items for Feedback to WYCA

It was requested that WYCA be advised that the Committee welcomed the proposals in respect of the revised governance arrangements.

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Director and Author: Angela Taylor,
Director of Resources



Report to: Overview and Scrutiny Committee

Date: 20 September 2017

Subject: Inclusive Growth

1 Purpose

- 1.1 To inform the Scrutiny Members of WYCA on the progress made by the Inclusive Growth Project.
- 1.2 To receive insight from Members on relevant issues.

2 Information

- 2.1 Ruth Redfern is the Project Director for Inclusive Growth. She will be in attendance at the meeting to inform members of the progress made by the Inclusive Growth Project. Further information is provided in a number of appendices:
 - Appendix 1 - Inclusive Growth Update
 - Appendix 2 - More detail on workstreams
 - Appendix 3 - The Inclusive Place diagram
 - Appendix 4 - WYCA Report of 3 August 2017

3 Financial Implications

- 3.1 None arising directly from this report. It should be noted that progress on workstreams is dependent on identifying appropriate resource to progress them.

4 Legal Implications

- 4.1 None arising directly from this report.

5 Staffing Implications

- 5.1 None arising directly from this report.

6 External Consultees

- 6.1 None.

7 Recommendations

- 7.1 That the Committee note the work underway on inclusive growth and consider any further work arising.

8 Background Documents

- 8.1 None.



WYCA Scrutiny Inclusive Growth Update

1. Purpose

- 1.1 To inform the Scrutiny Members of WYCA on the progress made by the Inclusive Growth Project;
- 1.2 To receive insight from Members on relevant issues.

2. Information

2.1 What we set out to do:

- To establish a unified mission;
- To have clear metrics on the case for Inclusive Growth, the outcomes we want to achieve and how we would measure Inclusive Growth;
- To create a work programme of activity that would 'launch' Inclusive Growth' from tackling poverty and supporting lower paid workers to People Powered Productivity;
- To deliver on the good growth commitments in the Strategic Economic Plan, developing an inclusive industrial strategy and embedding inclusive growth in local growth strategies;
- Create opportunities for LA's/CA to share skills, innovation and capacity;
- To establish links and relationships with regional, national and international Inclusive Growth organisations. To influence global and national thinking on Inclusive Growth and to promote LCR as a driver of innovation and change.

2.2 What we have done:

- **Mission.** The West Yorkshire Leaders and the Steering Inclusive Growth Group have agreed our mission is: *In Leeds City Region we believe that only by integrating economic and social policy will we achieve Inclusive Growth. Our approach addresses poverty, social exclusion and inequality in harmony with economic interventions that jointly achieve the best outcomes and opportunities for our citizens.*
- Inclusive growth is about living standards and earnings, in-work progression, procurement and productivity and much more. An Inclusive Growth approach takes a long term perspective and the focus is on productive employment rather than merely direct income redistribution as a means of increasing income for excluded groups.
- **Metrics.** The project has high level outcomes agreed by the Leaders. Infographics on the case for IG. A robust tool for measuring IG agreed by Leaders and the Steering Group. Presentations have been made to and welcomed by the Leaders, the Inclusive Growth Champions and the Steering Group.
- **Work Programme.** Ten workstreams developed and led by core group members and focused on the art of the possible. Programme management and RAG rating to monitor progress in place. Developing second phase, with theory of change session scheduled, and emphasis on aligning all CA activity to Inclusive Growth agenda. More detailed information in Appendix A.
- **Anchor/Inclusive Organisations:** To utilise economic assets, producing high quality, well paid good jobs and building capacity of local supply chains. Anchors committed to being Inclusive Organisations and to acting on shared priorities. *Early FE adopters, secured resource from Leeds / JRF / WYCA in kind, and clear plan for delivery from September 2017.*

- **Community entrepreneurialism:** To increase business start-up and survival in deprived neighbourhoods and amongst excluded groups. Encouraging current and future community entrepreneurs. This workstream is about cohesion, enterprise and building community capacity. *Completed mapping of activity, learning regarding what's worked in area based initiatives, held discussion with community anchors regarding their role. Calderdale and Wakefield leading.*
- **People Powered Productivity:** To significantly improve productivity levels in the LCR to improve market competition by focusing on 'people powered' solutions. A business led workstream. *Grant Thornton developing approach with WY thematic workshop in autumn. KPMG committed to Oct / Nov workshop in Bradford around good practice with follow up event in Leeds. Bradford/WYCA leading.*
- **Metrics.** To identify and establish a set of data based indicators that will form an 'inclusive growth dashboard' for the city region that enable us to monitor how well the benefits of economic growth are being shared across different parts of the city region and across different demographic, ethnic and socio-economic groups. *This enables us to identify priorities for action and demonstrate our impact and progress in addressing them. The metrics create an evidence base to support the case for investment in the inclusive growth agenda. WYCA/Bradford leading*
- **Poverty Standards:** To achieve robust and consistent standards of practice, policy and process in our approaches to alleviate and mitigate the impacts of poverty and inequality. Consistency of 'offers' in place for residents living in or vulnerable to, poverty across the WYCA geography. *Standards in process of identification and agreement. Kirklees leading and Leeds supporting.*
- **Supporting Low Paid Workers:** To understand and take action to alleviate in-work poverty in Local Government; ensuring that the lowest paid workers are properly remunerated, treated fairly and that best practice is shared. *Following on from No Silver Bullet, next phase of 'getting our own house in order'. Leeds leading.*
- **Employability and work readiness:** To ensure that everyone with the potential to work is able to access and progress in rewarding and properly remunerated employment. *Scale of existing investment explored and skewing to achieve even greater IG benefits. WYCA leading.*
- **Community Engagement:** To listen to the authentic voices and the lived experience of those not benefitting or contributing to Inclusive Growth. Create an IG programme that makes a tangible difference to their lives. *Scoping project with locality and community anchors. Calderdale leading.*
- **Ambition for WYCA / SEP:** To ensure that WYCA and constituent Authorities will shift current policies to deliver Inclusive Growth and expedite what can be done with existing and potential additional powers. *See Embedding Inclusive Growth.. JRF leading.*
- **Industrial Strategy:** To influence government, stakeholders and colleagues to develop a place based industrial strategy that sets out a shared binding mission, cultivating civic entrepreneurship and embedding inclusive growth. *Agreement on development inclusive industrial strategy at WYCA on 3/8. WYCA leading.*
- **Embedding Inclusive Growth.**

Joseph Rowntree Foundation have reviewed WYCA/LEP Strategic Economic Plan and associated documents. WYCA leadership team have discussed the report and each team in WYCA are now identifying programmes, projects and approaches to be shifted to embed inclusive growth; how they might be adapted and the policy shifts or political decisions required to do so.

Bradford and Leeds Growth Strategies are out to consultation following full consideration of Inclusive Growth. Wakefield updated their Growth Strategy in light of recent thinking and Calderdale and Kirklees are preparing their approaches.

o **Sharing skills, innovation and capacity**

We have developed a commonwealth approach to the design, delivery and monitoring of Inclusive Growth. Thus, the IG project has a virtual Team of 18 officers, a Core Group of 8 officers and a Steering Inclusive Growth Group of Members, private, public and third sector regional stakeholders. The project has created an Inclusive Growth Champions Group comprising 8 elected (Members who are not Leaders of Councils) but who will champion the agenda in their political groups. There is a regular update to all officers relevant to the programme c.200 every six weeks.

The Virtual Team initially developed the vision of Inclusive Growth, identified the members of the Core Group and the metrics most compatible for each Authority. We have had three further workshops where the Virtual Team has explored the Inclusive Place, the Inclusive Organisation and stakeholder engagement. The Core Group meets every second week and has designed and are delivering the work programme.

o **Influencing**

The launch of the RSA Inclusive Growth commission launched in Bradford, the RSA work closely with WYCA on their thinking and LCR have been used as examples of good practice on numerous occasions. JRF have supported the programme by seconding a senior officer for one day per week and are co-funding the anchor workstream. Think tanks, Universities, private and public agencies are aware of our programme and utilising the expertise of the Core Group, including; PWC, Grant Thornton, Northern powerhouse, the Peoples Powerhouse, Policy and Practice, Spacehive, TU's, OECD, KPMG, CLES and IPPR.

3. Financial Implications.

3.1 There are no immediate issues.

3.2 We are currently running on the 'art of the possible'. There is no budget and limited capacity, as a result some workstreams have stalled whilst resources are found to support them e.g. Anchor programme.

3.3 The lack of a devolution deal reduces our ability to plan and invest long term, particularly in neighbourhoods and communities who need it the most.

4. Legal Implications. There are no legal implications

5. Staffing Implications.

There are no immediate issues but for the project to gain full momentum more capacity is recommended.

6. External Consultees. The overall content of this report has been subject to discussion with the Steering Inclusive Growth Group.

7. Recommendations. That the Scrutiny Committee welcomes and endorses the report.

8. Background documents

8.1 Appendix A – More detail on workstreams.

8.2 Appendix B - The Inclusive Place

8.3 Appendix C – WYCA report



Work Programme 1 Update

Anchor/Inclusive Organisations:

Ambition

Utilising economic assets, producing high quality, well paid good jobs and building capacity of local supply chains.

Anchors committed to being Inclusive Organisations and to acting on shared priorities.

Outcomes:

- A greater proportion of anchor organisations procurement spend in the local area – leading to greater opportunities for local businesses;
- Increased number of ‘good’ job opportunities for local people;
- Better support and conditions for lower paid workers, improving quality of life and inclusion and supporting circulation of money into local economies;
- Routes into flexible apprenticeships for those with low level qualifications (including adults);
- Enhance productivity through people powered change, improving management and supervision to solve the productivity puzzle.

Phases

Catalysing change by working with the anchor institutions already recruited to the programme (at least 5 and potentially 7 FE colleges and a university) as well as local authorities and WYCA.

Develop a clear framework for what is expected of anchor organisations in the city region. Scoping a ‘responsible business standard’ for West Yorkshire/Leeds City Region which recognises the contribution of different types and sizes of organisations and businesses in the region. Establish basic set of minimum standards for procurement (place based, connected to social values work & in partnership with YPO).

An extended programme of action which targets a wider range of anchor institutions over a broader range of activity. Tracking Anchor Institutions wider contributions to the local community.

Alongside this work, Grant Thornton are exploring support for a project on ‘people powered productivity’, which will focus on business to business advice and support for SMEs in the region. It is envisaged that phase two of this work will require liaison with this project.

Community entrepreneurialism:

Ambitions

Increasing business start-up and survival in deprived neighbourhoods and amongst excluded groups. Encouraging current and future community entrepreneurs. This workstream is about cohesion, enterprise and building community capacity.

Outcomes:

- Growth of community entrepreneurialism;
- Shift from the informal to formal economy;
- A culture of entrepreneurialism is fostered and embedded in communities and individuals,

and barriers to entrepreneurialism are reduced or removed;

- Local community anchors and anchor institutions maximising their role and collaborating as economic assets committed to driving Inclusive Growth and action on shared priorities within that;
- More businesses and employment in deprived neighbourhoods and traditionally economically excluded cohorts.

Phases

- Relevant communications to engage and test appetite, including at the most basic one-to-one level using role models and community organisers.
- Map existing Corporate Social Responsibility Activity of Anchor Institutions and engage with Anchor Institutions to explore how they might use in-house skillsets as alternative CSR offer.
- Engagement with 3rd sector to identify barriers/opportunities for start-ups/ business growth in deprived areas.
- Extend connections between community anchors and tiers of intervention to better reach local areas and disadvantaged neighbourhoods.
- Facilitation of collaborative approaches between anchors.
- Research into past programmes i.e. New Deal, SRB.
- Explore sibling approach of enterprise mentoring across communities.
- Targeted business support for start-ups/microenterprises in more deprived neighbourhoods

and harder to reach cohorts – for start-up survival and growth.

Metrics:

Ambition

To identify and establish a set of data based indicators that will form an 'inclusive growth dashboard' for the city region that enable us to monitor how well the benefits of economic growth are being shared across different parts of the city region and across different demographic, ethnic and socio-economic groups. This will enable us to identify priorities for action and demonstrate our impact and progress in addressing them. The metrics will create an evidence base to support the case for investment in the inclusive growth agenda.

The metrics will be understandable and meaningful to the full range of stakeholders. Ultimately, they will support accountability, provide focus, drive performance and delivery, guide allocation of resources and contribute to the active engagement of local people in the inclusive growth agenda.

Outcomes:

A clearly understood and effective set of indicators that will underpin strategic decision-making and practical action.

Our approach:

- To understand how the benefits of economic growth are being spread across the city region;
- Helps us to identify needs, priorities and outcomes (what difference we want to make and for whom);
- Measures impact of the actions we are taking;
- Makes the case for investment in the inclusive growth agenda;
- Provides an evidence based to underpin our theory of change;

- Is easily communicated and understood by a wide range of stakeholders.

Phases

- Initial framework of metrics / indicators that reflects our approach to inclusive growth.
- Identify key priority groups for inclusive growth and assess / track their position against relevant metrics.
- Initial baseline assessment using these indicators.
- Headline dashboard using a small number of key indicators.
- Input to inclusive growth blog.
- Summative evaluation of the LCR inclusive growth programme at a suitable point in time.

People Powered Productivity:

Ambition

To significantly improve productivity levels in the LCR to improve market competition by focusing on 'people powered' solutions.

Outcomes:

- Our economy performs more effectively through having a more skilled and motivated work-force;
- We are able to support and improve people productivity in areas most associated with low skills and low pay;
- We will show how high performance working practices improve productivity, pay and profitability.

Phases

- Developing framework via the LEP business support offer; reflecting "*How good is your*

business really" principles, High Performance Working Practices

- Private sector advocates engaged, GT, PWC, KPMG.
- Expanding Engage for Success programmes in the region.
- Flexible hiring creating more access to quality jobs.
- Redirect investment of the LEP skill services, B2B approach, Project Manager seconded from the business sector. Council' also investing in programmes e.g. Timewise, Masterclass programme.
- Link to National Workforce Strategy.

Poverty Standards:

Ambition

To achieve robust and consistent standards of practice, policy and process in our approaches to alleviate and mitigate the impacts of poverty and inequality.

Outcome:

Consistency of 'offers' in place for residents living in or vulnerable to, poverty across the WYCA geography.

Phases

- Map agreed indicators relating to "Poverty Standards", for example:

Reducing the poverty premium in relation to the costs of: energy and services, food and access to credit. For example: access to basic financial products such as a bank account, the ability to use social housing rent payment history to benefit from an improved credit rating, access to fair and competitive energy tariffs and ability for lower income householders to move from traditional prepayment arrangements to credit based accounts.

Enable the maximisation of benefit uptake, access to Free School Meals, and access to free nursery provision.

- Buddy officers across the Districts to work on specific areas where improvement is required to meet "Poverty Standards".
- In partnership with WYTS, increase money management and budgeting skills, raise awareness of scams, frauds, doorstep lenders and to improve confidence in consumer rights.
- Support disadvantaged communities to connect to better paid employment.

Community Engagement:

Ambition

Listen to the authentic voices and the lived experience of those not benefitting or contributing to Inclusive Growth. Create an IG programme that makes a tangible difference to their lives.

Outcomes:

- Residents in LCR are engaged with Inclusive Growth;
- Communities and citizens understand how they can contribute to and benefit from the agenda;
- Greater cohesion, equality and entrepreneurialism within communities.

Phases

- Link with Community Entrepreneurial workstream to map approach.
- Identify best way of utilising community anchors to connect and engage with citizens.
- Set up work programme e.g. meetings, workshops.

- Use behavioural insight as a key tool to changing behaviour i.e. understanding the limitations of council activity and becoming engaged citizens.
- Digital inclusion a key instrument for tackling poverty and creating skills and work opportunities.

Ambition for WYCA / SEP:

Ambition

WYCA and constituent Authorities will shift current policies to deliver Inclusive Growth and expedite what can be done with existing and potential additional powers.

Outcome:

West Yorkshire Combined Authority is aware of the powers, policies, and delivery mechanisms in place to deliver inclusive growth in the city region. WYCA using uses existing powers and shifting programmes and projects to embed Inclusive Growth. WYCA is aware of what more could be done with additional powers to create and sustain Inclusive Growth.

Phases

Evidence base for inclusive growth is utilised to provide framework to analyse current progress of WYCA and constituent authorities

- Joseph Rowntree Foundation (JRF) review WYCA/LEP Strategic Economic Plan and associated documents.
- Complete Report on SEP and associated documents.
- JRF/RR presented report to WYCA leadership team.
- JRF/RR attended WYCA Department meetings to discuss report contents.

- JRF/RR attended WYCA leadership team meeting to discuss actions.
- Final reports to WYCA leadership team due 28/07/17 identifying current programmes to be adapted to embed inclusive growth.
- Decision making on policy shifts to be arranged.

Supporting Low Paid Workers:

Ambition

To understand and take action to alleviate in-work poverty in Local Government; ensuring that the lowest paid workers are properly remunerated treated fairly and that best practice is shared.

Outcomes:

- As Inclusive Organisations we will support our lowest paid workers to alleviate in- work-poverty;
- Inclusive organisations will demonstrate improvements in pay, productivity and employee engagement amongst their lowest paid staff.

Phases

Under the Low Pay Charter we will develop specific products and interventions. Our headlines are:

- Living Wages
- Pensions schemes
- Apprentices and Life- long-learning
- Health and Wellbeing
- Employee benefits
- Approaches to flexible working

This work will be linked to programmes to support Anchor organisations to alleviate in-work poverty:

- Living Wages - Develop a Regional Position statement

that links progressing Living Wages with the NJC Pay Award due in April 2018;

- Track progress on adoption of Living Wages in each Council;
- Pensions Best Practice Guide to encourage low paid employees to be LGPS members;
- Discuss option to improve membership with the West Yorkshire Pension fund;
- Work with the LGA on options to share best practice/learning exchange, including:
 - Commissioning of learning providers.
 - Recruitment of apprentices.
 - In-work progression.
 - Part-time apprentices.
- Develop a regional protocol with the TUC on best practice.
- Wellbeing Programmes - HRDs to review impact and consider minimum standards.
- Roll-out and optimise benefits for lowest paid employee.
- Consider implications from York and propose recommendations for rest of WY.
- Develop best practice approaches and work-shops on key themes – e.g. agency workers, apprentices, pensions, flexible working/TIMEWISE.
- Masterclasses on Low Pay and Impact Assessments.
- Council's to implement appropriate policy/practice reviews.

Industrial Strategy:

Ambition

Influence government, stakeholders and colleagues to develop a place based industrial strategy that sets out a shared binding mission, cultivating civic entrepreneurship and embedding inclusive growth.

Outcomes:

- An inclusive industrial strategy with a strong city region focus that improves social and economic outcomes (living standards, particularly for low and middle income);
- Major productivity improvements (and improvements in the drivers of productivity). Monitor the jobs rate;
- Dynamic place leadership powers devolved to the right level;
- People reassured about economic shocks (Brexit).

Phases

- Formal LCR (WYCA and LEP) response to the Green Paper
- Snappy summary of LCR headlines – focusing on improvements in the drivers of productivity, the importance of devolved powers to the right level and ensuring this makes a difference for everyone.
- Responses from others (districts, plus Core/Key Cities, etc.) which sit neatly alongside the city region approach.
- The policy core runs across city region business planning (e.g. economic services).

Employability and work readiness:

Ambition

Everyone with the potential to work is able to access and progress in

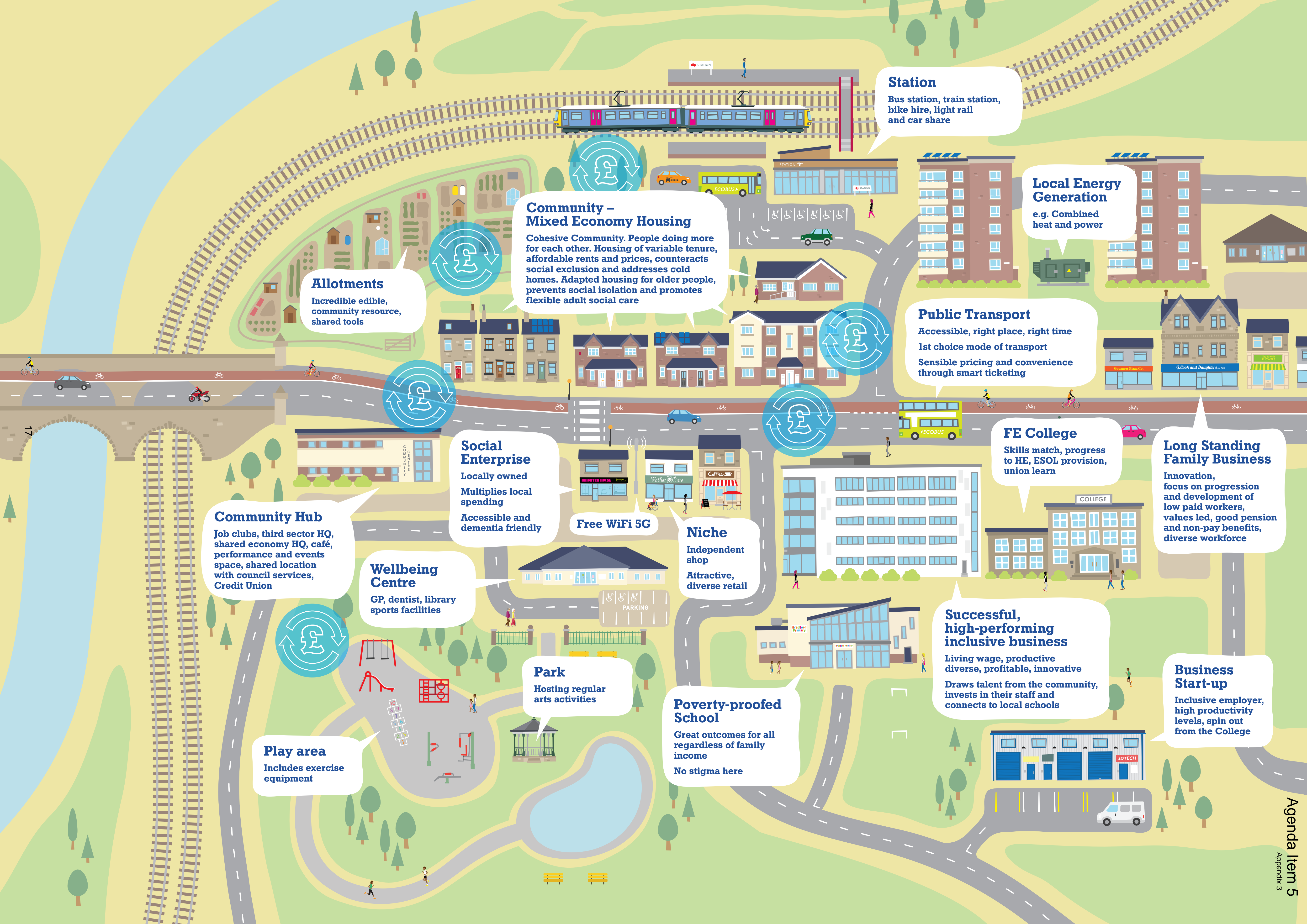
rewarding and properly remunerated employment.

Outcomes:

- Reduce by 25% the 12,400 workless households in LCR where everyone over 16 is economically inactive;
- Become NEET free (currently 8,730 claimants of out of work benefits aged 16- 24);
- Reduce % of working households in receipt of in-work benefits from 20% to 16% by 2020;
- Increase the employment rate for those aged 16-64 and EA core or work- limiting disabled from 49% to 60%.

Phases

- Local Labour Market Information and Intelligence
- Adult Education Budget (AEB) and ESIF T8 and T10 programmes including support for unemployed people, NEETs, apprenticeships, in-work claimants and for those in target cohorts to progress in learning and employment
- Enterprise in Education programmes - WYCA will deliver enhanced activity to 6,000 pupils from the most deprived wards in LCR.
- Share the learning and best practice from pilot approaches to improve social mobility in the “Opportunity Area” in Bradford.
- WYCA local employment “Gateway” to maximise the benefits of major infrastructure investment by requiring developers to engage with schools, recruit apprentices and recruit new entrants.



Station

Bus station, train station, bike hire, light rail and car share

Local Energy Generation

e.g. Combined heat and power

Community – Mixed Economy Housing

Cohesive Community. People doing more for each other. Housing of variable tenure, affordable rents and prices, counteracts social exclusion and addresses cold homes. Adapted housing for older people, prevents social isolation and promotes flexible adult social care

Allotments

Incredible edible, community resource, shared tools

Public Transport

Accessible, right place, right time
1st choice mode of transport
Sensible pricing and convenience through smart ticketing

Social Enterprise

Locally owned
Multiplies local spending
Accessible and dementia friendly

Free WiFi 5G

Niche

Independent shop
Attractive, diverse retail

FE College

Skills match, progress to HE, ESOL provision, union learn

Long Standing Family Business

Innovation, focus on progression and development of low paid workers, values led, good pension and non-pay benefits, diverse workforce

Community Hub

Job clubs, third sector HQ, shared economy HQ, café, performance and events space, shared location with council services, Credit Union

Wellbeing Centre

GP, dentist, library sports facilities

Park

Hosting regular arts activities

Poverty-proofed School

Great outcomes for all regardless of family income
No stigma here

Successful, high-performing inclusive business

Living wage, productive diverse, profitable, innovative
Draws talent from the community, invests in their staff and connects to local schools

Business Start-up

Inclusive employer, high productivity levels, spin out from the College

Play area

Includes exercise equipment

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Directors: Rob Norreys, Director of Policy, Strategy & Communications and Ruth Redfern, Project Director for Inclusive Growth
Author: David Walmsley



Report to: West Yorkshire Combined Authority

Date: 3 August 2017

Subject: A city region policy and funding framework for inclusive growth

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12a, Local Government Act 1972, Part 1	

1. Purpose

- 1.1 To seek agreement of WYCA to, in principle, broaden its policy remit to ensure it can make a positive impact on both direct and indirect drivers of inclusive growth. This has the consequence that a broader range of investment interventions might be considered for WYCA investment, subject to there being available funding and due process with broader criteria about the full range of positive benefits.

2. Information

- 2.1 The Strategic Economic Plan (SEP) sets the city region's strategic vision and, through four pillars¹, the direction of transformative investment that will build the conditions for growth. These plans have secured the backing of government, who have committed £516.35m through three growth deal rounds between 2014 and 2017.
- 2.2 While the SEP has a broad range of 'good growth' measures, the particular growth deals that follow – in accordance with government guidance² - focus on creating new jobs and homes. This follows through into the prioritisation criteria³ for proposals put forward by local authorities, colleges and other partners. Growth Deal funding is fully committed against specified projects and programmes. While there is some local freedoms and flexibility, any significant changes to the agreed programme must be notified to government, explaining the rationale.

¹ The four pillars are: Growing Business; Skilled People, Better Jobs; Clean Energy and Environmental Resilience; and Infrastructure for Growth.

² <https://www.gov.uk/government/publications/growth-deals-initial-guidance-for-local-enterprise-partnerships>

³ This is built in to the LCR Single Assurance Framework, agreed by the WYCA and LEP Board in February 2017

- 2.3 In response to growing concerns about living standards, the WYCA and LEP Board initiated an inclusive growth project in autumn 2016. This followed increased in-work poverty, feelings of disconnection from public decision-making and that the benefits and consequences of globalisation have been shared unfairly. The project has five outcomes:
- i. Reduce the number of people in poverty by 20%;
 - ii. Increase earnings of workers at the 20th percentile of the earnings distribution faster than those at the median;
 - iii. Triple the number of inclusive / anchor organisations;
 - iv. Reduce the employment rate gap for all disadvantaged groups (e.g. disabled people, BME) by half;
 - v. Reduce the attainment gap for disadvantaged groups at different stages of the life course e.g. pupils eligible for free school meals, pupils / students in deprived wards.
- 2.4 The project has brought together city region authorities, business, voluntary and community groups and has established ten workstreams, with the goals of:
- i. Recognising that growth is a social system, not an economic machine;
 - ii. Listen to authentic voices and lived experience of those not benefiting or able to contribute to inclusive growth. Create an inclusive growth programme that makes a tangible difference to their lives;
 - iii. Create more good jobs with security, opportunity for progression, and paid at least the living wage, that are accessible to everyone with the potential to work, including the most disadvantaged groups;
 - iv. To achieve robust and consistent standards of practice, policy and process in our approaches to alleviate and mitigate the impacts of poverty and inequality;
 - v. Create the environment where all children from low income backgrounds succeed in school;
 - vi. Maximise the power of anchor institutions as inclusive organisations;
 - vii. Creating a diverse housing offer of tenure, size, shape and cost;
 - viii. Foster connections within communities to create and implement locally led economic and social solutions, increasing business start-ups and survival in deprived neighbourhoods and encouraging community entrepreneurs;
 - ix. Invest in early intervention and prevention wherever possible;
 - x. Create socio-economic policies, making the connections, recognising that health, social care, careers, culture and the arts are part of our inclusive growth evolution;
 - xi. To significantly improve productivity levels to improve market competition by focusing on people powered solutions, understanding that 'good work' comes from a workforce that is well managed, supported, reasonably paid and well led;
 - xii. Develop a place based industrial strategy that delivers inclusive growth, making the most of powers WYCA and local authorities already have, and calling on government to ensure we have the powers, functions and funding to deliver our objectives.

2.5 Specifically, the inclusive growth project is in the process of delivering:

- Refocused WYCA activity, reorienting established services to make a bigger impact for those suffering the greatest disadvantage. For example, the enterprise adviser offer for schools will focus on children in the most deprived communities and 6,000 of our most deprived young people will have an enhanced offer, ensuring they have meaningful contact with employers to help shape their career choices;
- A business led people-powered productivity model;
- Utilisation of our economic assets, an enhanced procurement deal with business, developing anchor institutions/inclusive organisations that lever in the capacity of the supply chain, protect lower paid workers and regard poverty as a protected characteristic;
- Increased business start-up and survival in deprived neighbourhoods and amongst excluded groups;
- A clearly understood and effective set of indicators that will underpin all our decision making and practical action from strategy and policy to impact assessments, action planning and portfolio management.

2.6 The recent Queen’s Speech confirmed government’s intention to “*spread prosperity and opportunity across the country through a new modern industrial strategy*”. More productive firms are the only effective way for wages and living standards to increase sustainably. Government’s commitment follows its spring consultation, where the city region put tackling the productivity gap at the heart of its industrial strategy. There are two aspects to this:

- i. The city region being on the front foot with policy interventions about direct and indirect determinants of growth and productivity. This will increase business competitiveness and good work so the benefits are shared fairly across society; and,
- ii. Having the requisite finances and powers necessary to deliver those transformations.

2.7 On the first aspect, the city region has many ingredients of a strong, front-footed industrial strategy position to improve competitiveness and ensure the benefits are shared fairly. The LEP Board resolved in the spring to note proposals to review and refresh the SEP/Industrial Strategy and, following work to update the evidence base, will consider the matter further in September.

2.8 The refresh will result in **a single, bold top-level city region strategy owned by both the LEP and Combined Authority, with inclusive growth at its core**. This will guide decision-making over a strategic programme of activity tailored to inclusive growth. A Steering Inclusive Growth Group (SIGG) has already been established with representatives from business, different tiers of education, voluntary and faith groups. The proposal is for this Group to be formalised into an advisory Panel to the WYCA and LEP Board, possibly with a wider public service remit to tackle poverty. All

Panels will continue to be responsible for driving the inclusive growth outcomes of the single, top-level strategy set by the LEP Board and WYCA.

2.9 The approach to a bold city region industrial strategy incorporates:

- Refreshed bottom-up district growth strategies identify the local interventions to foster growth, including effective spatial planning and education systems;
- The current Strategic Economic Plan and delivery of the £516m growth deal programme across the city region;
- Opportunities to better recognise the contribution that indirect determinants of growth make to a more productive and fairer society. This covers, for example, stronger recognition of the contribution of cultural, arts and sporting assets to a high quality of life and ensuring the city region retains its status as an attractive and influential place;
- Working across the North to improve inter-regional connectivity and capitalise on the international appeal of the Northern Powerhouse.

Each element is important in its own right, but partners believe there is added value in bringing together activity that is best pursued at the city region level to allow for more strategic and effective decision-making.

2.10 The second aspect - funding and powers – is more challenging. The WYCA and LEP Board have an agreed policy position calling for a significant single pot subject to local control. Currently, city-region funding streams comprise:

- Growth Deal – 100% capital investment targeted at new jobs and homes, allocated against agreed programmes with changes requiring notification and explanation to officials;
- European funds, where the local ESIF Committee has influence over the calls made by UK government departments. As the UK exits the EU, government is considering its approach to repatriated funding – and is consulting on how a UK Shared Prosperity Fund might help rebalance growth and prosperity across the UK, as well as contributing to deficit reduction.
- Other funding, including receipts from the city region business rates pool, growing places fund and commercial investments in the Revolving Investment Fund.

This picture portrays several serious challenges. First, the aggregate investment is significantly below that in other major English city regions (see fig. A). Second, the degree of local control is significantly less than other major city regions. Third, the exceptionally high level of capital funding means there is too little revenue to support proposals (particularly that aren't part of the SEP/Growth Deal). Fourth, there are insufficient local fiscal powers to rebalance this.

Figure A – Approximate total of delegated and devolved funding⁴ provided by government to Combined Authority areas per head of population (2014 – 2017)

Combined Authority area	Funding (£/head)
Greater Cambridgeshire, Greater Peterborough	£1,292
West of England	£1,288
Sheffield City Region (South Yorkshire)	£938*
Tees Valley	£860
Liverpool City Region	£806
Greater Manchester	£760
West Midlands CA	£675
Leeds City Region (West Yorkshire CA)	£303**

* Assumes South Yorkshire authorities implement the SCR deal. The gainshare element is not yet being paid (so current amount in Growth Deals only is £271/head).

** Unlike funding elsewhere (all a mix of revenue/capital), this is all capital and committed so any additional schemes must replace things that had already been agreed.

- 2.11 There may also be opportunities for partners to pursue fiscal freedoms. For example, places might agree arrangements with government to tackle poverty or social/economic exclusion, where avoided costs (such as welfare savings) and reduced demand are used to fund preventative work.
- 2.12 Work is underway to review and – as far as possible – align these funding streams so the WYCA / LEP are able to use their investment to make the greatest possible impact on inclusive growth, quality of life and the standing of the city region. This work will be tailored according to the steer from WYCA about its policy range, with possible future decisions about assurance criteria.

3. Financial Implications

- 3.1 The purpose of this report is to agree to re-orientate financial decision-making so that it better takes account of the needs for the city region's economy to be one that

⁴ This comprises three rounds of Growth Deal, devolution gainshare monies and other devolved investment or transformation funds. It does not include funding streams where devolved areas more influence – such as skills budgets or work/health programmes. Numbers are approximate as several areas have overlapping LEPs where it is impossible to disaggregate funding for different parts of the LEP that are within/outside the CA area. Assumptions are consistent.

grows even more, and is more effective at sharing this growth fairly to address poverty and inequality.

- 3.2 While there are no immediate and direct financial implications arising as a result of this report, without further investment or significant changes to fiscal powers, it is likely that WYCA will have insufficient resources to fund a interventions for its extended policy range.

4. Legal Implications

- 4.1 There are no direct legal implications arising from this report.
- 4.2 WYCA has the power of general competence in respect of economic development and regeneration matters.

5. Staffing Implications

- 5.1 Broadening the WYCA's range requires capacity and expertise from WYCA, local authorities and other partners. This can largely be provided within existing resources, subject to (i) ongoing organisational redesign and (ii) cooperation and support from partners (including universities, local authorities, government departments, business groups, etc.).

6. External Consultees

- 6.1 The content of this report has been subject to discussion with the Chair of the Investment Committee and Inclusive Growth Steering Group, and LEP Board Chair.

7. Recommendations

- 7.1 That WYCA:
 - 7.1.1 Agrees, in principle, to broaden its policy remit to ensure it can make a positive impact on factors that drive inclusive growth.
 - 7.1.2 Agrees to formalise the Steering Inclusive Growth Group (SIGG) into an Inclusive Growth Panel, with a further report to the Combined Authority to set an appropriate remit over public services and tackling poverty.
 - 7.1.2 Agree in principle to review WYCA programmes to take account of inclusive growth, subject to the conditions on delegated funding.
 - 7.1.3 Further notes that currently, funding streams are likely to prove insufficient and inflexible to resource a wider range of city region investment interventions. WYCA, therefore, seeks to maximise resources (e.g. Shared Prosperity Fund) and secure more freedoms over in year spending.

8. Background Documents

8.1 The following background documents have influenced / are cited in this report:

- LEP Board (17 May 2017) – Industrial Strategy response and SEP refresh presentation
- WYCA / LEP Board (21 March 2017) – response to Industrial Strategy green paper
- WYCA (1 December 2017) / LEP Board (23 November 2016) – Ensuring Good Growth Benefits All - initiating a city region inclusive growth project
- WYCA (all) / LEP Board (all) – growth deal update;
- WYCA (2 February 2017) / LEP Board – agreement of single appraisal framework

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Director and Author: Angela Taylor,
Director of Resources



Report to: Overview and Scrutiny Committee

Date: 20 September 2017

Subject: Loan to Oxford GB2 (Leeds Hilton)

1 Purpose

1.1 To consider calling in the project for scrutiny.

2 Information

2.1 Members may already be aware of a LEP loan of £4.8m made to Oxford GB2 in 2013 to enable the construction of a hotel near the Leeds Arena. In 2015 the company went into administration and work on the site ceased. The loan was made from the Growing Places Fund which is designed to support investment in 'difficult,' higher risk projects. There have been some notable successes within this portfolio of projects, however this particular project has attracted media attention for the stalled project.

2.2 It is proposed that a small task and finish group, led by the Chair, undertakes a review of this project and seeks to understand any lessons learnt. Appendix A sets out some proposed lines of questioning for the review.

3 Financial Implications

3.1 None arising directly from this report.

4 Legal Implications

4.1 None arising directly from this report.

5 Staffing Implications

5.1 None arising directly from this report.

6 External Consultees

6.1 None.

7 Recommendations

7.1 That the Committee agree to establish a task and finish group to consider the questions as set out in Appendix A with regard to the Oxford GB2 loan.

8 Background Documents

8.1 None.

O&S Working Group OGBT – Lines of Questioning

1. Map out the position with the Growing Places Fund, setting out the loans made & history / loans rejected
2. What was the decision making process for the OGBT loan, including the report sent to the decision making body at the time, the extent of due diligence work undertaken and in particular how the element(s) of risk were presented/calculated, as well as the OGBT company structure and its Directors.
3. Is it clear how Leeds City Council managed a potential conflict of interest as both accountable body for the LEP and interested party in making this deal happen?
4. Do we have the LEP Board disclosure policy and are declarations recorded on the Board paper (s) for this project?
5. Who approached the LEP for this project to be considered? Is this in the Board papers?
6. After approval of the loan how and when was funding released to OGBT? How would this happen under today's governance arrangements? Have payment arrangements remained the same for all loans – ie ones that were approved by LEP Board and then ones approved through CA?
7. Relationship with Co-op Bank
 - What risk were we running as junior lender?
 - Who was the legal advisor on intra creditor agreement?
 - Did we utilise the intra creditor agreement to force the Co-op to take action once work stopped on site? If not why not?
8. What happened between March 15 (when work on site ceased) and Feb 16 (when liquidators were appointed)?
 - What legal advice did we get?
 - What was the Co-op doing during the period when work stopped and before the administrators were appointed?
9. Set out the facts we understand about the current negotiations, to include who is the current site owner, to clarify stakeholder involvement (such as Standard Life) and future plans for the site?
10. What is the role of the Co-op bank? What have they been doing throughout this?
11. Does WYCA have a policy position on being the junior lender in these arrangements? Was a position established at the start of the programme?
12. Going forward, what is the role of pre-decision scrutiny? Should this be linked to how 'difficult' decisions are made? For example, are these key decisions and/or areas of conflict of interests?
13. Do we or any of the WY authorities have investments with OGB2 or its Directors?
14. To consider potential invitees to a future meeting eg Panel Chair, Co-op Bank, LCC Chief Executive, accountable officer at the time, Cllr Andrew Carter.

15. To consider implications of difficult decisions being made by email rather than face to face meetings.

Director: Angela Taylor, Director of Resources
Author: Cath Pinn



Report to: Overview and Scrutiny Committee

Date: 20 September 2017

Subject: WYCA Office Accommodation

1 Purpose

- 1.1 To update Overview and Scrutiny Committee (OSC) on the WYCA Head Office Accommodation Project on the scope of the work underway to assess the feasibility of refurbishing Wellington House in line with the decision made at the last meeting of WYCA.

2 Information

- 2.1 At its last meeting the Committee considered the report presented to WYCA setting out options for head office accommodation. It was noted that WYCA considered that refurbishing Wellington House appeared to offer on balance the best solution to WYCA's needs and approved the commencement of feasibility work. This work will provide full plans and costings and confirm that the required objectives can be met by a refurbishment programme. This Committee requested sight of the scope and parameters of the feasibility work and this report sets out that further information.
- 2.2 The previous report noted the reasons why WYCA accommodation needs immediate attention:
- The split site between Wellington House and City Exchange is hampering our ability to build a single culture because of the perpetuation of 'old' ways of working;
 - The lease on City Exchange is coming to an end and a substantive new solution needs to be found for the staff there;
 - Wellington House is in urgent need of investment – in the facilities (toilets, lifts, water supply, ICT), quality of the office environment and furniture, and entrance/meeting room quality;
 - The shabby nature of Wellington House is contributing to perpetuation of old cultures;
 - With an increasing number of external partnership meetings, the facilities in Wellington House (meeting room, webcasting, wifi, break out areas etc) radically need improving.

2.3 The report also set out the principles required to be met in the preferred option:

- Partnership: The WYCA site needs to be highly accessible to partners from across the city region and the north. Initial soundings from Members, stakeholders and staff indicates that this requires the public transport accessibility of central Leeds, close to the railway station. Leeds is the most accessible point on the public transport network, and works for both inter and intra-city region connections. Additionally the accommodation has to be 'owned' by all partners such that they should feel free to use it when they wish and have drop-in provision – an office in central Leeds would best fulfil this requirement.
- Cost minimisation: WYCA does not have any significant reserves that can be invested in buildings. However, on top of this the revenue costs of Wellington House, of £0.7m pa, are much less than the £2.5m pa that our property advisors indicate WYCA would have to pay to lease higher quality accommodation on another site in central Leeds.
- New culture: the accommodation should reflect the new values and culture of WYCA.
- Future proofed: an uncertain future means WYCA should avoid locking itself into overly constraining leasing or other arrangements. This also requires flexibility in the use of space, so that, for example, a Mayor's office could be created if required.

2.4 A preferred option of refurbish, sell later was endorsed by WYCA. This was based on initial feasibility work which suggested that the required workspace and meeting rooms could be accommodated within a refurbished Wellington House. Over the longer term this was felt to be the most cost-effective option, since the additional costs would eventually pay back through avoiding the costs of leasing space in City Exchange or elsewhere, and potentially more quickly if the market for commercial property in Leeds improves and values rise due to HS2.

2.5 The approval from WYCA was to progress to a detailed design, costs and plan to enable a final approval to be sought early in 2018 to commence works. The works are expected to cost up to £4m on a combined programme of refurbishment and dilapidations and will be completed by August 2019, in time for the next breakpoint opportunity in the City Exchange lease.

Progress to date on the Preferred Option

Project Scope

2.6 Work has been underway over the past couple of months to further define the project, taking into account the issues and principles set out above. The following scope has been agreed for the project:

- Provide office accommodation in Wellington House for all WYCA's Leeds based staff (including City Exchange but excluding Leeds Travel centre and Bus Station

staff). The working assumption is the provision of 375 workstations, which on a flexible working and desk-sharing ratio of up to 7 workstations for every 10 people would enable us to base over 500 staff in Wellington House.

- Provide office accommodation that supports the changing culture of the organisation – a look and feel that is in line with WYCA’s values.
- Provide a highly accessible site to support partnership working.
- Future proof office accommodation to enable Wellington House to accommodate the future needs of the organisation in terms of the quantity of desks and facilities provided
- Support the approach to flexible working and provide standard meeting room facilities (including the ICT hardware)
- Provide a quality working environment that includes formal and informal meeting space
- Improve facilities, especially addressing the condition and capacity of toilets and kitchens / break out spaces and to support flexible working arrangements
- Refurbishment to Grade B standard on floors 1-4 (equivalent to the standard on 4th Floor) and to a higher standard for the ground floor meeting rooms suite to provide high quality spaces. Refurbishment of the building should facilitate the principles of flexible ways of working.

2.7 These works will include:

- Addressing building condition issues that are affordable within the cost envelope. These will be prioritised on an urgency/ opportunity basis as part of the feasibility works and provide a forward plan for addressing outstanding issues.
- Upgrading reception and the ground floor into a much more welcoming environment for our partners, visitors and public meetings.
- Improving facilities to ensure full disabled accessibility.
- Adding kitchen and informal meeting areas to each floor of office accommodation.
- Improving the quality and quantity of toilet facilities.
- Improving the quality and quantity of kitchen facilities.
- Upgrading facilities throughout the building such as the ventilation system, lighting, the lifts, and re-decorating and re-carpeting.
- Improving cycling and shower facilities.
- Adequate and improved meeting facilities for both external and internal meetings, with standardised facilities and ICT hardware to include informal meeting space on each floor.

- Adequate individual and team storage facilities which make most efficient use of the space available and reflect the Storage Strategy.
- Utilising the basement in the refurbishment design, whilst retaining 4 (TBC) parking spaces.
- All furniture required for the building refurbishment and flexible ways of working.
- All network and cabling ICT works required as part of the building refurbishment, i.e. ICT infrastructure.
- All works involved with decanting and temporarily accommodation staff during construction works, including accommodating Committee and Boards which currently take place in Committee Room A.
- Provision of a Members Lounge and 3 offices for Members/WYCA's Managing Director.
- Provision of a Contemplation Room.
- Accommodation of Urban Transport Group and Unison.
- Minimise costs as far is reasonable based on these objectives up to a cost envelope of £4m for all works including development, design, furniture, project management and WYCA staffing costs which are identified within scope.
- Complete project in time for all City Exchange Staff to be accommodated within Wellington House before the City Exchange lease expires in August 2019.
- Have regard to the public sector equality duty.

2.8 The scope is intended to deliver the following outcomes for WYCA:

- Better integrated organisation.
- Office accommodation that reflects the values and culture of WYCA and provides a comfortable place for people to come to work in.
- Meeting Room accommodation that is highly accessible of a high quality and is felt to be 'owned' by all WYCA partners.
- Office accommodation that is flexible and that has been future proofed to meet the changing demand of WYCA.
- Increased property value of Wellington House.
- Better utilisation of office accommodation.
- Flexible ways of working have been realised.

Project Interdependencies

2.9 The Wellington House Accommodation Project is part of the One Organisation Programme. This programme also contains a project looking at flexible ways of

working ie a programme of business change improving the way the organisation works, including for example hot-desking or working in other locations. This work will be key to the Wellington House Accommodation Project delivering its outcomes and making best use of its new accommodation. The dependencies between the two projects have been identified and the business change requirements will be a key consideration of the Feasibility Study.

Procurement of a Project Designer

- 2.10 The Project Team is in the process of procuring a Designer to deliver the design of the scope outlined above. The procurement will engage design expertise for the full life of the project, with the option of break clauses at the end of each design stage. The designer is being procured through the YORconsult Framework, which is used by local authorities and other public sector organisations and registered charities in the Yorkshire & Humber region to access construction related consultants. It is intended that the design consultant will be appointed in early October 2017.

Next Steps for the Project

- 2.11 Following the appointment of the Designer, the Feasibility will be progressed to be completed in early December. The feasibility study will confirm the deliverability of the scope within the maximum budget of £4m, it will also provide high level designs identifying:
- The number of workstations that will be created and options for locating teams throughout the building
 - The achievable improvement to the accessibility of the building
 - Design and capacity of the ground floor reception and meeting room suite.
 - Schedule of the structural and building condition issues works that will be delivered as part of the project.
 - Number and location of toilet, kitchen and showering facilities
 - Provision of informal meeting and breakout space throughout the building
- 2.12 These designs will then be shared with both external and internal stakeholders.
- 2.13 Going forward, the project will be appraised and assured in line WYCA's Assurance Framework. Once completed, the Feasibility Study will inform the project's Outline Business Case. This will be considered for recommendation by WYCA's programme Appraisal Team, before seeking Decision Point 3 (Outline Business Case) approval from WYCA on 1st February. At this point WYCA can consider based on the information provided (including a forecast outturn cost) whether the project should proceed and whether any additional development funding should be released.

- 2.14 In the interim, if members of the Overview and Scrutiny Committee feel that a site visit of Wellington House would be beneficial to their understanding of the project this can be arranged to take place at the end of the meeting.

3 Financial Implications

- 3.1 None as a result of this report. The project has received a £0.1m approval in order to progress a Feasibility study and Outline Business Case.

4 Legal Implications

- 4.1 None.

5 Staffing Implications

- 5.1 The project will be managed by internal staff resources.

6 External Consultees

- 6.1 As part of the project's engagement plan, external stakeholders will be contacted for their views on the designs.

7 Recommendations

- 7.1 That Members consider the information provided in this report and advise if any further update is required.

8 Background Documents

- 8.1 None.

Director and Author: Angela Taylor,
Director of Resources



Report to: Overview and Scrutiny Committee

Date: 20 September 2017

Subject: Forward Programme of Work

1 Purpose

- 1.1 To consider the work programme for the coming year.

2 Information

- 2.1 The Overview and Scrutiny Committee has considered a varied programme of work over the past year including flood resilience, corporate plan and priorities, NGT, LEP priorities, transport priorities, assurance framework, activities of the Investment Committee, governance changes and the evaluation of projects. Additionally devolution has been a standing item on each agenda and two task and finish groups have considered progress on delivery of the Strategic Economic Plan (SEP) priorities and delivery of the transport strategy.
- 2.2 The Committee has further meetings scheduled as follows: 15 November, 24 January and 23 March 2018.
- 2.3 It is recognised that the work programme should be flexible and able to be amended and supplemented as the year progresses. A number of items covered at the WYCA meeting of 29 June would appear to merit inclusion in the forward programme and are included in the list below.
- 2.4 Possible items for future meetings include:
- Budgets/funding
 - Flood alleviation (follow up of actions from the report)
 - Branding
 - Transport for the North
 - Performance/achievement against corporate plan.
- 2.5 WYCA is now producing a forward agenda plan and a copy of this is attached at Appendix 1 for information. Please note this is a live document and is subject to change. It is recognised that this may provide items for pre-decision scrutiny and the Committee is asked to consider if there are any items to add to future agendas.

- 2.6 The Committee is asked to consider items for the coming year. Continuation of the SEP task and finish group has already been noted and it is proposed that the transport strategy task and finish be reconvened. Nominations for this group are sought as two of the previous members of this group are no longer on this Committee.

3 Financial Implications

- 3.1 None arising directly from this report.

4 Legal Implications

- 4.1 None arising directly from this report.

5 Staffing Implications

- 5.1 None arising directly from this report.

6 External Consultees

- 6.1 None.

7 Recommendations

- 7.1 That the Overview and Scrutiny Committee consider items to be included in the work programme for the coming year.
- 7.2 That new Members for the transport strategy task and finish group be identified and the group be reconvened.

8 Background Documents

- 8.1 None.



**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY, 3 AUGUST 2017 AT COMMITTEE ROOM A, WELLINGTON
HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Susan Hinchcliffe (Chair)	Bradford Council
Councillor Tim Swift (Vice-Chair)	Calderdale Council
Councillor Peter Box CBE	Wakefield Council
Councillor Keith Aspden	York Council
Councillor Judith Blake CBE	Leeds City Council
Councillor Simon Cooke	Bradford Council
Councillor David Sheard	Kirklees Council
Councillor Nicola Turner	Kirklees Council
Professor Bob Cryan CBE	University of Huddersfield

In attendance:

Ben Still	WYCA
Caroline Allen	WYCA
Angela Taylor	WYCA (minute 38 only)
Angie Shearon	WYCA

27. Appointment of the WYCA Chair

The Authority considered a report of the Director of Resources in respect of a vacancy in the office having arisen to appoint a Chair of WYCA and review committee membership and committee chairing arrangements.

Councillor Box advised members that he was resigning as Chair of the Authority because he had been appointed to the national role of chairing the Key Cities Group. He would however remain a member of the Authority.

Members were asked to consider nominations for the position of Chair of the West Yorkshire Combined Authority and Councillor Susan Hinchcliffe was proposed and seconded.

In reviewing committee membership, it was agreed that Councillor Box be appointed as Chair of the West Yorkshire & York Investment Committee and Councillor David Sheard as Chair of the Steering Inclusive Growth Group.

Resolved:

- (i) That Councillor Susan Hinchcliffe be appointed as Chair of the Authority.
- (ii) That Councillor Peter Box be appointed as Chair of the West Yorkshire & York Investment Committee.
- (iii) That Councillor David Sheard be appointed as Chair of the Steering Inclusive Growth Group.

28. Chair's Comments

Councillor Hinchcliffe thanked members for their support and was honoured to be given the opportunity to lead the organisation and build on the partnership progress to ensure the City Region continued to prosper. She also thanked Councillor Box on behalf of the Authority for his chairmanship, experience and wisdom since WYCA was established in 2014.

Members echoed Councillor Hinchcliffe's comments and paid tribute to the achievements made during Councillor Box's leadership which included securing the largest City Region Growth Deal outside London and supporting businesses to grow and create jobs in the City Region.

In response, Councillor Box thanked members for their support over the last 3 years and said he looked forward to continuing to play a constructive role with WYCA.

Members also welcomed Councillor Nicola Turner to her first meeting of the Authority.

29. Apologies for Absence

Apologies for absence were received from Councillor Andrew Carter and Roger Marsh.

30. Declarations of Disclosable Pecuniary Interests

Councillor Judith Blake declared an other interest in Agenda Item 10, Transport for the North, as she is WYCA's representative on the Transport for the North Partnership Board.

31. Exclusion of the Press and Public

There were no items on the agenda requiring exclusion of the press and public.

32. Minutes of the Meeting of the Combined Authority held on 29 June 2017

Resolved: That the minutes of the meeting of WYCA held on 29 June 2017 be approved and signed by the Chair.

33. Capital Spending and Project Approvals

The Authority considered a report of the Director of Delivery on the progression of and funding for the following schemes through WYCA's Assurance Process in line with WYCA's Assurance Framework:

- West Yorkshire Plus Transport Fund Transformational Scheme – Wakefield South Featherstone Link Road
- West Yorkshire Plus Transport Fund Transformational Scheme – York Outer Ring Road Dualling
- West Yorkshire Plus Transport Fund Transformational Scheme – North Kirklees Orbital Route
- WYCA's Portfolio Information Management System
- Pothole Action Fund

Details of the schemes were outlined in the submitted report. In respect of the Pothole Action Fund, it was reported that the decision to allocate monies was a Key Decision which should have been published 28 days in advance of consideration of the item. However, in view of the importance of passporting the funding to the District Councils as quickly as possible, the decision could not be deferred to a future meeting. It was therefore agreed to take this decision under the rules of General Exception as detailed in paragraph 5.2.1 of the submitted report. Further information in respect of the Pothole Action Fund would be circulated to members.

Resolved:

- (i) In respect of **West Yorkshire Plus Transport Fund Transformational Schemes - Wakefield South Featherstone Link Road -**

That following a recommendation from the Investment Committee, WYCA approves funding of £284k for the Wakefield South Featherstone Link Road scheme to progress through Decision Point 2 and develop a Strategic Case for the Transformational Project. In addition, that WYCA enter into a Funding Agreement with Wakefield Council for expenditure of up to £284K from the West Yorkshire Plus Transport Fund.

- (ii) In respect of **West Yorkshire Plus Transport Fund Transformational Schemes – York Outer Ring Road Dualling -**

That following a recommendation from the Investment Committee, WYCA approves funding of £295k for the York Outer Ring Road Dualling scheme to progress through Decision Point 2 and develop a Strategic Case for the Transformational Project. In addition, that WYCA enter into a Funding Agreement with York Council for expenditure of up to £295K from the West Yorkshire Plus Transport Fund.

- (iii) In respect of **West Yorkshire Plus Transport Fund Transformational Schemes - North Kirklees Orbital Route -**

That following a recommendation from the Investment Committee, WYCA approves funding of £248k for the North Kirklees Orbital Route scheme to progress through Decision Point 2 to develop a Strategic Case for the Transformational Project. In addition, that WYCA enter into a Funding Agreement with Kirklees Council for expenditure of up to £248K from the West Yorkshire Plus Transport Fund.

(iv) That in respect of **WYCA's Portfolio Information Management System** –

That following a recommendation from Investment Committee, WYCA approves:

- (a) That the Portfolio Information Management System (PIMS) proceeds through Decision Point 3 onto Stage 2 Activity 5 (Full Business Case with Finalised Costs).
- (b) That an indicative approval to the total project value of £150k capital for the development of the system and £50k per annum on-going licence fee (the on-going licence fee will be required from 18/19 onwards), to be funded as an overhead cost from the overall Portfolio Management Office costs, is given. Ultimate approval to spend will be granted once the scheme has progressed through the Assurance Process to Decision Point 5 (Full Business Case with finalised costs).
- (c) That the future approvals at Decision Point 5 are made through a delegation to WYCA's Managing Director following a recommendation by WYCA's Programme Appraisal Team. This approval route will be subject to the scheme remaining within the tolerances set out in paragraph 3.1.6 of the submitted report.
- (v) That WYCA approves the £2.231m for the **Pothole Action Fund**, which will be funded from the DfT's allocation to WYCA.

34. A City Region Policy and Funding Framework for Inclusive Growth

The Authority considered a report of the Director of Policy, Strategy & Communications and the Project Director for Inclusive Growth which sought WYCA's agreement to update its policy and funding framework to better foster inclusive growth.

Members welcomed the report and supported the proposal to broaden WYCA's policy remit to ensure a positive impact can be made on both direct and indirect drivers of inclusive growth. It would also allow WYCA and the LEP to better focus the funding programme to make more impact on business competitiveness and the living standards of city region residents.

It was acknowledged that transformation required funding and the opportunity of the industrial strategy and the new impetus in devolution negotiations would be used to secure further investment to address the funding gap that has emerged with other city regions.

The Authority noted the importance of working with the local authorities to add value and help inform decisions and the need to take immediate action and monitor progress was recognised.

Resolved:

- (i) That WYCA agrees, in principle, to broaden its policy remit to ensure it can make a positive impact on factors that drive inclusive growth.
- (ii) That the Steering Inclusive Growth Group (SIGG) be formalised into an Inclusive Growth Panel and a report be brought to a future meeting to set an appropriate remit over public services and tackling fuel poverty.
- (iii) That WYCA agrees, in principle, to review WYCA programmes to take account of inclusive growth, subject to the conditions on delegated funding.
- (iv) That it be noted that currently, funding streams are likely to prove insufficient and inflexible to resource a wider range of city region investment interventions. WYCA therefore seeks to maximise resources (eg. Shared Prosperity Fund) and secure more freedoms over in year spending.

35. Transport Strategy Adoption

The Authority considered a report of the Director of Policy, Strategy & Communications which sought WYCA's approval to adopt the West Yorkshire Transport Strategy.

A copy of the document, which set out the high level vision and policy aspirations for the transport system over the next 20 years had been circulated to members and could be viewed online via <http://www.westyorks-ca.gov.uk/transport-strategy/>.

Members expressed their concerns regarding the disparity of transport investment between the north and south of the country. It was recognised that all transport systems were in need of improvement as transport was a key driver for inclusive growth and the benefits an ambitious devolution deal would bring to the City Region were noted. Members discussed the current under-investment in respect of existing assets including highways maintenance and also for the development of new technologies/systems eg. ticketing and taxis.

Resolved:

- (i) That the Transport Strategy, which sets out the high level vision and policy aspirations for the transport system over the next 20 years be adopted.
- (ii) That a decision on the final appearance and any minor amendments of the Transport Strategy for publication be delegated to WYCA's Managing Director in consultation with the Chair of the Transport Committee.
- (iii) That a progress report be prepared for a future meeting.

36. Bus Strategy Adoption

The Authority considered a report of the Director of Policy, Strategy & Communications which sought approval to adopt the West Yorkshire Bus Strategy.

In noting the summary document which was attached at Appendix 1, members were advised that initial steps in delivering the Strategy had commenced. It was noted that the Strategy set a target of 25% patronage growth from 2016 levels over the next 10 years. However, because of the level of housing and employment growth forecast, this could possibly be increased and had the potential to lead an economic uplift to the region's economy.

Members highlighted problems being experienced by those who relied on bus services to reach employment and areas which were socially isolated. They welcomed the aspirations of the Strategy and the successes reported to date which included park and ride facilities, the Bus 18 partnership and the £173.5m DfT funding to improve public transport in Leeds which focussed on developing bus services.

It was noted that the Bus Services Act 2017 and devolution will provide the City Region with the powers to enable the delivery of the full Bus Strategy.

The Authority asked for their thanks to be passed to the Transport Committee for overseeing the development of the Strategy and requested a progress report to a future meeting.

Resolved:

- (i) That the Bus Strategy, which sets out the vision and policy aspirations for the bus system for the next 20 years, be adopted.
- (ii) That a progress report be prepared for a future meeting.

37. Transport for the North

The Authority considered a report of the Director of Policy, Strategy & Communications which sought:

- To re-affirm WYCA's commitment to agreed TfN priority areas.
- Consent in principle to the making of regulations by the Secretary of State for Transport to establish Transport for the North (TfN) as a Sub-National Transport Body (STB) under Section 102E of the Local Transport Act 2008.
- Subject to TfN being established as a STB, to agree the transfer of Rail North Limited to TfN, to enter into a new Rail Franchise Management Agreement with TfN and to make payments in respect of functions currently carried out by Rail North Ltd, to TfN.

Members confirmed WYCA's priorities for TfN and noted the implications for TfN becoming a statutory body which were detailed in the submitted report.

The Authority expressed concern regarding the Secretary of State for Transport's recent comments in respect of the Transpennine Route Upgrade (TRU) as it was essential to have rail links across the North to drive forward economic growth. The TRU was a vital part of a phased approach to investment in the North as well as HS2 and members noted the importance of working with TfN to continue to press the case for such projects.

It was reported that a summit had been arranged for 23 August 2017 to discuss and consider the current position, concerns and opportunities for lobbying across the North.

Resolved:

- (i) That WYCA re-affirms its commitment to the priority areas set out in paragraph 2 of the submitted report.
- (ii) That WYCA consents in principle to the Secretary of State making regulations under Section 102E of the Local Transport Act 2008 to establish Transport for the North as a Sub-National Transport Body (STB), and delegates authority to WYCA's Managing Director, in consultation with the Chair of WYCA and with WYCA's representatives on the Transport for the North Partnership Board, to consent to the regulations once they have been finalised.
- (iii) That WYCA agrees in principle the transfer of Rail North Ltd to TfN, once TfN has been established as a STB, and delegates authority to WYCA's Managing Director to take any necessary steps on behalf of WYCA to effect this transfer.
- (iv) That WYCA agrees to enter a new Rail Franchise Management Agreement with TfN, once it has been established as a STB, on terms consistent with the Rail North Ltd Members' Agreement.
- (v) That WYCA agrees to fund TfN to carry out functions to supporting rail franchise management which are currently carried out by Rail North Ltd, on

the existing basis, once TfN is established as a STB, and has assumed those functions.

38. Proposed Pension Transfer

The Authority considered a report of the Director of Resources which sought approval to a preferred way of meeting WYCA's element of pension obligations towards First Group, in response to consultation on a Secretary of State Direction on this matter.

It was noted that currently WYCA was required to pay an element of pension increase relating to people who were previously employed by the former West Yorkshire PTE and Yorkshire Rider who are now part of First Group. First Group were now seeking to consolidate its pension arrangements to Greater Manchester and members discussed the options outlined in the submitted report.

Resolved:

- (i) That Option 1, Bulk Asset Transfer, was the preferred option and that further work should be undertaken with regard to the proposed transfer of First Group pension arrangements.
- (ii) That a report be prepared for a future meeting of WYCA for decision but should timelines dictate an urgent decision to be made, then that authority be delegated to WYCA's Managing Director in consultation with the Chair.

39. Governance Arrangements

The Authority considered a report of the Director of Resources in respect of an appointment to the Overview & Scrutiny Committee.

It was noted that the City of York Council had notified WYCA of a change in one of their nominations to the Overview & Scrutiny Committee and that Councillor Jenny Brooks would replace Councillor Helen Douglas.

Resolved: That the City of York Council's revised nomination to the Overview & Scrutiny Committee be noted and Councillor Jenny Brooks be co-opted onto the Committee in place of Councillor Helen Douglas.

40. Minutes of the Meeting of the West Yorkshire & York Investment Committee held on 16 June 2017

Resolved: That the minutes of the meeting of the West Yorkshire & York Investment Committee held on 16 June 2017 be noted.

41. Draft Minutes of the Meeting of the West Yorkshire & York Investment Committee held on 12 July 2017

Resolved: That the draft minutes of the West Yorkshire & York Investment Committee held on 12 July 2017 be noted.

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