

## **OVERVIEW AND SCRUTINY COMMITTEE**

**MEETING TO BE HELD AT 10.30 AM ON FRIDAY, 23 MARCH 2018  
IN COMMITTEE ROOM A, WELLINGTON HOUSE, 40-50 WELLINGTON  
STREET, LEEDS**

---

### **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 24 JANUARY 2018**  
(Pages 1 - 6)
- 5. COMBINED AUTHORITY PERFORMANCE & PRIORITIES**  
(Pages 7 - 44)
- 6. DEVOLUTION**  
(Pages 45 - 58)
- 7. BUDGET 2018/19**  
(Pages 59 - 66)
- 8. RISK AND RISK APPETITE**  
(Pages 67 - 82)
- 9. FEEDBACK FROM OVERVIEW & SCRUTINY COMMITTEE  
WORKING GROUPS**  
(Pages 83 - 86)
- 10. FORWARD PROGRAMME OF WORK**  
(Pages 87 - 92)
- 11. ITEMS FOR FEEDBACK TO WYCA**

**For Information**

(a) **DRAFT MINUTES OF THE TRANSPORT COMMITTEE  
HELD ON 4 JANUARY 2018**

(Pages 93 - 98)

(b) **DRAFT MINUTES OF WYCA HELD ON 1 FEBRUARY 2018**

(Pages 99 - 114)

**Signed:**

A handwritten signature in black ink, appearing to be 'B. M. M.', with a horizontal line underneath.

**WYCA Managing Director**



**MINUTES OF THE MEETING OF THE  
OVERVIEW AND SCRUTINY COMMITTEE  
HELD ON WEDNESDAY, 24 JANUARY 2018 AT COMMITTEE ROOM A,  
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

---

**Present:**

Councillor Robert Light (Chair)	Kirklees Council
Councillor Stephen Baines MBE	Calderdale Council
Councillor James Baker	Calderdale Council
Councillor Jenny Brooks	City of York Council
Councillor Andrew Cooper	Kirklees Council
Councillor Ian Cuthbertson	City of York Council
Councillor Michael Ellis	Bradford Council
Councillor Dot Foster	Calderdale Council
Councillor Kim Groves	Leeds City Council
Councillor Peter Harrand	Leeds City Council
Councillor Graham Isherwood	Wakefield Council
Councillor Margaret Isherwood	Wakefield Council
Councillor Fozia Shaheen	Bradford Council
Councillor Rosie Watson	Bradford Council

**In attendance:**

Councillor Keith Wakefield OBE	Chair, WYCA Transport Committee (minute 34 only)
Angela Taylor	WYCA
Sue Cooke	WYCA (to minute 34 only)
Dave Pearson	WYCA (minute 34 only)
Dave Haskins	WYCA
Lorna Holroyd	WYCA (to minute 34 only)
Rachel Jones	WYCA (minute 35 only)
James Flanagan	WYCA (minute 36 only)
Ruth Chaplin	WYCA

**28. Apologies for Absence**

Apologies for absence were received from Councillors P Davey and B Rhodes.

## 29. Declarations of Interest

Councillor Ellis declared an other interest (not comprising a Disclosable Pecuniary Interest) as a member of the Yorkshire Regional Flood and Coastal Committee.

## 30. Exclusion of the Press and Public

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

## 31. Minutes of the Meeting held on 4 January 2018

Further to minute 27, Update and Review of New Governance Arrangements, Councillor Baker asked that the following points be added:

- The need to ensure members are aware of any delegated decisions taken and in this regard, further information was requested in respect of the Cycle City Ambition Grant programme and the resurfacing of the canal tow path between Hebden Bridge and Todmorden.
- The arrangements for remuneration of LEP Board Chairs was discussed and members were advised that a revised suite of governance documents, including members' allowances, was to be considered by the LEP Board on 16 January 2018. The LEP Board would also be considering the MIPIM 2018 programme.
- The need for inclusive growth to be considered in all projects was stressed.

**Resolved:** That, subject to the amendments above, the minutes of the meeting held on 4 January 2018 be approved and signed by the Chair.

## 32. Oxford GB2 Loan Working Group Report

Councillor Groves asked if it would be possible to defer consideration of this item until information included in an email sent the previous day had been taken into account. The email had been sent by Leeds City Council's Chief Executive to WYCA's Managing Director and the Leeds members of the Committee.

In considering Councillor Grove's request, members expressed their concern that the email had not been sent to the Chair of the Overview & Scrutiny Committee or all members of the task and finish working group in advance of the meeting. Following a discussion the consensus was that the agenda item should be considered and that the working group convene at the end of the meeting which would provide an opportunity for them to read the email and amend the report to WYCA if necessary.

The Committee considered the report on the findings of the task and finish working group on the loan to Oxford GB2. It was noted that the review had now been completed and members discussed the summary of key findings and the proposed recommendations to be made to WYCA for improvements

to processes and systems. It was recognised that significant, robust measures had already been introduced to improve processes and decision making and these provided rigour and challenge, supporting the Assurance Process now in place.

The Committee thanked the working group for their commitment to the task and to the WYCA officers who had supported the process.

**Resolved:** That the recommendations of the task and finish working group be provided to the next meeting of WYCA for consideration, subject to the members of the Working Group considering if any changes should be made in light of the email provided.

### **33. Economic Services - Business Grants**

The Committee considered a report which provided information relating to grant approvals made between 1 April 2015 and 30 November 2017 for programmes delivered by the Economic Services directorate.

It was noted that WYCA was one of a number of organisations providing grant support to businesses within the Leeds City Region. Members discussed the key areas of business currently being delivered and in development and details of the business grant programmes currently being delivered were outlined in the submitted report. An infographic of the current WYCA business support model was attached at Appendix 1 and additional information was also provided including at Appendix 5, a tracker for projects approved in 2015/16 for the Business Capital Expenditure Grants and for all approved Resource Efficiency Fund projects.

Members were given the opportunity to ask questions and, in welcoming the report and information provided, suggested that it would be helpful to have an overview on the procuring and awarding of contracts, outputs and outcomes. The need to measure increased productivity across the districts was also emphasised. It was agreed that further updates would be provided on a six monthly basis with a level of individual detail.

**Resolved:** That the report be noted and further updates be provided on a six monthly basis.

### **34. Transport Committee - Priorities & Spend**

The Committee was given a presentation which set out the background to WYCA's transport functions in respect of priorities and spend.

Councillor Keith Wakefield, Chair of WYCA Transport Committee attended the meeting and gave a presentation which provided members with an overview of the work of the Transport Committee over the last year. He highlighted the current and future transport issues, priorities and challenges and members debated several topics including:

- The importance of Inclusive Growth - this would be considered as part of each project and included in every funding stream.

- Air quality - members were assured that the types of vehicles used outside clean air zones would be monitored.
- Maximising the benefits of HS2 for the City Region including jobs and the importance of sub-regional connectivity.
- The challenges of working with a reduced budget and how this will be communicated to the public.
- Delivering strategies.
- Young people - concessionary fares and improving flexibility with bus operators. Members stressed that buses must be punctual and reliable to encourage young people to use them.
- Rural services - their social value and importance for getting young people in remote areas to education and jobs.
- Engagement with the private hire community to promote/encourage tender bids, particularly for rural areas, was discussed.
- Working closely with planning departments and developers to ensure public transport/cycling needs are considered as part of any applications.
- The success of park and ride schemes was noted.
- Ticketing & information – reducing the cost of information by promoting self-service.
- Cycling – it was noted that although the current CityConnect funding stream was ending, work was ongoing with District Councils to maintain the impetus. Members stressed the preference for segregated cycle lanes where possible. For example, the importance of a cycle lane between Hebden Bridge and Todmorden on the canal towpath was highlighted and it was reported that funding options were being investigated.

**Resolved:** That Councillor Wakefield be thanked for attending the meeting and for the informative discussion.

### **35. Assurance Framework - Annual Review**

The Committee considered a report which provided an update on progress relating to changes proposed to the Leeds City Region Assurance Framework arising from its annual review, and with the recently issued review of Local Enterprise Partnership Governance & Transparency (October 2017).

It was noted that the LEP has secured Growth Deal funding and WYCA, as the accountable body, had to ensure there are robust, transparent and accountable processes in place to support the budgets and programmes for the LEP and WYCA.

The Assurance Framework has to be updated annually and published on the Local Enterprise Partnership's website. The Committee discussed the latest draft which was attached at Appendix 1. The Overview & Scrutiny's SEP Delivery Working Group had discussed this at their recent meeting and offered a level of challenge to the approach taken and were content with the current progress. It was considered worthwhile for the Working Group to

continue with its scrutiny to ensure it remains fit for purpose as this was a 'live' document.

It was noted that the changes to the LCR LEP's governance arrangements which were approved on 16 January 2018 had been reflected in the document. The draft Assurance Framework had been discussed at the recent LEP Board and would also be considered by the Governance & Audit Committee and WYCA at their forthcoming meetings. Members were asked to forward any comments on the draft document to Rachel Jones, WYCA's Programme Manager by mid-February.

**Resolved:**

- (i) That the reasons for revising the Leeds City Region Assurance Framework as set out in the submitted report be noted.
- (ii) That any feedback or comments on the draft document be provided by mid-February 2018.

**36. Forward Programme of Work**

The Committee considered the work programme for the coming year and agreed that the following items be included on the forward plan of work for 2018/19:

- Flood alleviation (follow up of actions from the report)
- Branding
- Transport for the North
- Economic Services – Business Growth – Update to be provided on a six monthly basis

It was noted that Devolution would remain a standing item on each agenda and that the programme could be supplemented by any further items as they were identified during the year.

The Committee also noted the forward agenda plan for WYCA which was attached at Appendix 1.

**Resolved:** That the work programme for future meetings be noted.

**37. Items for Feedback to WYCA**

It was noted that the Committee's report on the findings of the Working Group on the loan to Oxford GB2 and proposed recommendations would be considered by WYCA on 1 February 2018.

**38. Devolution**

The Committee was provided with an update on the latest position in respect of devolution discussions since the last meeting.

Members were advised that there was a strong consensus for a 'One Yorkshire' deal with 18 out of 20 Yorkshire Leaders in agreement. An all party parliamentary group meeting and a meeting of the Yorkshire Leaders Board had been held on 12 January 2018 in York at which the desire for a Yorkshire mayor by 2020 had been confirmed.

The Committee discussed the financial gains a deal would bring to the City Region and also the current status of the Sheffield City Region deal in respect of its legislative position and the proposals made to them by Government. It was noted that the mayoral election for the Sheffield City Region was due to be held in May 2018.

A meeting had been requested with the Secretary of State and it was hoped that this would be held towards the end of February 2018. A further update would be provided at the next meeting.

**Resolved:** That the update on devolution discussions be noted.

### **39. Items for Information**

There were no items for information.





---

**Report to:** Overview and Scrutiny Committee

**Date:** 23 March 2018

**Subject:** **Corporate priorities and performance**

---

**Director(s):** Angela Taylor, Director, Resources

**Author(s):** Louise Porter

---

## **1 Purpose of this report**

For the Chair of the Authority to:

- 1.1 Provide Members with an update on current progress against the 2017/18 key performance indicators measuring corporate priorities and to provide details of the work underway to develop performance measures for the 2018/19 financial year.
- 1.2 Provide information on the progress achieved against her priorities for the Combined Authority.

## **2 Information**

### **Progress against key performance indicators (KPIs)**

- 2.1 Over the past eighteen months the West Yorkshire Combined Authority has been progressing its One Organisation programme, establishing new Directorates, structures, ways of working and cultures and behaviours that enable the organisation to deliver on its priorities and objectives for inclusive economic growth in the region.
- 2.2 The Combined Authority's 2017/18 Corporate Plan set out the key business priorities for the current financial year and these were summarised as follows:
  - Do all that we can to help secure a devolution deal encompassing our City Region;
  - Deliver inclusive growth in all that we do; addressing poverty, social exclusion and inequality;
  - Ensure that all of our projects have strong governance and clear, deliverable plans;

- Strengthen our business growth offer - focusing particularly on innovation, productivity and digital;
- Continue our progress towards a more efficient and customer-focused smart ticketing system for our public transport network; and
- Develop a clearer, stronger brand identity for the organisation that supports our ambitions of raising the City Region's profile nationally and internationally.

2.3 In order to understand success in achieving these priorities, the corporate plan for 2017/8 also set out 23 key performance indicators (KPI's) to provide a periodic measure of performance. These were organised by directorate and are presented at **Appendix 1** along with details of progress to date against each of these, as at the end of quarter 3.

2.4 Of the 23 core KPI's presented in the 2017/18 corporate plan, at the end of quarter 3 the position was as follows:

- 11 were rated as 'Green' and considered on track to exceed/meet the target;
- 6 were rated as 'Amber' and as such there is a risk that the target will not be met;
- 4 were rated as 'Red' and are considered to be at significant risk of not being met; and
- 2 were not awarded a rating (one is a 'monitor only' KPI and the other is reliant on annual survey data which is not yet available).

2.5 Further details regarding the four KPI's which were rated as red at the end of quarter 3 are provided below:

- The number of confirmed additional active exporters in the region, realised through marketing and referrals made from the Trade and Investment Team and wider business support services to export delivery partners, remains below the targeted level. There is however a particular issue with regard to obtaining export data from the Department of International Trade (DIT) on the outcome of the 154 referrals that have been made to them through the team during the last year. An alternative way of collecting this export data is now being implemented to identify a robust figure.
- The percentage of concessionary passes ordered online has continued to remain below the target of 65%. As part of the mitigation for this, changes are currently being made to the CHASE card management system in order to improve the online process based on customer feedback received.
- The percentage increase in digital presence and reach across the Combined Authority's communications channels has remained below the target although it has increased. Action is underway to accelerate this increase but resourcing issues earlier in the year have had a significant impact on progress against this target to date.
- The number of apprentices working for the Combined Authority is currently four (although approval for a fifth has recently been secured). The target of 11 is therefore not currently on track to be delivered. Further work is in progress to review the organisational approach to apprenticeships.

- 2.6 A full year end position detailing performance against KPI's will be provided at the end of the 2017/18 financial year and will also be summarised in the 2018/19 corporate plan which is currently in development.
- 2.7 The development of the KPI's for 2017/18 took place within the context of a period of major organisational change when new directorates were in some instances still being formed. As a result of this it is considered that some of the individual performance measures identified could have been targeted more specifically to the overarching priorities set out in the Corporate Plan.
- 2.8 In light of this observation, work has been undertaken in recent months to consider an enhanced approach to the definition, monitoring and reporting of corporate priorities and performance measures in the 2018/19 corporate plan.
- 2.9 The focus for 2018/19 remains on working with our partners to achieve inclusive economic growth, through improving connectivity and housing stock, increasing the number of good quality jobs, encouraging businesses both to grow and to move to the region and increasing the opportunities for young people to access training and employment. It is recognised that a collaborative approach is needed between the Combined Authority, local authorities and wider partners, as the transformational change required to deliver inclusive growth is unable to be achieved in isolation. In order to assess performance in these areas it is proposed that there will be three tiers of corporate indicator for the Combined Authority as follows:
- **Strategic KPI's** - these are being identified as part of the development of the Corporate Plan and will be aligned to the key theme areas around which the Plan is to be structured.
  - **Service level KPI's** – these will be the main tool by which each directorate will monitor progress against their stated service objectives.
  - **Operational Indicators** - to focus on operational performance within each team. It is envisaged that these would link back to the objectives which are set for each individual as part of their regular performance reviews.
- 2.10 Work has been undertaken as part of the 2018/19 business planning process to develop a long list of possible performance measures and this is now in the process of being refined to reflect the categories outlined above. Earlier feedback from this Committee has been considered in compiling these measures.
- 2.11 A copy of the long list of possible performance measures identified to date including KPI's and operational indicators is presented at **Appendix 2**. This is not yet a final list and feedback on them is invited from Overview and Scrutiny Committee members, specifically input on the cross-cutting strategic measures of performance, that Members consider most appropriate to best reflect the organisation's priorities would be particularly welcomed. These could either be from this list or can be put forward by the Committee. This will help to inform a final decision on the KPI's to be used in 2018/19.
- 2.12 In terms of how progress against KPI's is to be reported in 2018/19, it is envisaged that this will form one element of a wider performance reporting

system, which will also include regular reporting against risk, budget position and wider management information (e.g. HR information).

- 2.13 A performance reporting framework setting out the proposed frequency and content of performance reports is in development and will be reported to the April meeting of the Combined Authority.

**Progress against the Chair’s priorities**

- 2.14 Upon appointment as Chair, Councillor Hinchcliffe set out key priority areas for the Combined Authority. These aligned with the themes of the 2017/18 corporate plan and are set out below, along with the achievement specifically made against them. Similarly to the Combined Authorities corporate KPI’s, these priorities can only be achieved working in partnership with local authorities, the private sector and other key stakeholders in order to deliver the change required to make these priorities a reality.

- 2.15 **More productive** - *As the largest economic area in the country outside London and the South East increasing productivity is in both the Leeds City Region’s interest and the national interest. The UK’s productivity has slumped to its lowest level since the 2008 recession and in Leeds City Region the gap between our productivity rate and the national average is actually widening. That’s why improving local productivity – our output (e.g. products and services) measured against our input (e.g. wages and costs) – is a top priority for the Combined Authority. Our aim is to create a strong successful economy driven by ambitious, productive and successful businesses that create new sources of wealth and opportunity for everyone.*

- 2.16 Progress made on this priority has focussed on working collaboratively with the private sector to transform private sector leadership in the Leeds City Region to tackle the growing productivity gap. The productivity gap is growing between the Leeds City Region, UK and other advanced economies which limits residents’ living standards. As the largest city region outside London, addressing the Leeds City Region’s relatively poor productivity is a major part of the UK answering its productivity puzzle. Widespread progress for firms with less-than-average productivity could potentially unlock the majority of a £10 billion productivity dividend and see firms generating the returns that make paying a real living wage sustainable.

- 2.17 The Combined Authority aims to support and influence in this area, and a private sector led programme of intervention has been developed to assist businesses in collaborating to compete more effectively. This needs to be spearheaded by private sector champions; harness the collective power of business groups, including banks and accountants; and be linked effectively with public business support provision.

- 2.18 Coordinated activity is planned as follows:

<b>Business Leadership</b>	<ul style="list-style-type: none"> <li>• A more joined-up approach to business support so firms are more aware of productivity and their options to act - including a ‘No Wrong Door’ agreement on business support across public and private intermediaries.</li> </ul>
----------------------------	--

	<ul style="list-style-type: none"> <li>• Better analysis of firms' productivity, including understanding those private sector 'business heroes' who bring to life how firms can improve productivity, and those interventions that work.</li> <li>• Stimulate a widespread understanding that better living standards come from more productive firms and good work.</li> </ul>
<b>Good work</b>	<ul style="list-style-type: none"> <li>• More inclusive labour markets with better progression and flexibility – linked to government's activity on 'good work' in response to the Taylor Review of modern employment practices.</li> <li>• Maximise the positive connections between health, jobs and prosperity.</li> </ul>
<b>Innovation</b>	<ul style="list-style-type: none"> <li>• Deliver the city region's digital framework, including the ambition that every business becomes a digital firm.</li> <li>• Explore the potential of digital supply chains to increase productivity and transparency.</li> <li>• Impact of the Knowledge Exchange Framework helping businesses to collaborate with universities.</li> </ul>
<b>Investment</b>	<ul style="list-style-type: none"> <li>• Champion how infrastructure investment underpins a more productive business environment in Leeds City Region.</li> <li>• Lead a compelling investment proposition leveraging private and public investment (e.g. Research Councils) in making the city region economy more productive.</li> <li>• Ensure inward investment activity drives up productivity – including how landing firms drive increased social value across local supply chains.</li> </ul>

2.19 **Growth for the many not the few** – *Our focus is on growing a successful economy and our measure of that success is an economy from which everyone in the City Region benefits. Thanks to the City Region's leading status in certain sectors such as Fintech, Digital Technology, Healthcare & Life Sciences, Manufacturing and Financial & Professional services and its attractiveness as a place to live, we have some of the most prosperous parts of the country. But, we also have some of the most deprived postcodes, where the legacy of post-industrial decline continues to be felt keenly and is reflected in poor health, poor economic prospects, and limited aspirations. Through our work with business and our strong local education sector we want to end in-work poverty by creating more, good quality jobs with prospects for people that are equipped with the right skills to fill them. This is how we will address the challenge of inequality in our City Region.*

2.20 Progress made includes:

- Through the Enterprise in Education team at the Combined Authority, disadvantaged young people are receiving an enhanced offer. The team works in partnership with local authorities to link senior leaders in business with senior leaders in education, to develop a strategic approach to employer engagement, focussing on readiness to work and increasing

employability. As part of the programme, disadvantaged pupils are receiving at least two employer encounters in an academic year, with schools in areas with high levels of deprivation being specifically targeted to be part of the programme. 23,197 new employer encounters were created between April 2017 and March 2018, including 6,361 disadvantaged learners having one intervention and 2,408 disadvantaged learners having two interventions.

- Through Apprenticeship Grants for Employers (AGE) an enhanced grant is paid when employers commit to paying their apprentice living or national minimum wage rather than the apprenticeship minimum wage (£3.50 ph). 806 employers who received AGE grant paid the higher wage (34%).
- The Combined Authority influences the delivery of providers within the region, including further education (FE) colleges, universities, independent training providers and local authorities. A major step in this was the delivery agreements which were developed in conjunction with the West Yorkshire FE colleges. These set out how each institution meets the priorities in the Leeds City Region Employment and Skills Plan, including how disadvantaged groups are supported to increase their skills and realise their potential.
- A framework has been developed in conjunction with Joseph Rowntree Foundation to support the embedding of social value in procurement within the Combined Authority, linking particularly to local employment, apprenticeships and school engagement. To support contractors and employers to employ local people, an employment brokerage model has been developed with DWP and local authorities which will upskill and support people into work.
- Leeds City Region is one of five pilot areas across the country for the DfE funded Career Learning Pilot. The pilot will target people in work, particularly low wage, low skilled and gig economy to upskill. This will be testing in particular outreach i.e. how best to engage and provide advice and guidance to these individuals, and subsidies i.e. does subsidising qualifications, rather than people taking out learning loans, encourage people in work to upskill? An evaluation will be undertaken and outcomes will inform the roll out of the National Retraining Scheme.
- The Work Wellness Service launched in February 2018 within two GP surgeries in York, located in Holgate and Guildhall wards. This social prescribing model pilot will run for one year and aims to target people in work (preferably over 50) who are currently off sick to support them to remain in work and/or return to the workplace.

**2.21 A 21<sup>st</sup> century transport system** - *With the right transport investment and connections, the North can become a second economic engine for the UK, competing on a global scale alongside London and the South East. Leeds City Region's economic position as the largest contributor to the Northern Powerhouse, and its geographical location at the heart of the North, make it critical to the Powerhouse's success. And achieving this relies upon Government investment in our region, including HS2, East Coast Mainline and TransPennine rail improvements, and Northern Powerhouse Rail with stops in Bradford, Leeds and York. We also need targeted local investment in high quality, affordable and flexible transport networks that connect people to jobs*

*and opportunity. This local investment will also help to ensure Leeds City Region is 'HS2-ready' and 'Northern Powerhouse Rail-prepared' and that these schemes' benefits are felt by all its people and businesses.*

2.22 Progress is being made through the Transport Strategy 2040 which was adopted by the Combined Authority in 2017. This recognises that enabling people to access skills and jobs and ensuring the region is strongly connected nationally and internationally requires a modern and efficient transport system which meets current and future requirements. As the statutory transport authority for the region, the Combined Authority has a key role to play in achieving this. Key activities to deliver this strategy as well as progress against this priority, include:

- Improving the rail network in the region - passenger journeys on our network have doubled over the last 10 years, with 35 million journeys being made in our region each year and over 110,000 people passing through Leeds station each day. Following several years of limited investment, new stations are now being facilitated by the Combined Authority together with new rolling stock, bringing a much needed uplift in capacity and quality. Sustaining this investment is crucial to supporting inclusive growth and ensuring people are well connected to job opportunities in town and city centres.
- On 2 March the Transport Secretary announced a £3 billion commitment to deliver the trans-Pennine upgrade, as a result of lobbying from the Combined Authority alongside other key Northern partners. The Combined Authority will continue to seek direct involvement with DfT and Network Rail when assessing the options for the upgrade to ensure the outcomes have the widest possible benefits for the region.
- The Combined Authority is developing a HS2 connectivity strategy to ensure all parts of the region can benefit from the improved connections that HS2 will provide. Inclusive Growth Corridors will connect towns and cities to the HS2 hub station in Leeds, and the recently announced Transforming Cities Fund presents an opportunity to lay the foundations for these corridors.
- The Northern Powerhouse rail link between major cities is essential to the development of the northern economy. The Combined Authority has lobbied strongly, and will continue to do so, to ensure Bradford and Leeds are included in this link and will continue to represent the region's interests in the development of this key new infrastructure.
- The East Coast Main Line will remain as the link to London and the Combined Authority will continue to lobby Government to ensure investment in this key link is delivered, particularly in relation to the recent announcements regarding the franchise.
- Buses remain the most used form of public transport in the region, used by over half a million people each weekday. The Combined Authority funds 15% of bus services ensuring communities retain links to the public transport network; over half of this expenditure serves deprived or isolated communities.
- Investment in buses is the largest element of the Connecting Leeds programme funded by DfT seeking to develop a world class bus system for

the city. The Combined Authority will work with commercial bus operators to deliver the strategy, making use of the new powers under the Bus Services Act 2017 to deliver an affordable and effective bus service for local residents.

- Ensuring our young people have affordable access to public transport is essential to ensure they can access the best opportunities for employment and training our region can offer. The Combined Authority spends £10 million each year to reduce the cost of travel for young people and recently extended eligibility to everyone under the age of 19 - 20,000 young people use this concession daily. The Combined Authority is working with transport operators to provide affordable easy to use tickets for young people with plans to launch a new “go anywhere” day ticket this summer.
- An efficient road network is key to delivering inclusive growth and critical in moving people and goods into and around the region. The Combined Authority will continue to lobby for appropriate funding to be made available to provide the investment needed in the major road network, currently being developed by DfT, working closely with TfN to ensure the network reflects the needs and aspirations of authorities across the region.
- Locally each district highway authority is working together on the West Yorkshire key route network – the roads which connect towns and cities and link us with the motorway network. The West Yorkshire plus York Transport Fund is funding road schemes which open up land for employment and housing, such as the Wakefield Eastern Relief Road which will improve local transport links and unlock the potential to build 2,500 homes.
- Technology is driving change across society including in transport, and West Yorkshire already has the most developed smart ticketing scheme outside London, used by over 200,000 people each weekday. This will continue to evolve into a system which offers customers a flexible way in which they organise and pay for their travel, increasing mobility as a service.
- Improving air quality - the Combined Authority will support its partner Councils as they introduce Clean Air Zones and other measures which improve the health of our region. National funding for the region has already been secured to facilitate electric taxis and to fit emission control equipment on buses and will continue to play a role in making our transport system cleaner.
- Improving traffic congestion – through the Transport Fund we are funding our councils to improve congestion on key road corridors making space for more sustainable modes of transport. We are setting targets to reduce car journeys by 3.5% by increasing use of public transport, cycling and walking.
- The Combined Authority has enabled significant improvements in the infrastructure to encourage more cycling through the City Connect programme. This includes the Cycle Superhighway connecting Bradford and Leeds, giving people along the 23km route access to work, education and leisure opportunities. Since opening in July 2016 it has been used for more than 500,000 journeys and won Project of the Year at the North of England Transport Awards. In addition to this project, key cycleway improvements have been made throughout individual districts including, Castleford to Wakefield Greenway, Huddersfield Narrow Canal and York Scarborough



bridge. The Combined Authority will continue to co-ordinate investment and promotion to increase the number of people cycling.

- All travel includes walking at some point in the journey and the Combined Authority has been working with partner councils to make it more attractive and safe for people to make more journeys on foot.

2.23 **Devolution** - *Devolution works and we have the results in the Leeds City Region that prove it. Devolution ensures that the decisions made on the issues that affect our region are taken in the region by people who know and champion it and it is the essential missing component of us achieving our ambitions. It will enable us to have a stronger voice when securing investment and greater control in directing it to where it is most needed. We have already shown through the programmes we initiate and run here that we can provide better outcomes than a one-size fits all, national approach. Schemes to get young people into education and training, develop new housing and reduce reliance on government grants have delivered results three times faster and with double the impact of similar national programmes. Without devolution, not only will existing services and investment be at risk but our region would fall behind others and lose the opportunity to achieve the growth of which we know we are capable.*

2.24 In the past year, a number of steps have been made towards securing devolution to Leeds City Region:

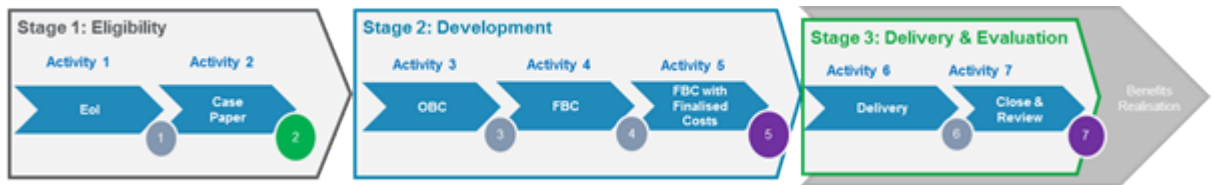
- In February last year, West Yorkshire Combined Authority members noted that a formal response had not been received from Government on the Leeds City Region proposal submitted by in September 2015. They expressed their collective desire to secure a devolution deal and discussed the ongoing challenges, recognising that other options, based on a larger geography, should also be explored.
- Yorkshire's Council leaders began meeting regularly from spring 2017 to discuss a range of issues in common, including options to unlock progress on devolution across the Region.
- 18 of the 20 Yorkshire Leaders formed a coalition under the 'One Yorkshire' banner seeking the widest possible Yorkshire geography covering at least the administrative areas of: Barnsley, Bradford, Calderdale, Craven, Doncaster, East Riding, Hambleton, Harrogate, Hull, Kirklees, Leeds, North Yorkshire, Richmondshire, Scarborough, Selby, Ryedale, Wakefield, and York.
- In response to requests made by Leaders to the Secretary of State for Housing Communities and Local Government for a meeting to discuss their devolution proposals, the Secretary of State agreed to meet Leaders, MPs and other stakeholders at the February meeting of the Yorkshire and Northern Lincolnshire All Party Parliamentary Group.
- Leaders welcomed the Secretary of State's confirmation at the meeting that the Government would not seek to prevent a One Yorkshire proposal based on a Yorkshire Mayor and Combined Authority from taking effect in 2020 providing it satisfied the various statutory requirements and had widespread support. This would include the ability for any of the South Yorkshire authorities to join a One Yorkshire deal from the start.

- The Secretary of State requested detailed proposals and Leaders confirmed that, given the level of agreement achieved across Yorkshire, these could be submitted to the government rapidly.
- One Yorkshire Leaders met on 5 March and agreed to submit their devolution proposition to the Secretary of State and to publish it more widely in the interests of transparency. The submitted proposal is included elsewhere on the agenda.

2.25 **Delivery** - *We have already secured well over £1bn in devolved Government investment through our Growth Deal and our West Yorkshire Plus Transport Fund - the largest such settlement anywhere in the country. West Yorkshire Combined Authority and the Leeds City Region Enterprise Partnership have already approved a total over £106m of local investment and this is already making a massive difference to our City Region. Among recent transport improvements are Bradford's new Low Moor Rail Station, West Yorkshire's third new rail station in 15 months – more than anywhere else in the country - the new 1,000-space Temple Green Park and Ride facility in Leeds and the Wakefield Eastern Relief Road, which is making possible the construction of up to 2,000 much-needed new homes. And, by March next year we will have created 1,550 jobs - and safeguarded 550 more - by helping businesses to grow and attracting new investment into the region – and we will have supported 6,000 disadvantaged pupils to improve their skills and career prospects through enterprise, employability and careers activity. Delivering projects that create thousands of new jobs and help us to accelerate economic growth across the entire City Region is the West Yorkshire Combined Authority and the Leeds City Region Enterprise Partnership's main role. We are already delivering and with £100m of Growth Deal investment committed for this year, we will continue to do so. We will continue to work with partners and seek to accelerate projects and manage any over-programming requirements to enable flexibility in the delivery programme to achieve our targets.*

2.26 Delivery of the Combined Authority's major funding programme, Growth Deal, has increased considerably in recent years, from £38 million spend in 15/16 to an expected out-turn of over £92 million in 17/18. Forecast spend is £102 million for 2018/19. The success of the Growth Deal is the result of strong partnership working in the region, with many projects being delivered by council partners.

2.27 The Leeds City Region Assurance Framework sets out how projects and programmes will be assessed and approved and governance arrangements. This is kept under regular review and over the past year has been embedded such that every project/programme which requires funding through the Combined Authority must be considered and achieve approvals at each stage in the Leeds City Region assurance process. The three stages in the assurance process are eligibility, development and delivery & evaluation as set out below.



- 2.28 Projects at the eligibility stage are seeking entry into the portfolio and should demonstrate a strategic fit in terms of project outcomes, meet funding criteria and have available funding identified with further project definition including costs and detailed timescales to be developed as the project progresses through the assurance process. At this stage development funding may be sought to enable work to progress.
- 2.29 Projects at development stage should demonstrate that they have tested the feasibility of a solution through their business case. This business case should then be developed in order to confirm and detail the preferred solution including finalising its costs.
- 2.30 Once in the delivery and evaluation stage the scheme is delivered and the Combined Authority funding is drawn down. When delivery is completed a review is carried out to ensure that the scheme has met all its requirements and outputs in accordance with its funding agreement. Finally, information about a scheme's performance following its completion is collected, in order to evaluate the success of the scheme.
- 2.31 The assurance process as outlined for project approvals ensures that the Combined Authority is delivering the right projects, which offer good value for money and deliver outputs which bring benefit to the Leeds City Region. Considerable progress has been made over the year in driving the Growth Deal programme and projects forward to delivery and a total of £137 million of Growth Deal funding was approved in-year in 2017. This included a number of key projects within the Growth Deal programme that have been accelerated, resulting in-year project approvals of £38.84 million to be spent in 2017/18. Resource constraints in developing and delivering major capital infrastructure schemes have been addressed as a priority in 2017/18 with additional capacity and expertise provided through direct recruitment and through specialist contracts with external consultants.
- 2.32 The Portfolio Information Management System (PIMS) is due to roll-out in spring 2018 and refers to the ICT system that will support and strengthen the Assurance Framework. The PIMS will provide a number of benefits including transparency to allow informed and improved decision making both internally and with district partners, a consistent and efficient approach to project management across funding streams and a focus on delivery which facilitates the alignment of projects to the corporate strategy.

### 3 Financial Implications

- 3.1 There are no financial implications directly arising from this report.

#### **4 Legal Implications**

4.1 There are no legal implications directly arising from this report.

#### **5 Staffing Implications**

5.1 There are no staffing implications directly arising from this report.

#### **6 External Consultees**

6.1 No external consultations have been undertaken.

#### **7 Recommendations**

7.1 That Overview and Scrutiny Committee members note the work in progress to develop relevant and robust performance measures for 2018/19 and provide feedback on the long list of key performance indicators that has been developed.

#### **8 Background Documents**

None.

#### **9 Appendices**

Appendix 1 – Key performance indicators 2017/18

Appendix 2 – Long list of key performance indicators 2018/19

### Appendix 1: Current Performance against KPI'S by Directorate (Quarter 3 Position)

#### DELIVERY:

Indicator	Corporate Plan KPI	Target	Current Position	RAG Rating	Notes
Actual spend vs planned spend (Growth Deal)	Y	Within 10%	End Sept target was £20m and actual was £27.44m	G	Target was exceeded
Percentage of schemes with identified programme funding progressing from Expression of Interest to (activity one) Combined Authority decision point two within three months	Y	90%	92%	G	On track
Number of 'live' projects in the Assurance Process  19	Y	Monitor only	114	Monitor only	This figure only includes those projects which have been through the new WYCA assurance process in start of 17/18.

#### ECONOMIC SERVICES:

Indicator	Corporate Plan KPI	Target	Current Position	RAG Rating	Notes
<b>BUSINESS SUPPORT</b>					
Number of businesses that want to grow receiving support	Y	2500	1707	A	
Average cost per job created in businesses receiving capital investment	Y	£12,500	£10,143	G	
Proportion of businesses supported by Growth Service likely or very likely to recommend it	Y	80%			Annual survey
Number of businesses supported to offer apprenticeships	Y	1000	1779	G	

Indicator	Corporate Plan KPI	Target	Current Position	RAG Rating	Notes
Deliver a model of enhanced enterprise, employability and careers to disadvantaged pupils (2 encounters per pupil)	Y	6000	2408	A	Over 6000 pupils have had 1 encounter
Number of businesses engaged with schools	Y	160	132	A	
New Jobs Committed	Y	1000	2444	G	
Number of additional Active Exporters	Y	100	5	R	There is an issue with regard to obtaining export data from the Department of International Trade (DIT) see paragraph 2.5 of covering report.

### TRANSPORT SERVICES:

Indicator	Corporate Plan KPI	Target	Current Position	RAG rating	Notes
20 Average cost per mile of tendered bus services	Y	£1.85	£1.94	A	Overall spend on supported bus services has reduced. The current figure does not reflect the expected impact of reductions in supported services in September and October that will generate significant savings p.a. in excess of £1m. In addition inflation is running at 3.6% against the original forecast of 2%.
Percentage of concessionary passes ordered online	Y	65%	33%	R	Changes are currently being made to the CHASE system to improve the online process. See paragraph 2.5 of covering report.
Percentage of MCard ticket sales via travel centre alternatives	Y	70%	68%	G	On track. App now launched and online sales increasing.
Online interactions/enquiries as a proportion of total	Y	97%	96%	G	On track. Information kiosks being installed at bus stations
Value of MCard sales	Y	£30.5m	£21,2m	G	Sales are up 3.9% (£839,463) year to date in comparison with previous year.
Satisfaction with passenger information (Annual Tracker Survey)	Y	8.2	8.00	A	

**POLICY, STRATEGY & COMMUNICATIONS:**

Indicator	Corporate Plan KPI	Target	Current Position	RAG rating	Notes
Percentage increase in digital presence and reach across our channels	Y	500%	100%	R	Remedial action underway. See paragraph 2.5 of covering report.
Estimated 'advertising value equivalent' (AVE) of media coverage (new technical indicator)	Y	£2m	c£3m	G	Even with much narrower criteria there has been a step change in coverage achieved

**RESOURCES:**

Indicator	Corporate Plan KPI	Target	Current Position	RAG rating	Notes
Average time per transaction (requisitions/invoices purchase invoice paid)	Y	3 days/100%	100% Requisitions processed in 3 days 98% undisputed invoices paid within 30 days	G	On track
Number of apprentices working for the Combined Authority	Y	11	4	R	Remedial work currently underway. See paragraph 2.5 of covering report.
Development review completion rate	y	100%	61%	A	Position as at 31/10/17.
Website availability - (i.e. working and accessible to the public)	Y	98%	Q1 - 98.3% Q2 - 99.9% Q3 - 99.7%	G	WYCA, Metro, M-card, City Connect websites

This page is intentionally left blank



**Appendix 2: 2018/19 Proposed Measures and KPI's – Draft Long List for discussion**

**Policy, Strategy and Communications Directorate:**

<b>POLICY, STRATEGY &amp; COMMUNICATIONS DIRECTORATE</b>			
<b>Proposed Indicator</b>	<b>Target</b>	<b>Measure</b>	<b>Notes</b>
Development of a funding framework	A framework that prioritises how we bid for opportunities that align with objectives with a review of local funding options completed.	Annual	tbc – quarterly review of progress.
Development of the Local Inclusive Industrial Strategy	End March 2019 – to be in the first wave of places to develop strategies	Annual	tbc – quarterly review of progress.
Development of our approach to mobility as a service and an agreed an action plan.	Plan agreed [date tbc]	Annual	tbc – quarterly review of progress.
Progress Leeds Public Transport Improvement Programme	Rail stations to Outline Business Case and connecting communities and transport hubs programme passed over to Delivery. [dates tbc]	Milestones/ Annual	tbc – quarterly review of progress.
Organisational research strategy setting out key research and evidence themes.	Approach agreed and strategy developed by June 2018	Milestones/ Annual	Implementation plan to reduce consultancy spend.
Local Inclusive Industrial Strategy impact and outcome report	Approach agreed and strategy developed [date tbc]	Milestones/ Annual	Integral part of monitoring the strategy and linking intervention to support the strategy on the impact and outcome at community and local level work.
Advertising value equivalent	£4million p.a.	Annual / Quarterly review	based around 5 regional stories a week and 1 national stories a week
Social media reach	Double reach	Annual	Reach not followers - tbc
Followers increase	400%	Annual	

POLICY, STRATEGY & COMMUNICATIONS DIRECTORATE			
Proposed Indicator	Target	Measure	Notes
Income streams developed	£50k	Annual	To be reinvested into digital, engagement, external affairs tools
Traction of ideas locally and nationally	Tracker awareness (in house)	Annual	Devise measure internally and incorporate into tracker – audit measures tbc

**Delivery Directorate:**

DELIVERY DIRECTORATE			
Indicator	Target	Measure	Notes
Develop and embed the Portfolio Information Management System (PIMS) including the Combined Authority and districts fully utilising	By March 19	Quarterly	
Embed and develop monitoring and reporting in parallel with PIMS including the Combined Authority and districts fully utilising.	By March 19	Quarterly	
Embed controls for the assurance process following revisions and new templates and guidance including all key staff /partners briefed	By September 2018	Quarterly	
Combined Authority Head Office Accommodation project	On site by end of 2018 xx% of refurbishment complete by xx 2019 (tbc)	Quarterly	Member approval still to be sought. Final programme to be confirmed during concept design phase

**DELIVERY DIRECTORATE**

Indicator	Target	Measure	Notes
PAT - Schemes submitted at a decision point in the Assurance Process are considered and a recommendation made by PAT within 2 weeks of submission	95%	Monthly	
Feasibility and Assurance – All projects reviewed for assurance compliance within 4 weeks of submission of an EOI, OBC, FBC, FBC+, Change Request or Project Closure Report	100%	Monthly	
Feasibility & Assurance / PMO – Undertake review of portfolio to identify potential schemes for re-profiling	Complete by March 18, options to IC for June 18		
Broadband (cumulative contractual targets, Contract 2) – (a) Total Homes Passed (b) Total superfast (>24mb/s), commercial and residential	(a) 43,086 (Total Homes Passed) (b) 35,679 (Super Fast)	Delivered by March 19. Review quarterly	Target does not currently include CR5 remodelling data Potential skills shortages in the market for delivery of Fibre to the Premise may impact on delivery.
Completion of the current Smartcard and information Programme (SCIP) projects (5 No., £1m value) (a) Card Application System Phase 4 delivered.	(a) Phase 4 live December 18	Quarterly	Decision on future smart card programme to be taken in light of TfN progress at mid year.

DELIVERY DIRECTORATE			
Indicator	Target	Measure	Notes
(b) Card Application System Phase 5 scoped and delivered as required. (c) Traveller Information bus map tool live (d) Hotlisting live	(b) Phase 5 live March 19 (c) Live Aug 18 (d) Roll out complete Sept 18		
Leading the implementation of other significant Transport Projects (46 No.; value c£15.762m): (a) No. of projects commencing (b) No. projects completing (c) £m budget expended / defrayed vs planned (£6.8m) (d) Significant progress in design for four new West Yorkshire rail stations.	By March 19 (a) 11 Projects on-site (b) 13 (c) Within 10% of target (d) Achieving Approval in Principle for the preferred option from Network Rail, and Outline Business Case approval under WYCA's Assurance Framework.	Quarterly	(a) Indicative List: 1. Normanton Totem 2. Castleford Rail Station 3. Leeds New Station Street 4. Halifax Bus Station 5. New Pudsey Rail P&R 6. Steeton & Silsden Rail P&R 7. Shipley Rail P&R 8. Mytholmroyd Rail P&R 9. Mirfield (B) Rail P&R 10. Horsforth Rail Accessibility 11. ULEV Lot 1  (b) Indicative List: 1. Bradford I/C SCP 2. 10 x Bus Hot Spots 3. Real Time Information installations at Morley and South Elmsall Hubs.

**DELIVERY DIRECTORATE**

Indicator	Target	Measure	Notes
<p>Facilitating partner delivery of 57 projects, value c£72.971m in the West Yorkshire Transport Fund (WYTF), Leeds Public Transport Infrastructure Programme (LPTIP) and City Connect Ambition Grant (CCAG) programme:</p> <p>(a) No. Projects approved at DP3 / OBC</p> <p>(b) No. Projects approved at DP5 / FBC</p> <p>(c) No. Projects on site</p> <p>(d) No Projects Completing (WY+TF/T Partnerships)</p> <p>(e) CCAG1 Benefits realisation completed</p> <p>(f) CCAG2 Projects Delivery completed</p>	<p>By March 19</p> <p>(a) 12</p> <p>(b) 9</p> <p>(c) 9</p> <p>(d) 2</p> <p>(e) completed</p> <p>(f) 8</p>	<p>Quarterly</p>	<p>(a) Indicative List:</p> <ol style="list-style-type: none"> <li>1. Corridor Improvement Programme junctions</li> <li>2. Castleford Growth Corridor</li> <li>3. York Central</li> <li>4. LBA Link road</li> <li>5. Stourton Park &amp; Ride</li> <li>6. Tong Street</li> <li>7. Bradford to Shipley Corridor</li> <li>8. M2D2L (A653)</li> <li>9. A62/A644 Cooper Bridge</li> <li>10. Halifax Station Gateway</li> <li>11. A629 Phase 5</li> <li>12. UTMC Programme</li> </ol> <p>(b) Indicative list:</p> <ol style="list-style-type: none"> <li>1. Ings Road Wakefield</li> <li>2. York Outer Ring Road (further junctions)</li> <li>3. ELOR</li> <li>4. A629 Phase 1b</li> <li>5. A629 Phase 2</li> <li>6. Bradford Forster Square</li> <li>7. Hard Ings Road, Bradford</li> <li>8. UTMC Phases 1 &amp; 2</li> </ol>

DELIVERY DIRECTORATE			
Indicator	Target	Measure	Notes
			<p>9. Corridor Improvement Programme junctions</p> <p>(d) Indicative list: 10. Kirkgate, Wakefield 11. A629 (1a) Halifax</p> <p>(f) Indicative list: 1. Castleford to Wakefield phases 2&amp;3 2. Canals projects x 3 3. York - Scarborough Bridge 4. Bradford - Canal Road 5. Leeds - City Centre</p>
Facilitating Economic Regeneration 61 No. Projects with a value of c£45.166m (including skills capital & innovation, Housing & Regeneration, Broadband and Better Homes)	Detailed in rows below		
<p>Skills Capital &amp; Innovation</p> <p>Skills Capital – Complete Phase 2a &amp; Phase 2b:</p> <p>(a) New build floorspace delivered</p> <p>(b) Refurbished floorspace delivered</p> <p>(c) match-funding leverage (£22m)</p>	<p>(a) 24,898 sqm</p> <p>(b) 12,100 sqm</p> <p>(c) £16.5m</p> <p>(d) Within 10% of target</p> <p>(e) Within 10% of target</p>	Quarterly	

DELIVERY DIRECTORATE			
Indicator	Target	Measure	Notes
(d) £m budget expended / defrayed vs planned (£11m) (e) Loans defrayed (£5.45m)			
Housing & Regeneration (LGF) (a) No. projects reaching Activity 5 (b) No. new homes enabled (c) Commercial floor space enabled (sqm) (d) £5 m grant / loan (e) Leverage £50m	(a) 3 x LGF projects approved (b) 200 homes enabled by LGF funding at New Bolton Woods and Beech Hill (C) 8000sqm across York Central and York Guildhall (d) Within 10% of target (e) Within 10% of target	Quarterly	Indicative List: (a) City Fields; Beech Hill; EZ  NB The schemes within the Growth Deal Priority 4 Infrastructure for Growth Programme require a transformational package of infrastructure investment to enhance viability, improve developer confidence and unlock growth potential. Sites across the Leeds City Region require enabling works to address a number of issues including land assembly, site remediation, flood mitigation, place making, topography issues, egress/ingress issues and require enhanced connectivity often before house building can commence.  The challenge for the Combined Authority's delivery

DELIVERY DIRECTORATE			
Indicator	Target	Measure	Notes
			to create markets and strengthen the viability of schemes, to in turn accelerate commercial and housing site delivery is compounded by how far sites are from being market ready, some sites have two or even three of the above challenges to overcome before the site is ready.
<p>Flood Alleviation Scheme Phase 2: To deliver flood alleviation projects: commence on site</p> <p>(a) Wyke Beck and Natural Flood Management</p> <p>(b) Bradford Canal Road Corridor; Kirklees Leeds Road Corridor; Brighouse and Clifton; and Castleford</p> <p>(c) Spend (£2.664m)</p> <p>(d) Leverage £1.566m on Wyke Beck</p>	<p>(a) Two on site</p> <p>(b) Four in Pipeline</p> <p>(c) Within 10% of target</p> <p>(d) Within 10% of target</p>	Quarterly	Assumed full spend on Wyke Beck £2.6m and £1m on Natural Flood Management
<p>Leeds District Heat Network</p> <p>(a) Spend £4m</p> <p>(b) Leverage (£17m)</p>	<p>Commence construction on site</p> <p>(a) Within 10% of target</p> <p>(b) Within 10% of target</p>	Quarterly	
<p>Better Homes</p> <p>(a) Number of homes improved</p> <p>(b) Tackling Fuel Poverty LGF spend</p> <p>(c) Warm Homes Fund – delivery of CHS</p>	<p>(a) 1,000 homes improved £3.2m</p> <p>(b) 524</p> <p>(c) Within 10% of target</p>		



**DELIVERY DIRECTORATE**

Indicator	Target	Measure	Notes
(d) Warm Homes Fund spend of £1.2m			
<p>Growing Places Fund Loans</p> <p>(a) No. projects reaching Activity 5</p> <p>(b) No. new homes enabled</p> <p>(c) No jobs enabled inc. apprenticeships</p> <p>(d) Commercial floor space enabled (sqm)</p> <p>(e) £5.5m grant / loan</p> <p>(f) Leverage £10.7m</p>	<p>(a) 4</p> <p>(b) 200</p> <p>(c) 250</p> <p>(d) 16,250</p> <p>(e) Within 10% of target</p> <p>(f) Within 10% of target</p>	<p>Bi-annual monitoring</p>	<p><b>Assumptions</b> – fund continues after GPF review. (LEP Board has yet to consider this.)</p> <p>Projects are an estimate only as projects can be rejected at any stage due to findings of feasibility and assurance/legal and financial due diligence.</p> <p>Projects speculated: 3 in current pipeline and 1 new unknown.</p>
<p>EZ Programme</p> <p>(a) Commence delivery of projects on site Leeds EZ and 2 sites in Phase 2 EZ</p> <p>(b) Spend £4.5m Leeds EZ and £2.8m Phase 2</p>	<p>(a) 3 [tbc]</p> <p>(b) 7.3m</p>	<p>Quarterly</p>	<p>As the programme has only received OBC the detailed project plans are to be developed – costs for next year are currently under review</p> <p>(a) Indicative list – Gain Lain or Clifton; Linley Moor</p>
<p>Effective use of resources (staffing) through workforce planning</p>	<p>Performance targets on track and achieved</p>	<p>Quarterly</p>	<p>NB Weight of resources between transport and non-transport teams reflects the current nature of work undertaken (ie significant direct</p>

DELIVERY DIRECTORATE			
Indicator	Target	Measure	Notes
			delivery involvement amongst Transport Projects & SCIP team, & district resources within Transport Partnerships team) and scale of funding directed towards transport infrastructure.

**Economic Services Directorate:**

*\* Draft target subject to successful funding bids/budget negotiations. Degree of stretch also to be finalised*

ECONOMIC SERVICES DIRECTORATE			
Indicator	Target	Measure	Notes
<b>BUSINESS SUPPORT</b>			
Number of businesses that want to grow receiving support	2750*	Monthly	Increase on 17/18
Intensive support to growth businesses	900*	Monthly	Not including businesses receiving capital grants
Jobs created in businesses receiving intensive support (including capital grants)	500	Monthly	Reduced grant pot compared to 17/18
Investment in capital growth projects	£5m	Monthly	Reduced grant pot compared to 17/18
Average cost per job in businesses receiving capital investment	£12,500	Monthly	subject to ongoing discussions regarding grant criteria – and

ECONOMIC SERVICES DIRECTORATE			
Indicator	Target	Measure	Notes
			hence impact on transaction costs.
Businesses supported to undertake innovation activity in-house or with an external organisation	70	Monthly	Mostly through Access Innovation
Business supported to reduce costs on energy, water and waste	80	Monthly	All through REF
Businesses supported to implement strategic growth plans for high growth	100	Monthly	All through SBG
Businesses accessing multiple support products to help them grow	700*	Monthly	Increase on 17/18
Pop-Up Business Advice events delivered across the city region	12*	Monthly	12 in the year but not one a month –
Pop-Up Business Advice events delivered in more disadvantaged parts of the city region	6-8*	Monthly	4 out of the 12 overall in 17/18
New members recruited to the Travel Plan Network	80	Monthly	On target to reach 60 in 17/18
Proportion of businesses in receipt of intensive support achieving growth (GVA, turnover, employment)	75%*	Annual	Increase on 17/18, some growth will be delivered in 19/20 for support accessed in 18/19.
Proportion of businesses supported by Growth Service likely to recommend it	85%*	Annual	Slight increase on last year – need to take the ‘no to grant’ factor into account

ECONOMIC SERVICES DIRECTORATE			
Indicator	Target	Measure	Notes
<b>EMPLOYMENT &amp; SKILLS</b>			
Deliver an enhanced model of employability, enterprise & careers education to disadvantaged students	12,000 tbc	quarterly	Measure same as 17/18 with increased target EC action plans CEC contracts
Refresh and monitor delivery agreements with 7 FE colleges, to deliver skills outcomes which support our economic priorities and inclusive growth ambitions	7	6 monthly	KPI modified to ensure clear linkage to policy objectives
Number of businesses influenced to engage with education, apprenticeships and sector skills initiatives  (NB businesses who have not been engaged previously)	40 150* – if additional funding gained	quarterly	New KPI for 18/19 – impact is that more employers engage with Employment & Skills and therefore support our objectives. EAs recruited Businesses providing sponsorship Apprenticeships [re]boot
Number of people reached with information on careers linked to labour market information, thus promoting better informed choices	10,000	quarterly	Measure changed for 18/19 – impact is that the groups below will have detailed understanding of labour market and can therefore make informed choices. Young people Parents Teachers Providers Employers intermediaries

<b>ECONOMIC SERVICES DIRECTORATE</b>			
<b>Indicator</b>	<b>Target</b>	<b>Measure</b>	<b>Notes</b>
Number of individuals supported to upskill in skills shortage areas (delivered in partnership)	1250*	Quarterly	Target increased from 17/18 [re]boot Apprenticeships Employment brokerage Skills service
Number of businesses supported to offer apprenticeships	1000* – if additional funding gained	Monthly	Measure same as 17/18, however subject to new funding being secured
<b>TRADE &amp; INVESTMENT</b>			
New Enquiries generated	100*	monthly	These will be generated via increased marketing, awareness & our sustained lead generation campaign.
No of bespoke enquiry responses issued	60*	monthly	The continuation of bespoke and commercially aware enquiry responses
Inward Investor meetings	180*	monthly	Increased from 123 this year. A measure as to how engaged we are with the enquiries on our pipeline
Inward Investor visits hosted	40*	monthly	Progression of projects from sales mode to delivery mode
New Jobs Created	1500*	annual	Increased by 50% based upon the existing strength of the enquiry pipeline
Inward Investment Projects to LCR	40*	annual	Effectively doubled (despite BREXIT) based upon the expectation that a Key Account Management (KAM) function

ECONOMIC SERVICES DIRECTORATE			
Indicator	Target	Measure	Notes
			will be established within the team
Number of Investor Development meetings	240*	monthly	A measure of how well the KAM team is engaging with their portfolio of clients (subject to KAM funding)
New projects identified from ID visits	48*	monthly	The effectiveness of the KAM team (as above).
Jobs Safeguarded	500 tbc	annual	
Private sector investment leveraged (£m)	£20m	annual	Based upon a more direct involvement in influencing and promoting infrastructure schemes
Export enquiries to growth service	150	annual	Increased by 50% - further targeted initiatives should start driving more interest to the growth service
Export referrals via LEP services	200	annual	Increased – as teams becoming more experienced in cross selling as we move onwards.
No. of new export initiatives with existing exporters from key sectors	5	annual	Based on a concentrated effort to merge trade and inward investment activities.
No. of new initiatives in markets with under-explored potential	5	annual	Based on our ability to identify partners in overseas under explored markets – this is predominantly a value related performance measure

<b>ECONOMIC SERVICES DIRECTORATE</b>			
<b>Indicator</b>	<b>Target</b>	<b>Measure</b>	<b>Notes</b>
No of new businesses inspired to export via our trade initiatives	100	annual	Our trade campaigns should be aiming to encourage new exporters – a major challenge.
No of existing exporters inspired to increase exports via our trade initiatives	30	annual	Our trade campaigns should be encouraging existing exporters to sell into new markets
Number of additional active exporters (total)	120 tbc pending DIT data	annual	Continuity from 17/18

37

**Transport Services Directorate:**

<b>TRANSPORT SERVICES DIRECTORATE</b>			
<b>Indicator</b>	<b>Target</b>	<b>Measure</b>	<b>Notes</b>
Produce Retail and Smart ticketing strategy	July 2018	One off	
Produce Information Strategy	July 2018	One off	
Produce Asset Management Strategy	July 2018	One off	
Design and produce a new blueprint for Travel Centre	July 2018	One off	
Deliver trial for use on mobile ticketing platforms for Mcard	July 2018	One off	
Meet requirements of WYTCL SLA		Monthly	
Bus patronage	Overall target 25% increase in the region over 10 years tbc	Annual	This target is subject to further discussions with district

			partners and bus operators who will have a key role in delivering against this
Leeds bus patronage	Overall target 100% over 10 years tbc	Annual	As above
Increase MCard sales by 3%	£tbc	Monthly	
% of MCard ticket sales visa self-service/Travel centre alternatives	75%	Monthly	
Proportion of information interactions/enquiries that are on line	98%	Monthly	
% of concessionary permits online	70%	Monthly	
Cost per mile tendered service	£1.60	Annual	Down from £1.85 in 17/18
Cost per Accessbus passenger journey	£5.50	Annual	Down from (tbc) in 17/18
Income generation from property rental	10% increase tbc	Annual	
Cost per on street asset	£46.00	Annual	New measure – aim to drive lower cost while maintaining quality to customers.



**Resources Directorate:**

*\*Draft KPI's associated with the change programme in the Resources Directorate – final targets/dates tbc*

RESOURCES DIRECTORATE			
Indicator	Target	Measure	Notes
<b>General</b> % of internal customers who are 'satisfied/very satisfied' with the overall service they receive from Resources Teams	90%	Bi-annually	Internal staff snapshot survey
<b>Finance:</b> Paying undisputed invoices within 30 days  Achieving a balanced financial outturn.  Achieving statutory compliance on financial matters.  Debt recovery – 100% recovered and / or debtor invoices issued on time (100%)  Payroll - paying staff accurately	100%  100%  100%  100%  <2% error rate	Quarterly  Monthly  Monthly	Consideration being given to specific target for SME / VCS etc NB: Regular monitoring reports to Combined Authority meetings and quarterly to Governance and Audit Committee VAT, HMRC, Pension, Annual Accounts, government returns etc.
Delivery of replacement/updated financial System (incl HR / Payroll): <ul style="list-style-type: none"> <li>○ Capture business requirements and prepare a specification</li> <li>○ Source options (via frameworks) and prepare business case for approval</li> </ul>	tbc*  By 30 Sept 2018*  By Jan 2019*		Targets TBC following completion of further work which is currently underway to develop the detailed programme for remaining change projects in the Resources Directorate

**RESOURCES DIRECTORATE**

Indicator	Target	Measure	Notes
<ul style="list-style-type: none"> <li>○ Set up Project and commence implementation</li> </ul> <p>Embedding the new Finance OD:</p> <ul style="list-style-type: none"> <li>○ Improved financial information to Directorates and cost savings / income generation</li> </ul> <p>Finance Process improvements (though linked to System and new OD):</p> <ul style="list-style-type: none"> <li>○ Process improvements – capture efficiencies created (cashable / non cashable).</li> </ul>	<p align="center">tbc*</p> <p align="center">tbc*</p> <p align="center">tbc*</p> <p align="center">tbc*</p>		
<p><b>Procurement:</b></p> <p>No. of successful legal challenges on procurement</p> <p>Delivery of saving initiatives</p> <p>Procurement savings as a % of addressable spend (5 to 10% TBC)</p> <p>Procurement return on investment the savings return (should be between 5 and 10 times the cost of the team).</p>	<p align="center">0</p> <p align="center">5</p> <p align="center">tbc*</p> <p align="center">tbc*</p>	<p align="center">Ongoing</p> <p align="center">Ongoing</p>	<p>Potential procurement indicators currently in development as part of the implementation of the Procurement Strategy</p> <p>Work continuing on measure around audits of procurements and contract letting.</p>

RESOURCES DIRECTORATE			
Indicator	Target	Measure	Notes
Project Delivery - ensuring delivery of the pipeline of projects	tbc*		
Timeliness of delivery -either based on RAG status or by adhering to government guidelines on how long procurements should take.	tbc*		
<b>Human Resources:</b>			
Average absence (as % of workforce)	2%	Monthly	average for public sector currently 2.9%
% Increase in women in management roles (grades D-K)	tbc*	Quarterly	
% increase of BAME across organisation	tbc*	Quarterly	
% saving on staff costs	5%*	Quarterly	
Delivery of People Strategy	tbc*	tbc	
Launch of and training in application of new policies	tbc*	tbc	
Increase in number of apprentices	tbc*	tbc	Apprenticeship recruitment expected to be higher than 17/18.
<b>ICT Services</b>			
- Real-Time, Younextbus: Vehicles Being Tracked	78%	Monthly	The percentage of all operators scheduled journeys ending in West Yorkshire which are tracked at 25% or more stops.
	99%	Monthly	
- Core Network Up Time	99%	Monthly	
- Microsoft Cloud availability	98%	Quarterly	
- CoSA availability	100 or less	Monthly	
- Service Desk open tickets		Monthly	

**RESOURCES DIRECTORATE**

Indicator	Target	Measure	Notes
<ul style="list-style-type: none"> <li>- Resource systems critical tickets</li> <li>- Website (external and internal) availability</li> <li>- [additional metrics to be confirmed]</li> </ul> <p>Procurement and implementation of projects within the Corporate Technology Strategy</p>	<p align="center">Zero</p> <p align="center">100%</p> <p align="center">tbc*</p> <p align="center">tbc*</p>	<p align="center">Monthly</p> <p align="center">tbc</p>	
<p><b>Internal Audit</b></p> <p>Provide advice/assurance on the development and operation of business processes, risk management and governance arrangements.</p> <p>Provide an independent opinion on the effectiveness of the Combined Authority's control, risk management and governance arrangements</p> <p>Identify improvements to the delivery of IA services through the provision of audit client feedback questionnaires.</p>	<p align="center">X% of audit programme tbc*</p> <p align="center">Completion of audit assignments on time</p> <p align="center">80% positive response*</p>	<p align="center">Quarterly</p> <p align="center">Annually</p> <p align="center">Quarterly</p>	<p>Reported annually to LTB and Governance &amp; Audit Committee. Statements support notes to statutory published financial accounts, AGS.</p>
<p><b>Legal and Governance</b></p> <p>Meeting FOI/EIR deadlines</p>	<p align="center">100%</p> <p align="center">100%</p>	<p align="center">Quarterly</p> <p align="center">Quarterly</p>	

**RESOURCES DIRECTORATE**

Indicator	Target	Measure	Notes
Compliance with statutory requirements re committee agenda publication	tbc*	tbc	
Toolkits for self-service across a minimum of 2 legal areas to be produced	tbc*	tbc	
Information governance improvements/GDPR compliance	tbc*	tbc	
Monitoring late committee reports	tbc*	tbc	

This page is intentionally left blank



---

**Report to:** Overview and Scrutiny Committee

**Date:** 23 March 2018

**Subject:** Devolution

---

**Director(s):** Elizabeth Hunter, Policy and Strategy

**Author(s):** James Flanagan

---

## **1 Purpose of this report**

1.1 To update members on progress towards securing devolution to Leeds City Region.

## **2 Information**

2.1 Members have received regular verbal updates on progress towards securing devolution to Leeds City Region. Progress made in the past year is summarised elsewhere on the agenda.

2.2 Following an offer made by the Secretary of State in February to consider detailed proposals for a 'One Yorkshire' deal, Leaders met on 5 March and agreed to submit their devolution proposition to Government and publish it more widely in the interests of transparency. The submitted proposal is included for information in **Appendix 1** to this report.

2.3 The proposal is to secure a deal for the widest possible Yorkshire geography by 2020, including Leeds City Region, with a directly elected Yorkshire mayor and Combined Authority (with cross party Overview and Scrutiny Arrangements), having the ambition of securing a broad range of devolved powers and funding, in ways that do not create net additional cost and bureaucracy.

2.4 The deal proposes powers and funding aimed at raising living standards for everyone in the Region, closing the UK jobs gap by delivering 200,000 jobs, boosting productivity via an extra £12bn of economic growth, and moving towards becoming a net contributor to the public purse.

- 2.5 Leaders have submitted the proposal as a basis for initiating negotiation with Government, recognising that further work will be ongoing to identify any specific place based investment asks, develop and agree detailed governance arrangements for the operation of the Yorkshire Combined Authority (including voting arrangements and representation), demonstrating how the Region is a functional economic area and preparing a public facing version of the deal which explains the proposals and benefits in plain English.

### **3 Financial Implications**

- 3.1 There are no financial implications directly arising from this report.

### **4 Legal Implications**

- 4.1 There are no legal implications directly arising from this report.

### **5 Staffing Implications**

- 5.1 There are no staffing implications directly arising from this report.

### **6 External Consultees**

- 6.1 No external consultations have been undertaken.

### **7 Recommendations**

- 7.1 Members are requested to note the progress that has been made and to comment on the proposals submitted to the Secretary of State.

### **8 Background Documents**

None.

### **9 Appendices**

Appendix 1 – Yorkshire Devolution Agreement Submission



Rt Hon Sajid Javid MP  
Secretary of State  
Ministry of Housing Communities and Local Government  
Fry Building  
2 Marsham Street  
LONDON, SW1P 4DF

5 March 2018

Dear Secretary of State,

## Devolution in Yorkshire

Thank you for attending the Yorkshire & Northern Lincolnshire APPG last week on a One Yorkshire approach to devolution. We welcomed you making clear that the Government wouldn't stand in the way of any One Yorkshire proposal taking effect in 2020 that had widespread support.

Responding to your call for a detailed and concrete proposal, we are writing as the Leaders and representatives of the 18 local authorities in Yorkshire, with that detailed and concrete plan which we have been working on for several months.

We would wish to take up your offer for an urgent meeting to discuss the attached proposals with yourself and senior officials so that these can be taken forward swiftly.

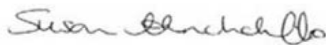
We believe that with your Government's support we can seal an historic devolution agreement with the potential to double the size of our economy to the benefit of the people of Yorkshire and the wider country.

We are copying this letter to the Prime Minister, the Chancellor of the Exchequer, the Business Secretary and the Minister for the Northern Powerhouse & Local Growth as interested parties.

Yours sincerely



Cllr Stephen Houghton  
Leader, Barnsley Council



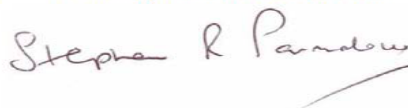
Cllr Susan Hinchcliffe  
Leader, Bradford Council



Cllr Tim Swift  
Leader, Calderdale Council



Mayor Ros Jones  
Mayor, Doncaster Council



Cllr Stephen Parnaby  
Leader, East Riding of  
Yorkshire Council



Cllr Stephen Brady  
Leader, Hull City Council

Cllr David Sheard  
Leader, Kirklees Council

Cllr Judith Blake  
Leader, Leeds Council  
County Council

Cllr Carl Les  
Leader, North Yorkshire  
County Council

Cllr Andrew Waller  
Acting Leader, City of York Council

Cllr Richard Foster  
Leader, Craven District  
Council

Cllr Mark Robson  
Leader, Hambleton  
District Council

Cllr Yvonne Peacock  
Leader, Richmondshire  
District Council

Cllr Derek Bastiman  
Leader, Scarborough  
Borough Council

Cllr Mark Crane  
Leader, Selby District  
Council

Cllr Peter Box  
Leader, Wakefield Council

Clare Slater  
CEO (Interim) of Ryedale  
Council  
On behalf of the Council

Cllr Richard Cooper  
Leader, Harrogate  
Borough Council

## Yorkshire Devolution Agreement Submission

### **Yorkshire Devolution - An historic opportunity for the whole country**

This document sets out the proposed terms of an agreement between 18 Yorkshire council leaders / representatives and Government.<sup>1</sup>

The delivery of this devolution agreement is central to Yorkshire's collective drive to unleash the full economic potential of a region with an established international brand, an economy twice the size of Wales and a population the same as Scotland.

At its heart is a desire to accelerate the pace of rebalancing prosperity, to play a central role in a confident outward looking UK economy and embrace the opportunities of the digital age and to do so through self-reliance, self-help and self-sufficiency.

The plan to create a single mayoral combined authority for Yorkshire by May 2020 addresses the requirement for these ambitions to be delivered through clear accountable arrangements which avoid duplication and additional costly and burdensome bureaucracy. However, more profoundly, it does so based on the strong, shared, internationally-recognised Yorkshire identity and brand.

Public support for mayoral arrangements to align with an existing identity which complements - rather than competes - with their powerful allegiance to village, town or city, is clear. This proposal will establish a Yorkshire mayor with the capacity to be a powerful symbol of common endeavour within the region and as an ambassador for it nationally and internationally.

This document sets out proposals which reflect and address the diverse needs of a region which spans major cities and national parks, agriculture, coastline and industry, history and innovation by placing powers where they will have maximum impact while retaining the overarching benefits of regional coherence and co-operation.

Covering such a large population and functional economy, this proposed agreement offers the scale to make it a central pillar of the national drive to tackling fundamental weaknesses in the UK economy, notably the productivity challenge and the geographic imbalance in wealth and opportunity.

We seek to address these imbalances in a way which supports the ambitions of other parts of the UK. A Yorkshire enjoying devolved powers and budgets will be a strong partner, offering complementary strengths to those of our partners in the devolved nations, South, Midlands and London while adding fresh momentum towards achieving the ambitions we have set out with our Northern Powerhouse neighbours.

---

<sup>1</sup> Deal to be based on the widest possible Yorkshire geography conditional on Government enabling all 20 Yorkshire Councils to join - if they so choose - by May 2020. This submission to Government has been agreed by 18 of the 20 Yorkshire Council Leaders and Representatives (Barnsley, Bradford, Calderdale, Craven, Doncaster, East Riding, Hambleton, Harrogate, Hull, Kirklees, Leeds, North Yorkshire, Richmondshire, Scarborough, Selby, Ryedale, and Wakefield, and York). Should Sheffield and Rotherham choose to not join the deal, it is recognised that arrangements may need to be made to ensure the integration of transport across South Yorkshire.

This agreement represents a major acceleration of our work transforming the Yorkshire economy; building on longstanding strengths in areas including energy, financial services, agriculture and tourism and supporting exciting growth sectors including health innovation, logistics and advanced manufacturing. The digital revolution and embracing the opportunities it brings is the golden thread which connects our vision.

The prolonged absence of a devolution agreement for Yorkshire would not only deprive our communities of opportunities open to other parts of the country but would also be a major obstacle to achieving national growth ambitions at a pivotal moment for the UK economy. The Northern Powerhouse will remain incomplete until a thriving Yorkshire enjoying devolved powers and budgets is at its heart.

The determination from this region to overcome previous obstacles to securing an agreement bringing benefits to our communities, our region and the country is evident. This proposal is the culmination of political and geographic collaboration across Yorkshire at a scale and with a degree of consensus unprecedented in recent times.

It represents a clear, ambitious, deliverable roadmap to faster growth, improved living standards for our communities and a significant contribution to the UK's economic ambitions.

Submitting these proposal to government is an important first step. It is however recognised that realising our collective ambition will require a further number of steps:

- undertaking a statutory review which evidences the strong intuitive case that a new Yorkshire CA would improve the exercise of statutory functions and cover a functional economic area
- local formal consent is forthcoming from councils and Combined Authorities, and
- ensuring that broadly-based local support is demonstrated , including via support from MPs and Peers and other stakeholders and through statutory public consultation and involvement using different methods.

## Principles and Impact

This deal is built on the following guiding principles:

- **Ambition** – securing a broad range of powers and funding devolved to a Combined Authority covering the widest possible Yorkshire geography and overseen by a new directly elected Mayor to represent the people of Yorkshire by May 2020, in order to ensure that the benefits of devolution are fully realised across the region.
- **Self-determination** and self-help for the region – ensuring Yorkshire can confidently shape its own Industrial Strategy and economic future post-Brexit.
- **Subsidiarity** – ie the presumption of devolving powers to the lowest practical level, whether district or neighbourhood level, sub regional or regional. This is principally about powers coming down from Whitehall but we will work together where it makes sense, eg current CA powers, and where this does not serve to create a costly new regional tier of bureaucracy.
- **Investment, including devolved funding, delivered across the region**, including our rural, coastal and urban areas, ensuring that everyone in Yorkshire is able to benefit from devolution.

- **Streamlined and robust governance** arrangements which create no additional cost burden on the tax payer and comprise the following key elements:
  - **A directly elected Yorkshire Mayor with a clear economic leadership remit**, including skills, business and trade and investment;
  - **A Yorkshire Combined Authority (CA)** based on consensus and having a shared vision and focus on economic, social and environmental challenges including strategic transport, place making/ regeneration, and public service transformation; and
  - **Flexible sub regional arrangements** ‘lifting and shifting’ into the new CA, and building on, existing collaborative arrangements across Yorkshire’s (overlapping and linked) functional economic area.

Yorkshire’s future lies in a new post-Brexit era of global economic opportunity with an ambition that businesses grow and become more productive, leading to a better quality of life. This agreement will enable the people of Yorkshire to begin to fulfil this ambition and benefit from the following opportunities:

- Becoming a significant player in an outward-looking, competitive and prosperous UK
- Co-producing with government a Yorkshire Industrial Strategy to provide a compelling basis for government and business investment and drive to the Northern Powerhouse
- Rebalancing the economy (north / south and east / west) by increasing local and net national earning power
- This prosperity will be shared across society, with the benefits spreading to all.

Furthermore this deal package, comprising a revenue gainshare Investment Fund, Housing Investment Fund, new initiatives and new devolved fiscal powers, would enable accelerated stimulus investment in infrastructure, regeneration and growth across our urban, rural and coastal areas which in turn delivers the following outcomes for Yorkshire as a key driver of a successful Northern Powerhouse<sup>2</sup>:

- **Raised living standards for everyone**, based on well-targeted interventions delivering balanced and inclusive growth across the region’s urban, rural and coastal areas
- **Closing of the UK jobs gap** - by delivering 200k jobs
- **Boosted productivity** -
  - an extra £12bn of economic growth
  - significantly narrowing the productivity gap, and
- Step towards becoming a **net contributor to the public purse**

The proposals to devolve the significant powers to Yorkshire contained in this deal are driven by the priorities set out in Yorkshire’s 4 Local Enterprise Partnership (LEP) led Strategic Economic Plans

---

<sup>2</sup> Source: West Yorkshire Combined Authority Regional Economic intelligence Unit

(SEPs), and going forward will be embodied in a shared Yorkshire Industrial Strategy which will build on the SEPs as the local road map to transform the Region from an overall recipient of government funding to one that delivers extraordinary growth and makes its full contribution to national wealth, creating jobs and prosperity for all local residents and businesses.

Yorkshire is unique, with an innovative, thriving and diverse economy built on a rich industrial, cultural and sporting heritage. The Yorkshire brand is globally recognised; it has a thriving and growing economy worth over £112 billion per year, home to over 5 million residents (half the Northern Powerhouse population), 419,000 businesses and over 2.5 million jobs.

Yorkshire can be characterised in terms of its unique identity, international reach, industrial sectors, and nationally significant economic assets:

The Power Brand and Identity	<ul style="list-style-type: none"> <li>• Coastal, rural, towns, and cities</li> <li>• 5m+ people central to an international region – connected to London, Edinburgh, Dublin &amp; Rotterdam</li> <li>• Industrial Strategy/Northern Powerhouse and UK economic policy/productivity contributor</li> </ul>
Economic assets and International Reach	<ul style="list-style-type: none"> <li>• Producer economy; Traded knowledge; HE - R&amp;D and Innovation; Traded services; Visitor Economy; Creative and cultural excellence; International food and drink</li> <li>• Connected by: air (via two international airports); sea (via Humber Ports); rail via ECML and in the future HS2 and Northern Powerhouse Rail; and Road, at the heart of the Strategic Road Network</li> </ul>
Competitive Advantage – Our key sectors & Enablers	<ul style="list-style-type: none"> <li>• Advanced Manufacturing; Digital; Energy; Health Innovation/Life Sciences; Agri-tech; Food and drink</li> <li>• Higher Education; Logistics; Professional Services</li> </ul>
Rebalancing the Economy	Building on our sector strengths; Economic weight of a £112bn economy; Innovation & R&D; Human Capital; Clean Growth; and Connecting all our working age people to good jobs (inclusive growth)

This agreement will deliver transformational outcomes by enabling the region to tackle its economic, environmental and social challenges. The agreement includes powers to support adult skills provision and co-design employment support, and the ability to create a joined up approach with a focus on

connecting the people of Yorkshire to job opportunities, including through a single Yorkshire smart travel ticket<sup>3</sup>.

The deal would enable Yorkshire Combined Authority to create an Investment Fund of more than £3.75bn through a 30 year gainshare revenue stream and locally raised finance. An incoming Yorkshire Mayor would have the option, subject to primary legislation, and on the basis of support from local business, to raise a business rates supplement.

This deal would deliver for Yorkshire game changing levels of capital investment in infrastructure, including in regeneration and transport, from devolved funding and fiscal powers, along with supporting additional borrowing powers for non-transport investment, and revenue support for skills and business support interventions, and greater control over the transport system to enable the region to maximise the potential of HS2 and Northern Powerhouse Rail. We believe that a deal of this kind offers the potential to transform productivity in the region, narrowing the growing gap with the UK minus London average, and thereby boosting the earnings power of the people and businesses of Yorkshire.

This agreement is the first step in a process of further devolution. The government will continue to work with Yorkshire on important areas of public service and fiscal reform to enable the people of Yorkshire to reach their full potential.

The agreement is based on the establishment of a Yorkshire Mayor by May 2020 working as part of a Yorkshire CA with a cabinet of council leaders. Given the importance of existing collaboration across the 4 LEP geographies<sup>4</sup>, which are important economic geographies in their own right, the agreement recognises the wider partnership with business through the LEPs and with neighbouring councils (eg South Bank councils).

The devolution proposals and all levels of funding contained in this agreement are subject to local political leaders consulting their local communities and businesses on the proposals and local and combined authority ratification. This agreement is also subject to parliamentary approval of the secondary legislation needed to implement the provisions of this agreement, including establishing the Yorkshire CA and devolving powers and funding to a Combined Authority and directly elected Mayor for Yorkshire.

### **Summary of the Devolution Deal to be agreed by the Government and Yorkshire Combined Authority Shadow Board, and supported by the 4 Yorkshire LEPs**

A new directly elected Mayor for Yorkshire will provide highly visible and democratically accountable economic leadership in terms of driving investment and growth through Yorkshire's Industrial Strategy. The Mayor will review existing LEP structures (geographies, membership and appointing LEP chairs) to ensure these important business led partnerships remain fit for purpose. In addition,

---

<sup>3</sup> recognizing this is an aspiration consistent with TfN proposals for a wider Northern smart ticket, and is subject to local affordability and addressing any fare harmonization issues

<sup>4</sup> The 4 Yorkshire LEPs cover the following (overlapping) geographies: Leeds City Region; York, North Yorkshire and East Riding; Humber; and Sheffield City Region

the Mayor will Chair Yorkshire Combined Authority and receive the following powers devolved from central Government:

- Devolved 19+ adult skills funding from 2020 to shape local skills provision to respond to local needs
- A Yorkshire Growth Hub to have responsibility for devolved and integrated business support, including DIT export support
- Multi-year consolidated transport budget
- Responsibility for franchised bus services in all (or part) of the region, in line with the Bus Services Act 2017, to secure access to 'fare box' revenues, and for integrating simple smart ticketing across all local modes of transport
- Subject to the necessary primary legislation, power to levy and retain a Supplementary Business Rate in all or part of the region, up to a cap, to provide financing of major strategic infrastructure which will drive growth<sup>5</sup>
- Devolved powers to bring forward strategic sites and assets to promote place making, including the creation of Mayoral Development Corporations, and enhanced Compulsory Purchase powers, supported by the creation of a Yorkshire Land Commission which will be chaired by the Mayor, enabling eg a formal partnering relationship with MOD in relation to surplus assets at Catterick Garrison

The Combined Authority, working with the Mayor, will receive the following devolved funding streams and powers

- Control of a new £125m a year gainshare revenue Investment Fund allocation of up to £3.75 billion over 30 years to be invested in driving growth across the rural, urban and coastal areas of the Region
- Promoting urban, rural and coastal regeneration through control of a new £500m devolved Housing Investment Fund
- 100% Business Rate Retention pilot<sup>6</sup>
- Enterprise Zone / Tax Increment Financing status for major developments at locally determined growth areas and around principal transport hubs
- Powers and devolved funding to drive the improvement of careers & enterprise in education, and inspiration around STEM choices

---

<sup>5</sup> Government has proposed a new Mayoral CA power to raise a supplementary business rate to enable investment in infrastructure. It is envisaged that this would be exercisable in Yorkshire in line with the London model which does not seek to deter enterprise, and therefore the Mayor has set a rateable value threshold which in effect excludes micro businesses.

<sup>6</sup> To encourage local growth and on the basis of safeguards to ensure no detriment compared with existing arrangements



- Devolved DWP national programmes and budgets targeted at addressing unemployment, in work poverty and health barriers to work
- Devolved budgets for employer-led skills investment, to allow joined up skills brokerage service to help more employers offer Apprenticeships.
- Borrowing powers to enable investment in economically productive infrastructure to deliver growth, subject to a cap to be agreed with HM Treasury
- Flexibility to establish a Single Pot combining funding streams to provide maximum flexibility to deliver local priorities
- Broad powers to acquire and dispose of land to enable more houses to be built<sup>7</sup>, commercial space and infrastructure, for growth and regeneration
- A non-statutory Yorkshire strategic infrastructure investment framework

## Governance

1. This agreement proposes the establishment of a Combined Authority for Yorkshire with the first elections of a Yorkshire Mayor to be held in May 2020. Yorkshire councils and LEPs have already taken the following bold steps, including securing effective and accountable sub regional governance arrangements, in return for receiving from Whitehall new devolved powers and funding:
  - West Yorkshire Combined Authority and Sheffield City Region Combined Authority were established as conditions of the 2012 Leeds and Sheffield City Deals which conferred new devolved powers and funding to those areas;
  - Yorkshire’s four Local Enterprise Partnerships (LEPs) are in receipt of £1.8bn<sup>8</sup> devolved through ground breaking Growth Deals;
  - 18 Yorkshire authorities have agreed to deepen their collaboration by creating a Yorkshire Combined Authority Shadow Board, building on existing collaborative arrangements including the Yorkshire Leaders Board; and
  - 18 Yorkshire Councils have agreed that they should be free to join a new Yorkshire CA in order to enable the people of Yorkshire to elect a Mayor by 2020
2. The proposal contained in this agreement for a new Yorkshire Combined Authority is subject to final formal consent of a Yorkshire Combined Authority Shadow Board, the constituent councils, existing combined authorities, agreement of ministers, and necessary orders.
3. The strength of the governance arrangements of the CA will be commensurate with the powers and funding devolved to that authority and the mayor, recognising that strong, accountable

---

<sup>7</sup> Agreement of Housing numbers would remain an expressly local matter.

<sup>8</sup> The following funds have been awarded to Yorkshire’s four LEPs over three Growth Deal rounds: Leeds City Region (£694.9m plus an additional £420m gainshare); York, NY and ER (£145.8m); Sheffield City Region (£365m); and Hull and Humber (£141m)

governance is an essential prerequisite of any devolution of the new powers and functions contained in this agreement.

- The new Mayor will be elected by - and will be personally accountable to - the local government electors for the areas of the constituent councils of the Combined Authority.
- The Mayor will provide overall economic leadership and chair Combined Authority meetings.
- The Mayor would also hold ultimate responsibility for franchised bus services across all or part of the Combined Authority area<sup>9</sup>, and for integrating smart ticketing across all forms of transport. The Mayor would also be able to levy a supplement on business rates<sup>10</sup> in all or part of the region in order to finance investments in infrastructure. The Mayor would be able to exercise these functions autonomously. The allocation of portfolio responsibilities for the Cabinet would be at the Mayor's discretion.
- The Mayor, supported by a CA Cabinet of leaders, will produce - with LEPs and others - a local industrial strategy for Yorkshire, based upon the existing SEPs, and with a focus on opportunities around Brexit and mitigating risks. The Strategy will set out a programme for accelerated delivery of the aims of the national strategy through maximising the competitive advantages of Yorkshire, bringing together social and economic ambitions to achieve inclusive growth. This agreement is a central to providing Yorkshire with the devolved powers and funding needed to deliver the Industrial Strategy.
- The local authorities covering the widest possible Yorkshire geography, represented by their leaders, will form the constituent membership of the Combined Authority.
- Leaders will form a decision making Cabinet to be overseen by the Mayor, where leaders have a clear portfolio of responsibilities, including fulfilling any deputy Mayor roles.
- In recognition of the importance of the LEP role and the private sector in growth strategies and their delivery, the 4 Yorkshire LEPs will be represented, without voting rights on the Combined Authority by their Chairs. Trade Unions and the two National Parks will also be represented on a non-voting basis.
- The Mayor and Cabinet will be supported by flexible sub regional Area Committees which recognise the functional economic linked and overlapping geographies and will undertake any functions appropriately delegated to these committees consistent with the principle of subsidiarity, including transport functions which will be exercised on behalf of the Mayor and Cabinet for the areas of all or part of South Yorkshire and of West Yorkshire. Transport powers exercisable by the Combined Authority for other parts of Yorkshire will be delegated back from the CA to the existing individual Local Transport Authorities. Overall the strategic integration of transport, and other, infrastructure will be co-ordinated via the Mayor's Industrial Strategy.
- These new arrangements, which will build on existing strong and effective sub regional structures, will help to ensure that the Combined Authority does not create a financially and administratively burdensome additional tier of bureaucracy which it will fall on the people of Yorkshire to pay for. It is therefore intended that the operation of the Yorkshire CA shall not of itself result in any increase in the cost of delivery of the functions ascribed

---

<sup>9</sup> by virtue of the Bus Services Act 2017

<sup>10</sup> in line with Government's proposals and subject to primary legislation

to it over and above the current costs associated with the delivery of those functions by the existing constituent councils, Combined Authorities and Whitehall departments.

- The Mayor and the Cabinet will be required to be scrutinised and held to account by the Combined Authority's non directly elected Overview and Scrutiny Committee and will comprise membership of cross-party members drawn from the constituent councils and other co-opted members.
4. There is no intention to take existing powers from local authorities, including transport powers, without agreement and the agreement will protect the integrity of local authorities in Yorkshire. Neighbouring councils may be non-constituent members of the Combined Authority<sup>11</sup>. The Combined Authority may exercise functions in relation to its area and may invest outside the constituent members of the Combined Authority if that investment is to the benefit of the Combined Authority.
  5. The Yorkshire Mayor and Combined Authority will receive additional devolved powers and funding for infrastructure and certain parts of public service transformation, specifically on transport, business support, rural, coastal and urban regeneration, skills, and the co-design and funding of employment support as set out in this agreement.
  6. The Mayor will be required to consult the Cabinet on Mayoral strategies, including the Yorkshire Industrial Strategy, and the Mayor's budget, either of which the Cabinet may reject if two-thirds of its voting members present agree to do so.
  7. On proposals for decision requiring a vote of the Combined Authority, the Cabinet members and the Mayor would each have one vote and policy would be agreed by a majority vote, except agreeing the CA's annual budget which will require a higher threshold of majority of voting members present.
  8. In the transition period, i.e. before the new Yorkshire Combined Authority can be formed and the Mayor is elected in May 2020, as part of the statutory governance review, various options will be explored for establishing the Yorkshire CA (including dissolving one or both existing combined authorities). A Yorkshire Shadow Combined Authority would by May 2019 receive funding and responsibilities including the revenue gainshare Investment Fund revenue and Housing Investment funding payments, subject to readiness conditions eg the making of orders.
  9. Economic growth is a shared endeavour and is vital in delivering the Northern Powerhouse ambitions. The Mayor, Combined Authority and LEPs will continue to work very closely with the government for the benefit of the public.
  10. Yorkshire Combined Authority and the LEPs commit to working with partners across the North of England to promote opportunities for pan-Northern collaboration, including Transport for the North, to drive productivity and build the Northern Powerhouse.
  11. This Deal represents a first step in a progressive process of devolution of funding, powers and responsibilities to Yorkshire Combined Authority and a directly elected Mayor for Yorkshire. As well as the funding and powers set out in this deal, Yorkshire Combined Authority working with its constituent authorities and Government will continue to consider further opportunities for devolution, including the following:

---

<sup>11</sup> e.g., South Bank authorities

- Devolving responsibility for managing the proposed Shared Prosperity Fund
- A regional approach to rural investment including in relation to the replacement for the CAP following withdrawal from the EU
- Positioning Yorkshire at the forefront of next generation transport. This will include government's ongoing support for HS2 growth strategy delivery, Northern Powerhouse Rail, wider connectivity master planning, zero emission transport, and piloting new approaches, including to: smart cities and towns; smart motorways; and connected communities in rural areas
- An MoU with Highways England with regards to traffic management and emergency management on the M62 and M1 and to include A1m, M18 and A63
- Devolved ownership of identified local rail stations, with associated maintenance and improvement budgets
- A pilot to implement big data sharing agreements across key partners and utilities to support strategic planning
- Responsibility for budgets, including DCMS/BDUK, to deliver ultrafast broadband connectivity and further develop the market
- Exploring devolved energy funding and related powers eg to set planning standards for sustainable design and construction and including clean energy and ULEV
- Exploring responsibility for flood defence capital investment eg to support advanced environmental resilience/sustainability measures (eg Living with Water) for port cities
- Co-design of sector deal pilots for the following sectors:
  - Social Care
  - Rural and Farming
  - Tourism, Heritage, Sport, Arts and Culture, including a formal strategic partnership with Visit Britain around maximising the tourism potential of Yorkshire
- Driving further Public Sector Transformation, including:
  - exploring the opportunities for a devolved and coordinated multi-agency approach to improving the life chances for all our children and young people;
  - Exploring the control of Further Education capital and revenue budgets (including 16-18 funding);
  - early years foundation stage, including the first 1000 days;
  - Integration of Health and Social Care; and
  - collaborating and learning related to blue light services/first responders and the regional role around resilience and mutual aid.

---

**Report to:** Overview and Scrutiny Committee

**Date:** 23 March 2018

**Subject:** **Budget 2018/19**

---

**Director(s):** Angela Taylor, Director, Resources

**Author(s):** Angela Taylor/Jon Sheard

---

## **1 Purpose of this report**

1.1 To provide the Committee with further information on the 2018/19 budget.

## **2 Information**

### **Section Heading**

2.1 At its last meeting the Committee received a report on the business planning and budget process that was underway and which was about to go the Combined Authority for approval. The draft business plans for each directorate and the proposed budget as presented were approved without amendment at the meeting of 1 February.

2.2 The information provided in the previous budget report was presented at a summarised level, and the Committee requested further information to enable them to better understand where the Combined Authority will be spending money in 2018/19.

2.3 Appendices 1 to 3 set out the following:

- i. Appendix 1 – The summary budget position 2018/19 to 2020/21 as presented and approved at the Combined Authority meeting 1/2/18.
- ii. Appendix 2 – Provides further detail on Appendix 1, showing a more detailed breakdown of income and expenditure by teams within the directorates, including information regarding net salaries after taking account of posts funded by other sources such as capital.

- iii. Appendix 3 – Provides a subjective presentation of the budget ie the broad categories of expenditure such as salaries, premises, concessions, etc, as well as further detail on income streams. This presentation also sets out future years at a summarised level.
- 2.4 The Committee is asked to consider the information provided in the appendices and identify any further detail required to support their understanding of the 2018/19 budget. Officers will be available to present and further explain the information in the appendices.
- 2.5 Work is underway with finance officers from partner councils to ensure the budget process and assumptions for future years are robust. A full plan for production of the 2019/20 budget is being produced. The Committee is asked to consider their role in this process.

### **3 Financial Implications**

- 3.1 There are no financial implications directly arising from this report.

### **4 Legal Implications**

- 4.1 There are no legal implications directly arising from this report.

### **5 Staffing Implications**

- 5.1 There are no staffing implications directly arising from this report.

### **6 External Consultees**

- 6.1 No external consultations have been undertaken.

### **7 Recommendations**

- 7.1 That the Overview and Scrutiny Committee provide any input to the figures provided in appendices 1-3 and to raise any issues that need clarifying or further context providing by officers.

### **8 Background Documents**

None.

### **9 Appendices**

Appendix 1 – West Yorkshire Combined Authority Summary – 1/2/18  
Appendix 2 – West Yorkshire Combined Authority Summary - 1/2/18 (detail)  
Appendix 3 – West Yorkshire Combined Authority - Summary (subjective)

**West Yorkshire Combined Authority Summary - 1/2/18**

	2017/18	2018/19					2019/20	2020/21
	Forecast	Salary & Pay	Salary Recovery	Other Expenditure	Other Income	Total	Total	
	Total	Related				Total	Total	
	£	£	£	£	£	£	£	
<b>Transport Services</b>								
Subsidised Services	19,181,000	0	0	27,397,250	(8,710,000)	18,687,250	17,345,421	
Bus Station & Services	4,917,328	3,649,676	0	6,349,153	(5,654,284)	4,344,546	4,417,539	
Concessions + Integrated Ticketing	55,755,478	0	0	56,270,200	0	56,270,200	57,676,955	
Prepaid Tickets Income	0	0	0	31,500,000	(31,500,000)	0	0	
Passenger Information	1,303,055	1,478,349	0	323,024	(617,993)	1,183,380	1,212,947	
Travel Centres	498,516	568,798	0	40,340	(80,000)	529,138	540,514	
Telematics	810,118	200,382	0	763,050	(226,000)	737,432	741,440	
<b>Transport Services</b>	<b>82,465,495</b>	<b>5,897,205</b>	<b>0</b>	<b>122,643,017</b>	<b>(46,788,277)</b>	<b>81,751,945</b>	<b>81,934,816</b>	
Delivery	(145,262)	3,401,966	(3,740,650)	56,200	0	(282,484)	(289,258)	
Economic Services	1,356,314	2,657,421	(576,725)	5,738,783	(6,958,932)	860,548	1,092,161	
Policy, Strategy & Communications	4,210,592	5,219,803	(317,596)	855,771	(254,224)	5,503,754	5,515,798	
Resources	5,219,319	3,107,347	0	2,088,408	0	5,195,755	5,213,902	
Corporate	7,292,512	830,952	(1,355,000)	8,992,287	(2,379,520)	6,088,719	6,263,226	
<b>Other Directorates</b>	<b>17,933,475</b>	<b>15,217,489</b>	<b>(5,989,971)</b>	<b>17,731,449</b>	<b>(9,592,676)</b>	<b>17,366,292</b>	<b>17,795,830</b>	
Capitalisation	(1,000,000)	0	(1,500,000)	0	0	(1,500,000)	(1,530,000)	
Enterprise Zone Receipts	(712,000)	0	0	0	(1,968,000)	(1,968,000)	(3,804,000)	
Transport Levy	(95,198,000)	0	0	0	(94,198,000)	(94,198,000)	(93,198,000)	
<b>Other</b>	<b>(96,910,000)</b>	<b>0</b>	<b>(1,500,000)</b>	<b>0</b>	<b>(96,166,000)</b>	<b>(97,666,000)</b>	<b>(98,532,000)</b>	
Further Resources Required	3,488,971					1,452,237	1,198,646	
Transfer from Reserves	(3,488,971)					(1,452,237)	(1,198,646)	
Balanced Budget	0					0	0	

	Balance at 31/3/17	2017/18	2018/19	2019/20	2020/21	Balance at 31/3/21
	£	£	£	£	£	£
<b>Available Reserves</b>						
General Reserve	(7,102,000)	3,488,971	0	0	0	(3,613,029)
Transport Fund Reserve	(7,751,000)		1,452,237	1,198,646	0	(5,100,117)
<b>Total</b>	<b>(14,853,000)</b>	<b>3,488,971</b>	<b>1,452,237</b>	<b>1,198,646</b>	<b>0</b>	<b>(8,713,147)</b>

This page is intentionally left blank



West Yorkshire Combined Authority Summary - 1/2/18 (detail)

	2018/19					
	Salary & Pay	Salary Recovery	Net Salary & Pay	Other Expenditure	Other Income	Total
	£	£	£	£	£	£
<b>Transport Services</b>						
Subsidised Services	0	0	0	27,397,250	(8,710,000)	18,687,250
Bus Station & Services	3,259,416	0	3,259,416	5,393,985	(4,591,084)	4,062,318
Concessions + Integrated Ticketing	390,260	0	390,260	57,225,368	(1,063,200)	56,552,428
Prepaid Tickets Income	0	0	0	31,500,000	(31,500,000)	0
Metroline	719,834	0	719,834	1,550	(347,141)	374,243
Passenger Information	471,291	0	471,291	296,474	(195,852)	571,913
Data Team	287,224	0	287,224	25,000	(75,000)	237,224
Travel Centres	568,798	0	568,798	40,340	(80,000)	529,138
Wellington House/City Exchange	111,069	0	111,069	735,831	(27,520)	819,380
Telematics	200,382	0	200,382	763,050	(226,000)	737,432
<b>Transport Services</b>	<b>6,008,274</b>	<b>0</b>	<b>6,008,274</b>	<b>123,378,848</b>	<b>(46,815,797)</b>	<b>82,571,325</b>
<b>Delivery</b>						
Portfolio Management Office	670,076	(756,719)	(86,643)	31,000	0	(55,643)
Implementation - Skills + SCIP + CCAG	1,406,453	(1,525,450)	(118,997)	2,250	0	(116,747)
Implementation - Projects	355,397	(385,504)	(30,107)	500	0	(29,607)
Feasibility + Assurance	281,267	(326,596)	(45,329)	22,000	0	(23,329)
Implementation - W Y + T F	688,773	(746,381)	(57,608)	450	0	(57,158)
<b>Delivery</b>	<b>3,401,966</b>	<b>(3,740,650)</b>	<b>(338,684)</b>	<b>56,200</b>	<b>0</b>	<b>(282,484)</b>
<b>Economic Services</b>						
Employment + Skills	817,474	0	817,474	1,265,887	(1,841,223)	242,138
Trade + Inward Investment	817,162	(200,000)	617,162	655,800	(330,000)	942,962
Economic Services - Business Support	1,022,785	(376,725)	646,060	3,817,096	(4,787,709)	(324,552)
<b>Economic Services</b>	<b>2,657,421</b>	<b>(576,725)</b>	<b>2,080,696</b>	<b>5,738,783</b>	<b>(6,958,932)</b>	<b>860,548</b>
<b>Policy, Strategy &amp; Communications</b>						
Communications	1,552,854	(317,596)	1,235,258	554,000	(100,000)	1,689,258
Research + Intelligence Unit	803,579	0	803,579	166,971	(154,224)	816,326
Economic Policy-Infrastructure+Investment	1,741,246	0	1,741,246	134,800	0	1,876,046
Rail/Transport Policy + Strategy	1,122,124	0	1,122,124	0	0	1,122,124
<b>Policy, Strategy &amp; Communications</b>	<b>5,219,803</b>	<b>(317,596)</b>	<b>4,902,207</b>	<b>855,771</b>	<b>(254,224)</b>	<b>5,503,754</b>
<b>Resources</b>						
ICT Services	760,978	0	760,978	1,234,540	0	1,995,518
Finance / Audit	796,908	0	796,908	11,300	0	808,208
Legal + Governance Services	833,260	0	833,260	516,700	0	1,349,960
HR	339,309	0	339,309	312,668	0	651,977
Procurement	311,575	0	311,575	5,500	0	317,075
H&S	65,317	0	65,317	7,700	0	73,017
<b>Resources</b>	<b>3,107,347</b>	<b>0</b>	<b>3,107,347</b>	<b>2,088,408</b>	<b>0</b>	<b>5,195,755</b>
<b>Corporate</b>						
Corporate	455,383	0	455,383	8,256,456	(4,320,000)	4,391,839
Central Administration	64,500	0	64,500	0	0	64,500
Staff Vacancy Saving Target	0	(1,355,000)	(1,355,000)	0	0	(1,355,000)
Capitalisation (WYCA)	0	(1,500,000)	(1,500,000)	0	0	(1,500,000)
Transport Levy	0	0	0	0	(94,198,000)	(94,198,000)
Contingency	200,000	0	200,000	0	0	200,000
<b>Resources</b>	<b>719,883</b>	<b>(2,855,000)</b>	<b>(2,135,117)</b>	<b>8,256,456</b>	<b>(98,518,000)</b>	<b>(92,396,661)</b>
<b>Total</b>	<b>21,114,694</b>	<b>(7,489,971)</b>	<b>13,624,723</b>	<b>140,374,466</b>	<b>(152,546,952)</b>	<b>1,452,237</b>

Previous Year	2019/20	
	Base £	Revisions £
18,687,250	(1,341,829)	17,345,421
4,062,318	65,188	4,127,506
56,552,428	1,414,560	57,966,988
0	0	0
374,243	14,397	388,640
571,913	9,426	581,338
237,224	5,744	242,969
529,138	11,376	540,514
819,380	(125,279)	694,101
737,432	4,008	741,440
<b>82,571,325</b>	<b>57,592</b>	<b>82,628,917</b>
(55,643)	(1,733)	(57,376)
(116,747)	(2,380)	(119,127)
(29,607)	(602)	(30,209)
(23,329)	(907)	(24,236)
(57,158)	(1,152)	(58,310)
<b>(282,484)</b>	<b>(6,774)</b>	<b>(289,258)</b>
242,138	16,349	258,487
942,962	(114,657)	828,305
(324,552)	329,921	5,369
<b>860,548</b>	<b>231,614</b>	<b>1,092,161</b>
1,689,258	3,705	1,692,963
816,326	(48,928)	767,398
1,876,046	34,825	1,910,871
1,122,124	22,442	1,144,566
<b>5,503,754</b>	<b>12,044</b>	<b>5,515,798</b>
1,995,518	(28,780)	1,966,738
808,208	15,938	824,146
1,349,960	16,665	1,366,625
651,977	6,786	658,763
317,075	6,232	323,307
73,017	1,306	74,323
<b>5,195,755</b>	<b>18,147</b>	<b>5,213,902</b>
4,391,839	(1,491,404)	2,900,435
64,500	1,290	65,790
(1,355,000)	(50,100)	(1,405,100)
(1,500,000)	(30,000)	(1,530,000)
(94,198,000)	1,000,000	(93,198,000)
200,000	4,000	204,000
<b>(92,396,661)</b>	<b>(566,214)</b>	<b>(92,962,875)</b>
<b>1,452,237</b>	<b>(253,591)</b>	<b>1,198,646</b>

Previous Year	2020/21	
	Base £	Revisions £
17,345,421	(1,493,772)	15,851,649
4,127,506	66,492	4,193,998
57,966,988	1,449,885	59,416,873
0	0	0
388,640	14,685	403,324
581,338	9,614	590,953
242,969	5,859	248,828
540,514	11,603	552,117
694,101	(40,234)	653,867
741,440	4,088	745,527
<b>82,628,917</b>	<b>28,220</b>	<b>82,657,137</b>
(57,376)	(1,768)	(59,143)
(119,127)	(2,428)	(121,554)
(30,209)	(614)	(30,823)
(24,236)	(925)	(25,160)
(58,310)	(1,175)	(59,485)
<b>(289,258)</b>	<b>(6,909)</b>	<b>(296,167)</b>
258,487	16,676	275,164
828,305	12,590	840,895
5,369	13,180	18,548
<b>1,092,161</b>	<b>42,446</b>	<b>1,134,608</b>
1,692,963	5,199	1,698,162
767,398	(33,607)	733,791
1,910,871	35,521	1,946,392
1,144,566	22,891	1,167,458
<b>5,515,798</b>	<b>30,005</b>	<b>5,545,803</b>
1,966,738	15,524	1,982,262
824,146	16,257	840,403
1,366,625	16,999	1,383,624
658,763	6,922	665,685
323,307	6,356	329,663
74,323	1,332	75,656
<b>5,213,902</b>	<b>63,390</b>	<b>5,277,292</b>
2,900,435	(2,302,952)	597,482
65,790	1,316	67,106
(1,405,100)	(27,642)	(1,432,742)
(1,530,000)	(30,600)	(1,560,600)
(93,198,000)	1,000,000	(92,198,000)
204,000	4,080	208,080
<b>(92,962,875)</b>	<b>(1,355,798)</b>	<b>(94,318,674)</b>
<b>1,198,646</b>	<b>(1,198,646)</b>	<b>0</b>

This page is intentionally left blank

**West Yorkshire Combined Authority - Summary (subjective)**

Expenditure	Delivery £	Economic Services £	Policy, Strategy & Comms £	Resources £	Corporate £	Transport Services £	Total £	2019/20			2020/21			
								Previous Year Base £	Revisions £	Total £	Previous Year Base £	Revisions £	Total £	
Salary & Pay Related Costs	3,401,966	2,657,421	5,219,803	3,107,347	519,883	6,013,274	20,919,694		20,919,694	291,394	21,211,088	21,211,088	424,222	21,635,310
Indirect Employee Related Costs	450	2,000		304,000			306,450	306,450			306,450	306,450		306,450
Premises Related Costs						6,179,194	6,179,194	6,179,194	(127,500)	6,051,694	6,051,694	6,051,694	(42,500)	6,009,194
Travel, Transport & Subsistence Related Costs	5,250	16,984	20,000	6,500	4,000	55,950	108,684	108,684		108,684	108,684	108,684		108,684
Member Related Costs				152,000		1,168	153,168	153,168		153,168	153,168	153,168		153,168
Office Supplies & Services		20,000		51,600		460,950	532,550	532,550		532,550	532,550	532,550		532,550
ICT & Telephony Costs	30,000		58,971	1,168,940		1,084,867	2,342,778	2,342,778	(44,000)	2,298,778	2,298,778	2,298,778		2,298,778
Professional & Consultancy Fees	20,000	50,000	254,800	104,500	144,050	282,800	856,150	856,150	(65,000)	791,150	791,150	791,150	(50,000)	741,150
Corporate Subscriptions				6,768	29,500	3,130	39,398	39,398		39,398	39,398	39,398		39,398
Marketing & PR Costs		450,000	522,000	12,500		280,674	1,265,174	1,265,174	(21,000)	1,244,174	1,244,174	1,244,174	(20,000)	1,224,174
Insurance				279,400			279,400	279,400		279,400	279,400	279,400		279,400
Operator Payments (Transport)						27,397,250	27,397,250	27,397,250	(1,172,629)	26,224,621	26,224,621	26,224,621	(1,320,342)	24,904,279
Pre Paid Ticket Cost						31,500,000	31,500,000	31,500,000		31,500,000	31,500,000	31,500,000		31,500,000
Concessions						56,270,200	56,270,200	56,270,200	1,406,755	57,676,955	57,676,955	57,676,955	1,441,924	59,118,879
Additional Pension Costs					2,245,800		2,245,800	2,245,800	(10,000)	2,235,800	2,235,800	2,235,800	(10,000)	2,225,800
Financing Charges					5,670,000		5,670,000	5,670,000		5,670,000	5,670,000	5,670,000		5,670,000
Grants		5,067,389					5,067,389	5,067,389		5,067,389	5,067,389	5,067,389		5,067,389
Other Miscellaneous Costs	500	197,000		2,200	5,500	156,408	361,608	361,608		361,608	361,608	361,608		361,608
Contribution to External / Related Parties					277,606		277,606	277,606		277,606	277,606	277,606		277,606
Additional Savings Target					(1,355,000)		(1,355,000)	(1,355,000)	(50,100)	(1,405,100)	(1,405,100)	(1,405,100)	(28,102)	(1,433,202)
Contingency					200,000		200,000	200,000	4,000	204,000	204,000	204,000	4,080	208,080
<b>Total Expenditure</b>	<b>3,458,166</b>	<b>8,460,795</b>	<b>6,075,574</b>	<b>5,195,755</b>	<b>7,741,339</b>	<b>129,685,865</b>	<b>160,617,493</b>	<b>160,617,493</b>	<b>211,920</b>	<b>160,829,413</b>	<b>160,829,413</b>	<b>160,829,413</b>	<b>399,281</b>	<b>161,228,695</b>
<b>Income</b>														
Rail Income					(918,000)		(918,000)	(918,000)		(918,000)	(918,000)	(918,000)	459,000	(459,000)
LEP General Funding Income					(1,234,000)		(1,234,000)	(1,234,000)		(1,234,000)	(1,234,000)	(1,234,000)		(1,234,000)
LEP Grant Income		(6,628,932)					(6,628,932)	(6,628,932)	214,000	(6,414,932)	(6,414,932)	(6,414,932)		(6,414,932)
Growing Places Fund Interest					(200,000)		(200,000)	(200,000)		(200,000)	(200,000)	(200,000)		(200,000)
Enterprise Zone Receipts					(1,968,000)		(1,968,000)	(1,968,000)	(1,836,000)	(3,804,000)	(3,804,000)	(3,804,000)	(2,721,000)	(6,525,000)
Transport Levy					(94,198,000)		(94,198,000)	(94,198,000)	1,000,000	(93,198,000)	(93,198,000)	(93,198,000)	1,000,000	(92,198,000)
BSOG						(1,942,000)	(1,942,000)	(1,942,000)		(1,942,000)	(1,942,000)	(1,942,000)		(1,942,000)
Education Contribution to Transport						(6,768,000)	(6,768,000)	(6,768,000)	(169,200)	(6,937,200)	(6,937,200)	(6,937,200)	(173,430)	(7,110,630)
Bus Station Tenant Income						(1,472,464)	(1,472,464)	(1,472,464)		(1,472,464)	(1,472,464)	(1,472,464)		(1,472,464)
Bus Station / Services - Other Income						(2,766,120)	(2,766,120)	(2,766,120)		(2,766,120)	(2,766,120)	(2,766,120)		(2,766,120)
Pre Paid Ticket Income						(31,500,000)	(31,500,000)	(31,500,000)		(31,500,000)	(31,500,000)	(31,500,000)		(31,500,000)
Admin Recharges	(319,412)		(254,224)			(1,734,036)	(2,307,672)	(2,307,672)		(2,307,672)	(2,307,672)	(2,307,672)		(2,307,672)
Capitalisation of Revenue Costs	(3,421,238)	(376,725)	(317,596)		(1,500,000)		(5,615,559)	(5,615,559)	(9,311)	(5,624,870)	(5,624,870)	(5,624,870)	(112,497)	(5,737,368)
Other Income		(594,590)			(120,000)	(931,920)	(1,646,510)	(1,646,510)	335,000	(1,311,510)	(1,311,510)	(1,311,510)	(50,000)	(1,361,510)
<b>Total Income</b>	<b>(3,740,650)</b>	<b>(7,600,247)</b>	<b>(571,820)</b>		<b>(100,138,000)</b>	<b>(47,114,540)</b>	<b>(159,165,257)</b>	<b>(159,165,257)</b>	<b>(465,511)</b>	<b>(159,630,768)</b>	<b>(159,630,768)</b>	<b>(159,630,768)</b>	<b>(1,597,927)</b>	<b>(161,228,695)</b>
<b>Net Expenditure</b>	<b>(282,484)</b>	<b>860,548</b>	<b>5,503,754</b>	<b>5,195,755</b>	<b>(92,396,661)</b>	<b>82,571,325</b>	<b>1,452,237</b>	<b>1,452,237</b>	<b>(253,591)</b>	<b>1,198,646</b>	<b>1,198,646</b>	<b>1,198,646</b>	<b>(1,198,646)</b>	<b>(0)</b>

This page is intentionally left blank

---

**Report to:** Overview and Scrutiny Committee

**Date:** 23 March 2018

**Subject:** Risk and risk appetite

---

**Director(s):** Angela Taylor, Director, Resources

**Author(s):** Angela Taylor

---

## **1 Purpose of this report**

- 1.1 To update members on the work underway to review and enhance existing risk management arrangements for the West Yorkshire Combined Authority and seek input, in particular with regard to risk appetite.

## **2 Information**

- 2.1 Work is currently taking place to review and update the Combined Authority's existing risk management arrangements. Routine consideration of the risk management approach is vital to ensure that the organisation remains proactive in identifying risks and managing these in a timely manner. Work has been undertaken to date by the Governance and Audit Committee and through a workshop with the Combined Authority members.
- 2.2 The plan is to take this information and use it to update the current arrangements for approval later this year by the Combined Authority.
- 2.3 There are a number of key elements to the risk management arrangements, which are set out in the attached draft risk management strategy (**Appendix 1**). The areas covered by this document are summarised as follows:
- Policy statement on the approach to risk management
  - Risk appetite statement
  - Risk management approach (including risk recording procedures, assessment of risk and risk response categories)
  - Risk management roles and responsibilities
  - Risk reporting and escalation process.

- 2.4 In parallel with the development of the strategy the corporate (or strategic) risk register is being reviewed.
- 2.5 The risk appetite statement is set out on page 5 of the attached strategy. This considers areas of activity and the level of risk the Combined Authority is prepared to accept in each of these areas. This shows for example that there is a lower acceptance of risk in compliance and finance, but higher in transformational change. Setting the level of risk appetite assists in shaping policies and informing decisions but irrespective of the level of risk accepted all decision makers should be presented with sufficient information on risk to enable them to make an informed decision.
- 2.6 Input is sought from the Committee on the risk appetite statement as currently presented. It is suggested that it may be beneficial for a task and finish group to be established to look at this in more detail.

### **3 Financial Implications**

- 3.1 There are no financial implications directly arising from this report.

### **4 Legal Implications**

- 4.1 There are no legal implications directly arising from this report.

### **5 Staffing Implications**

- 5.1 There are no staffing implications directly arising from this report.

### **6 External Consultees**

- 6.1 No external consultations have been undertaken.

### **7 Recommendations**

- 7.1 That members note the work underway on risk management arrangements and provide input and comment on the current risk appetite statement.
- 7.2 That consideration be given to the establishment of a task and finish group to look at this in more detail.

### **8 Background Documents**

None.

### **9 Appendices**

Appendix 1 – Draft risk management strategy

# Draft Corporate Risk Management Strategy



## Document History

Version	Comments	Date
0.1	First draft for approval 06/10/17	September 2017
0.2	CT Amends	October 2017
0.3	LP Further Amends	October 2017
0.4	LP amends following LT/Governance & Audit Committee feedback	November 2017

## 1. Policy Statement

- 1.1. Risk management is a planned and systematic approach to the identification, evaluation, prioritisation and control of risks and opportunities facing an organisation.
- 1.2. The West Yorkshire Combined Authority<sup>1</sup> (WYCA) recognises that effective risk management is an integral part of good corporate governance and as such should be a

part of everyday management processes across the organisation. WYCA is committed to ensuring robust risk management arrangements are in place and operating effectively at all times. The Leadership Team will champion risk management, providing a management lead and ensuring that appropriate arrangements are maintained but the day to day management of risk sits with Directors, Heads of Service and risk owners.

### 1.3. WYCA commit to:

- Use a structured and consistent risk management approach to focus discussion, prioritise resources and enable justifiable risk-taking.
- Ensure that risk management is applied in a scalable and proportionate way.
- Make the best use of management information to build a complete picture of the key risks and issues and to jointly report on risk and performance management.
- Publish the corporate risk register.
- Ensure risks are owned and managed in line with the organisation's commitment to outcomes-based accountability.
- Listen to feedback and review our risk management arrangements to make sure they are still fit-for-purpose.

## **2. Achieving Effective Risk Management**

### 2.1. This will be achieved by:

- Clear risk management roles and responsibilities (see Appendix 1) and formal risk reporting lines.
- Incorporating risk management into WYCA's decision-making arrangements.
- Applying risk management to budget, project and business planning processes.
- Actively involving elected members in identifying and managing key risks.
- Providing risk management guidance and training to staff and elected members.
- Monitoring and reviewing our risk management arrangements regularly to ensure they remain effective and comply with risk management standards, legislation and good practice.

## **3. Benefits**

3.1. Risk management is acknowledged as an integral part of good management and a key feature of corporate governance. Effective risk management works alongside our financial management, performance management and other elements of strategic and operational management to demonstrate transparency and accountability and to support the successful delivery of the Strategic Economic Plan (SEP).

<sup>1</sup> Where the West Yorkshire Combined Authority (WYCA) is referenced, this incorporates the activities of the Local Enterprise Partnership (LEP).

## **4. Risk and Risk Management Definition**

*"Risk is most commonly held to mean "hazard" and something to be avoided. But it has another face - that of opportunity. Improving public services requires innovation - seizing*



*new opportunities and managing the risks involved. In this context risk is defined as uncertainty of outcome, whether positive opportunity or negative threat, of actions and events. It is the combination of likelihood and impact, including perceived importance.*

*Risk management covers all the processes involved in identifying, assessing and judging risks, assigning ownership, taking actions to mitigate or anticipate them, and monitoring and reviewing progress. Good risk management helps reduce hazard, and builds confidence to innovate.”*

*-HM Treasury*

#### Risk v Issue

- 4.1. Risk can be defined as uncertainty of outcome and can be either a threat or an opportunity.
- 4.2. Issues are events that have happened, were not planned, are currently affecting WYCA, the portfolio, a project etc. in some way and need to be actively dealt with and resolved. Risks, should they occur become issues.

## **5. Risk Appetite Statement**

- 5.1. Risk appetite is the level of risk WYCA is prepared to tolerate or accept in the pursuit of our strategic objectives. Our aim is to consider all options to respond to risk appropriately and make informed decisions that are most likely to result in successful delivery whilst also providing an acceptable level of value for money.
- 5.2. The acceptance of risk is subject to ensuring that all potential benefits and risks are fully understood and that appropriate measures to mitigate risk are established before decisions are made.
- 5.3. We recognise that the appetite for risk will vary according to the activity undertaken and hence different appetites and tolerances to risk apply. Our approach is to minimise exposure to compliance and reputational risk, whilst accepting and encouraging an increased degree of risk in other areas in pursuit of our strategic objectives.

#### Risk Appetite Tolerances

- 5.4. Risk Appetite tolerances can be described in the following key categories:
  - 5.4.1. **Compliance & Regulation** – WYCA recognises the need to place high importance on compliance, regulation and public protection and has no appetite for breaches in statute, regulation, professional standards, ethics, bribery or fraud.
  - 5.4.2. **Operational/Service Delivery** – WYCA accepts a moderate level of risk arising from the nature of the Authority’s business operations and service delivery to deliver an appropriate level of service at value for money, whilst minimising any negative reputational impact.
  - 5.4.3. **Financial** – WYCA aims to maintain its long term financial viability and its overall financial strength whilst aiming to achieve its strategic and financial objectives subject to the following minimum criteria:
    - WYCA requires to set a balanced overall revenue budget by February every year and Directors must then contain net expenditure within approved service totals;

- An appropriate level of unallocated general reserves, calculated in accordance with the approved risk based reserves strategy; and
- Working within a set of Treasury management principles that seek to protect funds rather than maximise returns.

5.4.4. **Reputational** – It is regarded as essential that WYCA preserves a high reputation and hence it has set a low appetite for risk in the conduct of any of its activities to avoid damage to that reputation through adverse publicity.

5.4.5. **Strategic Transformational Change** – The environment WYCA works in is continually changing through both its internal operations and the services it provides. Change projects provide WYCA with an opportunity to be the leading force in the Region and also to establish benefits for the longer term. WYCA recognises that this may require increased levels of risk and is comfortable accepting the risk subject to always ensuring that risks are appropriately managed.

5.4.6. **Development and Regeneration** – WYCA has a continuing obligation to invest in the development and regeneration of the Region. To continue to be progressive and innovative in the work performed WYCA is willing to accept a higher risk appetite whilst ensuring that benefits are assessed and risks are fully scrutinised and appropriately mitigated before developments are authorised.

5.4.7. **People and Culture** – WYCA recognises that its staff are critical to achieving its objectives and therefore the support and development of staff is key to making WYCA a fulfilling and supportive place to work. It has moderate to high appetite for decisions that involve staffing or culture to support transformational change and ensure WYCA is continually improving.

Review

5.5. The levels of risk appetite set out above and summarised below have been arrived at through consultation with and combining the views of the Audit and Risk Management Group of Officers, the Health and Safety Committee, the Leadership Team and the Organisational Management Team, and the Members’ Governance and Audit Committee. WYCA’s risk appetite statement is reviewed annually by these groups.

	<i>Low Risk Appetite .....High Risk Appetite</i>				
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
<b>Compliance and Regulation</b>					
<b>Operational/Service Delivery</b>					
<b>Financial</b>					
<b>Reputational/Marketing/PR</b>					
<b>Strategic Transformational Change</b>					
<b>Development and Regeneration</b>					
<b>People and Culture</b>					

## 6. Risk Management Approach

### Risk Registers

6.1. WYCA collates risks into the following registers. These can be summarised as follows:

- **Corporate Risk Register** – contains the main on-going or long term risks to WYCA on an organisation wide basis. These risks are owned and managed by the Leadership Team.
- **Directorate Risk Registers** – contains risks specific to the processes and actions for each directorate. These risks are managed by Directors and their Heads of Service. Risks within Directorate Risk Registers can be escalated to the Corporate Risk Register with agreement from OMT and Leadership Team.
- **Portfolio Risk Register** – contains risks specific to the portfolio of funding programmes. These risks are managed by the Portfolio Management Group. Risks within the Portfolio Risk Register can be escalated to the Corporate Risk Register by the Portfolio Management Group.
- **Funding Programme Risk Registers** – contains risks specific to each of the Funding Programmes that WYCA is responsible for. These risks are managed by the relevant Programme Funding Group (e.g. Growth Deal Management Group). Risks within Funding Programme Risk Registers can be escalated to the Portfolio Management Risk Register by the relevant Programme Funding Group.
- **Project and Programme Risk Registers** – contain specific risks related to individual projects and programmes and are owned by project and programme managers with oversight from the relevant Head of Service. Risks within these registers can be escalated to the relevant Funding Programme Risk Register by the relevant Project or Programme Board.

6.2. All risk registers must use the Risk Register Template available here [LINK](#).

6.3. All risk registers, other than project and programme risk registers, must be saved on the WYCA Risk Management SharePoint Site. Project and programme risk registers must be available on request.

### Assessment of Risks

6.4. The assessment of probability and impact for risks must be undertaken according to the matrices below and set out in Appendix 2.

### Risk Rating

6.5. Once each risk has been assessed for probability and impact, the risk rating is determined from the following table:

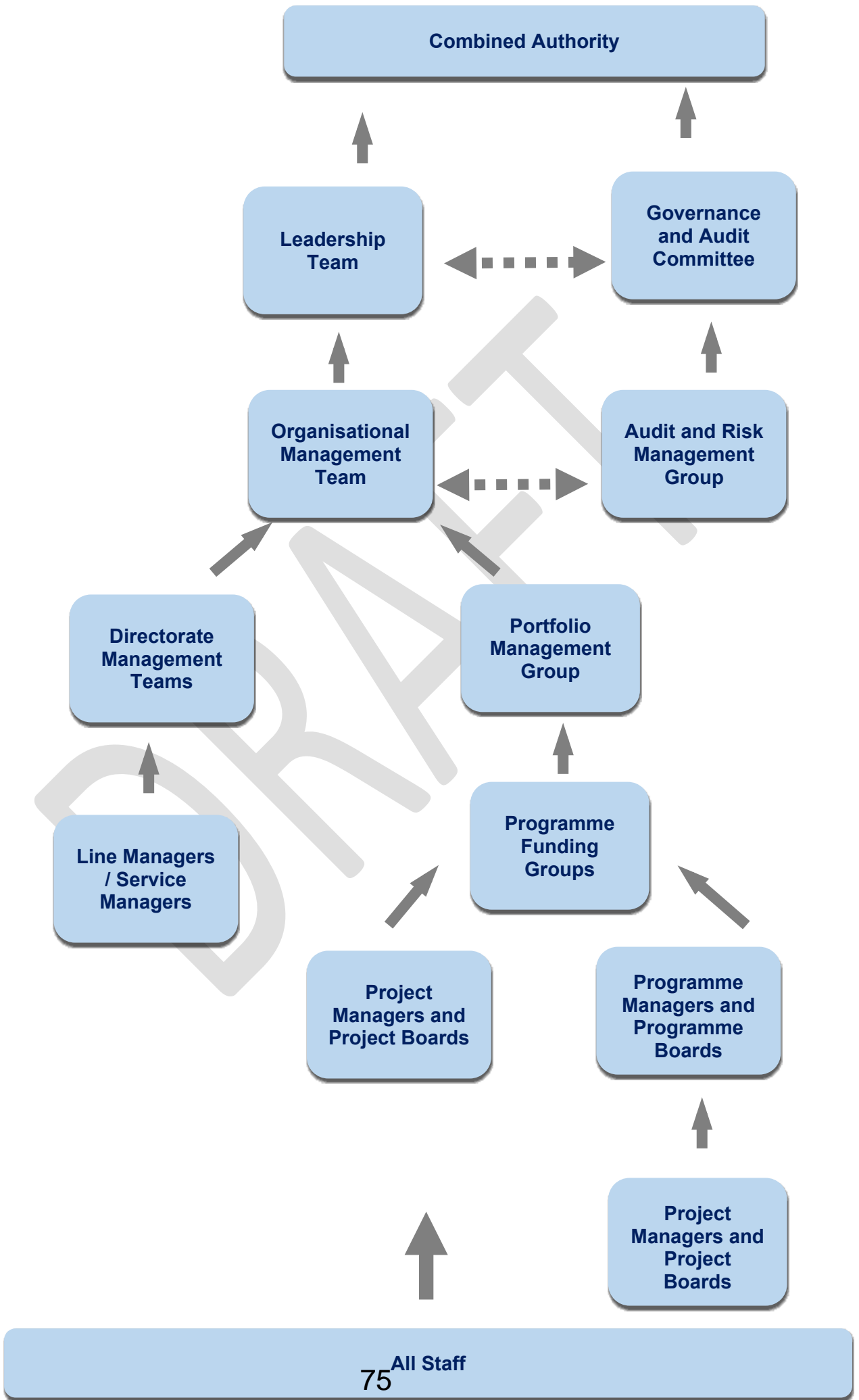
<b>Impact</b>	Highly Sig.	High	High	Very High	Very High	Very High
	Major	High	High	High	Very High	Very High
	Moderate	Medium	Medium	High	High	High
	Minor	Low	Low	Medium	Medium	Medium
	Insignificant	Low	Low	Low	Low	Low
		Rare	Unlikely	Possible	Probable	Almost certain
		<b>Probability</b>				

## Programme and Project Risk

- 6.6. All programmes and projects must create, baseline and maintain a risk register. The format of these is to be determined by the promoters. However, promoters as a minimum are required to submit their key risks to the WYCA PMO using the Risk Register template and included in the Expression of Interest and Business Case at the appropriate Decision Points, as part of any change request and as part of WYCA's monitoring and reporting requirements.
- 6.7. All transport projects must also include a quantified risk allowance (QRA) at Decision Points 3, 4 and 5 of the Assurance Framework (Outline Business Case, Full Business Case and Full Business Case with Finalised Costs). The probability value will be agreed with WYCA. It would typically be expected that the Promoter would include either the P50 or P85 value. The value would be decided by the Promoter in association with WYCA and would depend on local circumstances associated with the project.
- 6.8. Non transport projects must include a costed risk register, which can be in a simpler form, which must be agreed with WYCA.
- 6.9. The QRA / Costed Risk Register amount will not be held by WYCA and therefore will not be managed at portfolio level, but will managed by the programme and / or project and included in the funding agreed and detailed in the funding agreement between WYCA and the Promoter. It will be the responsibility of the Promoter to manage the QRA. It is also the responsibility of the Promoter to advise WYCA through WYCA's monitoring and reporting requirements on the status of the QRA amount.

## **7. Risk Reporting and Escalation Process**

- 7.1. The formal route for reporting on and escalating risk is set out overleaf:



7.2. The formal route for reporting on risks is further summarised below, along with further details regarding alternative escalation arrangements in-between formal reports.

7.3. All Very High risks will be reported on, rather than reporting on just the top 5 risks as has historically happened.

Risk Register	Reporting arrangements	Alternative Escalation Arrangements	Responsibility
<b>Corporate Risk Register</b>	<b>Leadership Team</b> Quarterly risk report to include quarterly review <b>Organisational Management Team</b> Monthly performance snapshot Quarterly risk report to include quarterly review	Significant changes to be reported through weekly Leadership Team meetings	Corporate Planning and Performance Team
<b>Directorate Risk Registers</b>	<b>Directorate Management Teams</b> Monthly review <b>All staff</b> Regular review at team meetings and staff 1 to 1's	Significant changes to be reported through regular Directorate Management Team meetings or with relevant Director / Head of Service  If changes affect the corporate risk register, Directors to report to Leadership Team.	Directors
<b>Portfolio Risk Register</b>	<b>Portfolio Management Group</b> Bi monthly review	Significant changes to be reported to Director of Delivery  If changes affect the corporate risk register, Director of Delivery to report to Leadership Team.	PMO

Risk Register	Reporting arrangements	Alternative Escalation Arrangements	Responsibility
<b>Funding Programme Risk Registers</b>	<b>Programme Funding Groups(e.g. Growth Deal Management Group)</b> Monthly review	Significant changes to be reported to Director of Delivery If changes affect the corporate risk register, PMO to report to Director of Delivery	PMO
<b>Programme Risk Registers</b>	<b>Programme Boards</b> Review at each Programme Board meeting	Significant changes to be reported to the relevant SRO If changes affect the funding programme risk register, SROs to report to PMO	Programme Managers
<b>Project Risk Registers</b>	<b>Project Boards</b> Review at each Project Board meeting	Significant changes to be reported to the relevant SRO If changes affect the programme risk register, SROs to report to relevant Programme Board If the project is not part of a programme, if changes affect the funding programme risk register, SROs to report to PMO	Project Managers

## APPENDIX 1 – RISK MANAGEMENT ROLES AND RESPONSIBILITIES

Group	Responsibilities
<b>Governance and Audit Committee</b>	<ul style="list-style-type: none"> <li>• Provides a Member overview of the audit and risk arrangements in place.</li> <li>• Reviews and assesses the Risk Management Policy annually and Corporate Risk Register quarterly</li> </ul>
<b>Leadership Team</b>	<ul style="list-style-type: none"> <li>• Approves the Risk Management Policy</li> <li>• Reviews the Risk Management Policy annually</li> <li>• Owns and reviews the Corporate Risk Register</li> <li>• Reviews any changes to corporate risk as these are escalated</li> </ul>
<b>Audit and Risk Management Group</b>	<ul style="list-style-type: none"> <li>• Reviews risk management arrangements and the Corporate Risk Register bi-monthly</li> <li>• Considers new areas of risk to which WYCA is exposed, the management of these risks, training in risks and awareness of risks across the organisation.</li> <li>• Reviews progress on the internal audit plan, ensuring any emerging risk issues are appropriately addressed in the plan</li> </ul>
<b>Health and Safety Committee</b>	<ul style="list-style-type: none"> <li>• Identifies and Reviews Health and Safety risks which need to be escalated to the Corporate Risk Register</li> </ul>
<b>OMT</b>	<ul style="list-style-type: none"> <li>• Reviews the Corporate Risk Register</li> </ul>
<b>Directorate Management Teams</b>	<ul style="list-style-type: none"> <li>• Owns the Directorate Risk Register</li> <li>• Reviews Directorate Risk Register and escalates corporate risk issues to OMT</li> </ul>
<b>Portfolio Management Group and Programme Funding Groups</b>	<ul style="list-style-type: none"> <li>• Owns their Risk Register</li> <li>• Reviews and escalates risks as necessary.</li> </ul>
<b>Project, Programme and Service Managers</b>	<ul style="list-style-type: none"> <li>• Owns individual project, programme and service risk registers</li> <li>• Reviews and escalates risks as necessary</li> </ul>



Group	Responsibilities
<b>Corporate Planning &amp; Performance Team</b>	<ul style="list-style-type: none"> <li>• Updates and administers the Risk Management Policy and the Corporate Risk Register</li> <li>• Prepares risk and performance reports for OMT, Leadership Team</li> <li>• Reports to Audit and Risk Management Group and Governance and Audit Committee on risk matters</li> </ul>
<b>All WYCA Staff</b>	<ul style="list-style-type: none"> <li>• Consider the risks to the achievement of their day-to-day objectives and the WYCA's priorities.</li> <li>• Ensure that any risks which they cannot manage or that have a cross-cutting impact are escalated to their managers. At a Head of Service level, this may mean adding the risks to the directorate risk register. At a directorate level, this may mean proposing a risk for referral to the corporate risk register.</li> </ul>
<b>Internal Audit</b>	<ul style="list-style-type: none"> <li>• Uses risk management techniques in its audit processes</li> <li>• Considers the corporate risk register when developing its audit plan.</li> </ul>

DRAFT

## APPENDIX 2 – ASSESSMENT MATRICES

### Assessment of Risks

#### Probability

If you're not sure about the percentage chance of a risk happening over a given timescale and you don't have the data to assess its frequency, use the probability descriptors (i.e. 'Unlikely', 'Almost certain' etc.) to determine the most suitable score.

The risk timescale – i.e. the period of time during which the risk could materialise - will vary according to the type of risk it is. For example:

- For a budget risk, it might be expected to materialise over this financial year or over the period of the Medium Term Financial Plan.
- For a project risk, it could be either over the whole of the project lifecycle or for a particular phase within the project.
- With regard to an event, the timescale will be from now until the date of the event.
- For a number of the more cross-cutting strategic risks such as those on the corporate risk register, it is likely that the risk could materialise at any time. In these instances, it would be useful to consider the frequency: e.g. has this ever happened in the past in Leeds and, if so, how often and how recently? Has anything changed to make the risk more likely to occur?

#### Impact

Many risks could have a range of consequences: for example, a Health & Safety breach could affect an individual as well as lead to reputational and financial damage for an organisation. It's therefore possible that you assess the risk as having an impact of '3' using the Health & Safety impact, '2' for Finance and '4' for reputation.

Although you could break the risk down into several different risks covering all these areas and then score each of them to address the varying impact scores, often this can crowd a risk register and take the focus away from the actual risk 'event': i.e. the Health & Safety incident. Where possible, it's better to have 1 risk and use your best judgement to give an overall single impact assessment score. In the example above, this might be a '3' if you were to average the 3 impact scores or '4' if you decided to go with a worst-case scenario.

Probability Score	1	2	3	4	5
Probability Descriptor	Rare	Unlikely	Possible	Probable	Almost certain
<b>Frequency</b> <i>(How often might it happen)</i>	This will probably never happen	Not expected to happen	Might happen	Will probably happen	Will undoubtedly happen
<b>% Likelihood</b>	Less than 5% chance	Around 10% chance	Around 25% chance	Around 60% chance	Around 90% chance

Impact Score	1	2	3	4	5
Impact Descriptor	Insignificant	Minor	Moderate	Major disruption	Highly significant
<b>Projects / Programmes</b>	Little or no schedule slippage. No threat to anticipated benefits & outcomes.	Minor delays but can be brought back on schedule within this project stage. No threat to anticipated benefits & outcomes.	Slippage causes delay to delivery of key project milestone but no threat to anticipated benefits / outcomes.	Slippage causes significant delay to delivery of key project milestone(s). Major threat to achievement of one or more benefits / outcomes.	Significant issues threaten entire project. Could lead to project being cancelled or put on hold.
<b>Financial Impact</b>	No or minimal financial cost.	Losses / costs incurred of 1-2% of budget.	Losses / costs incurred of 3-5% of budget.	Losses / costs incurred of 6-10% of budget.	Losses / costs incurred of more than 10% of budget. Not covered by insurance.
<b>Reputation</b>	No adverse publicity. Rumours.	Single adverse article in local media or specific professional journal. WYCA / Partner one of a number of agencies referred to.	A number of adverse articles in regional / social media mentioning WYCA / Partner. Some recirculation via social media. Single request for senior officer / member to be interviewed on local TV or radio. Adverse reaction by LCR residents in social media / online forums. Short-term reduction in public confidence.	Series of adverse front page / news headlines in regional or national media. Wider recirculation via social media. Sustained adverse reaction by LCR residents in social media etc. Repeated requests for senior officer / member to be interviewed on local TV or radio. Long-term reduction in public confidence.	Sustained adverse publicity in regional media and / or national media coverage. Extensive / prolonged recirculation via social media channels. Repeated requests for Leaders / Chief Execs / WYCA MD to be interviewed on national TV or radio. Possible resignation of senior officers. Total loss of public confidence.
<b>Service Interruption</b>	Negligible. No impact on services.	Minor inconvenience for service users and staff. Services quickly restored.	Some client dissatisfaction but services restored before any major impacts.	Major disruption to service delivery. This could be through a single event or a series of outages.	Massive disruption to services. Recovery difficult or even impossible.
<b>Staff</b>	No impact on staff or service delivery.	Short-term low staffing level that temporarily reduces service quality. No impact on staff morale.	Medium-term low staffing level / insufficient experienced staff to deliver quality service. Some minor staff dissatisfaction.	Late delivery of key objective / service due to lack of experienced staff. Low staff morale.	Non-delivery of key objective / service due to lack of experienced staff. Very low staff morale.
<b>Statutory Duties</b>	No or minimal impact or breach of guidance / statutory duty.	Minor breach of statutory legislation / regulation. Reduced performance rating if unresolved.	Single breach in statutory duty. Challenging external recommendations / improvement notice.	Several breaches in statutory duty. Enforcement action and improvement notices. Critical report. Low performance rating.	Multiple breaches in statutory duty. Prosecution. Complete systems / service change required. Severely critical report. Zero performance rating.
<b>Health &amp; Safety</b>	No ill effects	Short-lived / minor injury or illness that may require First Aid or medication. Small number of work days lost.	Moderate injury / ill-effects requiring hospitalisation. Risk of prosecution from enforcement agencies.	Single fatality and / or long-term illness or multiple serious injuries.	Multiple fatalities and / or multiple incidences of permanent disability or ill-health.
<b>Environment</b>	No effect on local infrastructure, communities or the environment.	Superficial damage to local infrastructure (e.g. minor road) but little disruption caused.	Medium damage to local infrastructure (e.g. minor road) causing some disruption.	Key elements of local infrastructure (e.g. school, major road) damaged causing major disruption.	Extensive damage to critical elements of local infrastructure (e.g. school, hospital, trunk road) causing prolonged disruption.

This page is intentionally left blank

---

**Report to:** Overview and Scrutiny Committee

**Date:** 23 March 2018

**Subject:** **Feedback from Working Groups**

---

**Director(s):** Melanie Corcoran, Director of Delivery/Liz Hunter, Interim Director of Policy and Strategy

**Author(s):** Dave Haskins/Ambrose White/Alistair Ryder

---

## **1 Purpose of this report**

- 1.1 To update the Overview & Scrutiny Committee on the areas that have been considered at meetings of the Transport Plan Delivery and Strategic Economic Plan Delivery Working Groups.

## **2 Information**

- 2.1 At their meeting held on 13 July 2016, the Overview and Scrutiny Committee established two working groups to focus on the delivery of the Transport Plan and the Strategic Economic Plan to ensure they were being delivered effectively.
- 2.2 The Strategic Economic Plan (SEP) Delivery and Transport Plan Delivery Working Groups have now been in operation for two years. Feedback from the Working Groups for the first year of operation was provided to Overview and Scrutiny Committee at their meeting in March 2017.
- 2.3 An overview of the areas considered by the group in the current financial year are provided below.

### **Strategic Economic Plan (SEP) Delivery Working Group**

During the current financial year, the group has met on three occasions and has been looking at a range of issues which link to project delivery. These include the following:

- provide scrutiny and challenge to the West Yorkshire Combined Authority's assurance framework
- review the risk register

- staffing – current position and challenges with regard to skills shortages

#### Assurance framework update

- 2.4 Of these thematic areas, the most substantive area that has been looked at by the members of the working group relates to the Combined Authority's Assurance Framework.
- 2.5 At each of the three meetings held, working drafts of the Assurance Framework have been reviewed ahead of the February 2018 submission to government. Key issues raised included:
- the document should be accessible to all, be practical and easy to read
  - importance of members' responsibilities to declare conflicts of interest and adhere to the Nolan principles
  - the key role to be played in the monitoring of governance arrangements
  - best practice being incorporated into the document following peer reviews with other authorities, putting the Combined Authority ahead of guidance in terms of transparency and accountability
  - the importance of communicating the framework to elected members across the City Region, as well as internal and external officers/users of the document.
- 2.6 The Working Group provided valuable input to the process of updating the assurance framework.

#### Review of Risk Registers

- 2.7 Members were provided with the portfolio risk register as well as examples of project risk registers. Key areas of focus included:
- consideration of when and how risks are reported to members
  - approaches to mitigating risks, including the general trajectory of risks.

#### Staffing Issues

- 2.8 Members were briefed on recruitment issues within the Delivery Directorate and the challenges that were currently being faced. In particular there was a focus on skills shortages and work around apprenticeships that was being undertaken.

#### **Transport Plan Delivery Working Group**

- 2.9 The Transport Plan Delivery Working Group has met on three occasions in the current financial year. A further meeting is planned for April 2018.

#### 23 October 2017

- 2.10 The Working Group was provided an overview of the adopted West Yorkshire Transport Strategy 2040 and the policies contained within. The accompanying

performance management framework being developed to measure the Combined Authority's performance in delivering the Transport Strategy was also considered. Input was provided by the Working Group on the proposed targets and indicators included in the framework including how these are presented to stakeholders.

- 2.11 The Working Group also considered its role, format and forward programme and members were invited to propose areas of interest for consideration at future meetings, based on the policies identified in the Transport Strategy.

21 December 2017

- 2.12 The Working Group considered areas of interest based around the policies within the Transport Strategy including active travel and physical activity, road traffic collisions and safety, "local spend" policies, waterborne freight, smart technologies, place-making and bus interchange. In considering these areas of interest, members of the Working Group raised issues to be taken into account in developing the forthcoming transport strategy delivery plan. The Working Group was also provided with an updated draft of the performance management framework and provided further comments to be considered in its development.

19 February 2018

- 2.13 The Working Group considered two topics of interest:

(i) Performance management framework (targets and indicators): the Working Group was provided with a further update of the performance management framework for discussion. The Working Group provided input and comment on the proposed final set of targets and indicators to be presented to Transport Committee for endorsement. The Working Group was also satisfied that further public consultation was not necessary for the transport strategy targets and indicators, following an extensive consultation on the Transport Strategy 2040 which included questions on indicators.

(ii) Innovative, smart technologies: the Working Group was presented with an update on aspects of transport technology relevant to the region, including progress with the 'MCard' smartcard travel product and the theme of mobility as a service. The Working Group was presented with examples of current and planned local applications of technology to improve transport access and efficiency. The Working Group supported the work delivered to date and supported that the benefits of technology need to be accessible to all as part of delivering inclusive growth.

- 2.14 In summary the Working Group meetings held to date have provided detailed input into the development of the transport strategy performance management framework for its endorsement and approval from Transport Committee and Combined Authority. This has helped ensure that the targets and indicators proposed to measure performance of the Transport Strategy across the range of core themes and policies are meaningful and relevant to stakeholders and

the public, and measurable within the constraints of resource and data availability.

- 2.15 The Working Group expect to consider the transport strategy delivery plan in more detail at their final meeting in April 2018 and provide input into its development.

### **3 Financial Implications**

- 3.1 There are no financial implications directly arising from this report.

### **4 Legal Implications**

- 4.1 There are no legal implications directly arising from this report.

### **5 Staffing Implications**

- 5.1 There are no staffing implications directly arising from this report.

### **6 External Consultees**

- 6.1 No external consultations have been undertaken.

### **7 Recommendations**

- 7.1 That the Overview and Scrutiny Committee notes the feedback from the Strategic Economic Plan and Transport Plan Delivery Working Groups.

### **8 Background Documents**

- 8.1 None.

### **9 Appendices**

- 9.1 None.



---

**Report to:** Overview and Scrutiny Committee

**Date:** 23 March 2018

**Subject:** **Forward programme of work**

---

**Director(s):** Angela Taylor, Director, Resources

**Author(s):** Angela Taylor

---

## **1 Purpose of this report**

1.1 To consider items for future agendas.

## **2 Information**

2.1 The Overview and Scrutiny Committee has considered a varied programme of work at its regular meetings, supported by work through a number of task and finish groups. These groups have considered progress on delivery of the Strategic Economic Plan (SEP) priorities, delivery of the transport strategy and the Oxford GB2 loan. Additionally devolution has been a standing item on each agenda. It is recognised that the work programme should be flexible and able to be amended and supplemented as the year progresses.

2.2 The Committee has considered a wide range of topics over the year, with input from members of the Combined Authority. This is the last meeting of the current municipal year and the next meeting of this Committee is expected to be mid July. Topics previously identified that have not yet been considered include Transport for the North, branding, evaluation of economic services grants, HS2 Growth Strategy and follow up of flood alleviation actions and it is proposed that these are considered for inclusion in agendas for the coming year.

2.3 The Combined Authority is regularly 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.

**3 Financial Implications**

3.1 There are no financial implications directly arising from this report.

**4 Legal Implications**

4.1 There are no legal implications directly arising from this report.

**5 Staffing Implications**

5.1 There are no staffing implications directly arising from this report.

**6 External Consultees**

6.1 No external consultations have been undertaken.

**7 Recommendations**

7.1 That the Committee consider any items they wish to identify for future agendas.

**8 Background Documents**

None.

**9 Appendices**

None.

## Combined Authority (Forward AgendaPlan)

**COMMITTEE DATE: 5 April 2018**

**Deadline for Publication of Key Decisions: 7 March 2018**

REPORT TITLE	NOTES	RESPONSIBLE OFFICER	IS THIS A KEY DECISION
Capital Spending and Project Approvals		Melanie Corcoran/Craig Taylor	
Broadband Approvals & Funding		Melanie Corcoran/Kate Thompson	
Inclusive Growth		Liz Hunter/Jon Skinner	
Energy Accelerator Programme (ELENA)	Requesting permission to sign EIB contact for funding.	Jacqui Warren/Liz Hunter	Yes
Gender Pay Gap		Angela Taylor	
Devolution		James Flanagan	
Corporate Planning and Performance plus Corporate Plan 2018/19		Angela Taylor	
Transforming Cities Fund		Liz Hunter/Tom Gifford	
Response to TfN's Strategic Transport Plan Consultation		Liz Hunter /Steve Heckley	No
Panel Minutes if available			

**COMMITTEE DATE: 10 May 2018**

**Deadline for Publication of Key Decisions: 11 April 2018**

REPORT TITLE	NOTES	RESPONSIBLE OFFICER	IS THIS A KEY DECISION
G&A Committee Year End Process	To flag up and share information around risk	Angela Taylor	
Corporate Performance		Angela Taylor	
Capital Spending and Project Approvals		Melanie Corcoran/Craig Taylor	
Employment & Skills Service – Influencing Providers			

## Combined Authority (Forward AgendaPlan)

Inclusive Growth Update		Liz Hunter	
Inclusive Growth Outcomes from the Business Growth Programme		Jon Skinner/Henry Rigg	Yes
Transofrming Cities Fund		Liz Hunter/Tom Gifford	
LIIS: Employment & Skills Panel Update		Christian Denison/David Walmsley/Liz Hunter	
GDPR Update	Requested by G&A Committee	Caroline Allen/Adam Grindrod	
Bus Strategy Update Transport Strategy Update		Liz Hunter/Steve Heckley	
Minutes if available (incl. Panels)			

**COMMITTEE DATE: 28 June 2018 – Annual Meeting**

**Deadline for Publication of Key Decisions: 30 May 2018**

REPORT TITLE	NOTES	RESPONSIBLE OFFICER	IS THIS A KEY DECISION
Revised Committee Arrangements and Appointments		Caroline Allen / Liz Davenport	No
WYCA Representation on Outside Bodies		Liz Davenport / Angie Shearon	No
Officer Scheme of Delegation		Caroline Allen / Liz Davenport	No
Governance Arrangements		Caroline Allen / Liz Davenport	No
Code of Corporate Governance		Angela Taylor	No
Members' Allowances Scheme		Liz Davenport / Angie Shearon	No
Calendar of Meetings 2018/19		Angie Shearon	No
Capital Spending and Project Approvals		Melanie Corcoran/Craig Taylor	

## Combined Authority (Forward AgendaPlan)

Growth Deal – List of Reprofiled Projects		Melanie Corcoran/Craig Taylor	
Corporate Performance		Angela Taylor	
LCR Energy Strategy & Delivery Plan		Noel Collings	
LCR Green & Blue Infrastructure and Delivery Plan		Noel Collings	
SUD Bid		Angela Taylor/Heather Waddington	
Minutes if available (incl Panels)			

### COMMITTEE DATE: Future Meetings

REPORT TITLE	NOTES	RESPONSIBLE OFFICER	IS THIS A KEY DECISION
Project and Spending Approvals	Each Meeting	Melanie Corcoran	Yes
SUD Bid		Angela Taylor/Heather Waddington	
Corporate Performance	Each Meeting	Angela Taylor	
WYCA Accommodation Options		Angela Taylor	
Proposed Pension Transfer Update	See mins of 3.8.17	Angela Taylor	
Inclusive Growth	See mins of 3.8.17	Ruth Redfern	
Minutes if available (incl Panels)			

This page is intentionally left blank

**MINUTES OF THE MEETING OF THE  
 TRANSPORT COMMITTEE  
 HELD ON FRIDAY, 12 JANUARY 2018 AT COMMITTEE ROOM A, WELLINGTON  
 HOUSE, 40-50 WELLINGTON STREET, LEEDS**

---

**Present:**

Councillor Keith Wakefield OBE (Chair)	Leeds City Council
Councillor Eric Firth (Vice-Chair)	Kirklees Council
Councillor Martyn Bolt	Kirklees Council
Councillor Neil Buckley	Leeds City Council
Councillor Peter Caffrey	Calderdale Council
Councillor David Dagger	Wakefield Council
Councillor Manisha Kaushik	Kirklees
Councillor Hassan Khan	Bradford Council
Councillor Nussrat Mohammed	Bradford Council
Councillor Andrew Pinnock	Kirklees Council
Councillor Rebecca Poulsen	Bradford Council
Councillor Taj Salam	Bradford Council
Councillor Daniel Sutherland	Calderdale Council
Councillor Kevin Swift	Wakefield Council
Councillor Christine Towler	Leeds City Council
Ian Cherry	Nexus Vehicle Management

**In attendance:**

Kieran Dunkin	Network Rail (to minute 44 only)
Joe Cookson	Network Rail (to minute 44 only)
Councillor Peter McBride	Kirklees Council
Dave Pearson	WYCA
Liz Hunter	WYCA
James Reed	WYCA
Janette Woodcock	WYCA

**38. Apologies for absence**

Apologies for absence were received from Councillor Michael Lyons, Councillor Tim Swift and Councillor Ian Gillis.

**39. Declarations of disclosable pecuniary interests**

There were no disclosable pecuniary interests declared by members at the meeting.

#### **40. Exclusion of the Press and Public**

**Resolved:** That in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, the public be excluded from the meeting during consideration of the appendix to Agenda Item 8 on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and that in all the circumstances of the case, the public interest in maintaining the exemption at this time outweighs the public interest in disclosing the information.

#### **41. Minutes of the meeting of the Transport Committee held on 17 November 2017**

Further to minute 36, CityConnect (CCAG) Programme Update, Councillor Sutherland raised concerns about The Rochdale Canal cycle scheme and identified the current challenges facing travel in the Todmorden area. Members were advised that WYCA and Calderdale officers are working together to identify alternative sources of funding for the Rochdale Canal Phase 2 project including options to deploy Growth Fund. WYCA's Investment Committee had considered a range of potential Growth Fund projects earlier in the month and the Rochdale Canal cycle scheme was included.

**Resolved:** That the minutes of the Transport Committee held on 17 November 2017 be approved and signed by the Chair.

#### **42. Chair's Comments**

Councillor Wakefield welcomed Josie McHugh to the meeting as it was her last day and she was due to retire after 44 years' service. Councillor Wakefield, along with Committee members, thanked Josie for all the hard work and commitment she had given to members and her colleagues over the years and wished her a long and happy retirement.

#### **43. Network Rail**

Representatives from Network Rail, Jo Cookson, Public Affairs Manager and Kieran Dunkin, Principal Programme Sponsor, attended the meeting to provide a presentation on current and committed investment being made in the Calder Valley rail line. Members were provided with details of a programme of investment, the Great North Rail Project (GNRP), aimed at improving train travel for customers in the North which would result in an increase in the number of trains running each day, more seats, faster journey times and improved reliability

The presentation included the following:

- West Yorkshire Signalling Upgrade
- Bradford Interchange Improvements
- Hebden Bridge Station Improvements
- Further work at Hebden Bridge



- Platform Extensions
- Journey Time improvements
- Northern Rail's new fleet

The presentation was followed by a question and answer session; Network Rail undertook to respond in writing to some of the questions.

**Resolved:**

- (i) That Network Rail's representatives be thanked for their presentation and update.
- (ii) That Network Rail representatives be invited to a future meeting to answer further questions and update on the progress of TRU (Trans Pennine Route Upgrade which is currently under review by the Department of Transport.

**44. 2018/19 Revenue Budget Implications for Service Delivery**

The Committee considered a report updating it on 2018/19 Revenue Budget Implications for Service Delivery.

It was reported that on 14 December 2018, WYCA had considered its three year Budget Strategy and Business Plan in advance of its formal approval on 1 February 2018. The Committee were provided with an update on progress to date with the budget and the process under which the Committee will have oversight of the activities required to adjust spending on Transport Services.

Members were informed of work underway to develop a new policy for the provision of transport services to support mobility, It was proposed to bring a report to the Transport Committee in May 2018 setting out a policy and programme.

A number of initiatives were currently being looked at to promote bus travel by young people within current budgetary provision which would result in changes to the Authority's Concessionary Travel Scheme and would be presented to the Committee for review at a future date in 2018/19.

Proposals were in place to change the way in which WYCA provides travel information and supports the sale of transport and tickets and passes which would also meet changing customer expectations and result in cost savings to the Authority. The West Yorkshire Bus Information Strategy would be updated to reflect the revised service provision and funding arrangements for consideration by the Committee later in 2018.

The report also provided members with the opportunity to review and comment on the draft 2018/19 Business Plans for each Directorate in the Authority.

**Resolved:**

- (i) That the work underway on the medium term financial strategy and budget for 2018/19 which will be presented for approval to WYCA on 1 February 2018 be noted and endorsed.
- (ii) That the contents of the draft WYCA Business Plan which will be presented for approval to WYCA on 1 February 2018 be noted and endorsed.
- (iii) That a report be brought to the meeting scheduled for 25 May 2018 setting out a policy and programme for the provision of transport services to support mobility.
- (iv) That changes to the Authority's Concessionary Travel Scheme to encourage travel by young people at no greater cost to the Authority be presented for review at a future meeting of the Committee.
- (v) That the West Yorkshire Bus Information Strategy is reviewed to meet changing customer expectations at a lower cost to the Authority and a revised draft is presented to the Committee for adoption later in 2018

**45. Leeds Clean Air Zone Proposal**

The Committee was provided with an overview of the proposed 'Class B' Clean Air Zone for Leeds.

It was reported that in July 2017 the Department for Environment, Farming and Rural Affairs (DEFRA) published the National Air Quality Plan which requires 28 Local authorities that are forecast to exceed statutory Nitrogen Dioxide (NO<sub>2</sub>) emission limits by 2020 to produce action plans detailing how they will ensure NO<sub>2</sub> compliance within the shortest possible time. Within Yorkshire, Leeds City Council is the only named local authority required to act.

Having been provided with an overview of the proposals for the Leeds Clean Air Zone, members discussed the proposals in detail. The Committee acknowledged the benefits that clean air has on improving public health and creating quality places for people who live and work in the Leeds City Region and in attracting investment. WYCA's continued investment in programmes which support air quality improvement was welcomed along with the ongoing work with businesses and transport operators to improve vehicle emissions for the benefit of all West Yorkshire residents.

**Resolved:**

- (i) That the publication of the proposed Leeds Clean Air Zone be noted.
- (ii) That WYCA's support for and collaborative working with Leeds City Council during the development and implementation of the proposed Clean Air Zone be endorsed.

- (iii) That WYCA's continued investment in programmes that support air quality improvement and the ongoing work with businesses and transport operators to improve vehicles and fleets for the benefit of all West Yorkshire residents and businesses through improved public health and cleaner air be supported.

#### **46. City Region Transport Update**

The Transport Committee was provided with an update on current issues which included:

- Transport for the North
- West Yorkshire Key Route Network
- DfT Consultation on Proposals for the Creation of a Major Road Network
- DfT Consultation on Shaping the Future of England's Strategic Roads
- Trans Pennine Route Upgrade Update
- Northern Powerhouse Rail
- Consultation on methodology for allocating fixed costs to train operators in Control Period 6 (CP6)
- Connecting people: A strategic vision for rail / intercity East Coast franchise
- Future of Community Rail Strategy Consultation
- Bus Service Act Update
- Young People's Bus Travel Initiatives
- Transforming Cities Fund
- Rail Fare Increases
- MCard Prices
- North of England Transport Awards

**Resolved:** That the updates be noted

#### **47. HS2 Growth Strategy**

The Committee considered as a private paper an update report on the LCR HS2 Growth Strategy seeking endorsement for its publication and start of engagement.

**Resolved:**

- (i) That the progress on the LCR HS2 Growth Strategy be noted and the draft be endorsed for publication and engagement.
- (ii) That the principles for taking forward the inclusive Growth Corridors as detailed in paragraph 2.11 of the submitted report be endorsed.

This page is intentionally left blank

**MINUTES OF THE MEETING OF THE  
WEST YORKSHIRE COMBINED AUTHORITY  
HELD ON THURSDAY, 1 FEBRUARY 2018 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 Judith Blake CBE	Leeds City Council
Councillor Peter Box CBE	Wakefield Council
Councillor Andrew Carter CBE	Leeds City Council
Councillor Simon Cooke	Bradford Council
Councillor Stewart Golton	Leeds City Council
Roger Marsh OBE	Leeds City Region Enterprise Partnership
Councillor David Sheard	Kirklees Council
Councillor Andrew Waller	City of York Council

**In attendance:**

Councillor Keith Wakefield OBE	Chair, WYCA Transport Committee (to minute 86 only)
Councillor Robert Light	Chair, WYCA Overview & Scrutiny Committee
Ben Still	WYCA
Angela Taylor	WYCA
Caroline Allen	WYCA
Heather Waddington	WYCA (minute 93 only)
Peggy Haywood	Ministry of Housing, Communities & Local Government (minute 93 only)
Ruth Chaplin	WYCA

**80. Apologies for Absence**

Apologies for absence were received from Councillor N Turner.

**81. Declarations of Disclosable Pecuniary Interests**

There were no pecuniary interests declared by members at the meeting.

**82. Exempt Information - Possible Exclusion of the Press and Public**

**Resolved:** That in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, the public be excluded from the meeting during consideration of Appendix 1 to Agenda Item 5 and Appendix 1 to Agenda Item 14 on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**83. Minutes of the Meeting of the Combined Authority held on 14 December 2017**

**Resolved:** That the minutes of the meeting held on 14 December 2017 be approved and signed by the Chair.

**84. Capital Spend and Project Approvals**

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

- Bradford Interchange Phase 1
- Bradford Interchange Phase 2
- Project Beta
- Natural Flood Management Programme
- Wyke Beck Valley Flood Alleviation
- York Outer Ring Road Junction

The Authority agreed to withdraw consideration of Project Raven as the situation had changed since publication of the agenda and this would be brought back to a future meeting.

The importance of the Natural Flood Management Programme was discussed and members requested further details regarding the individual projects included in the programme. It was suggested that an overview be provided to a future meeting, taking into account the work also being undertaken by the Yorkshire Flood and Coastal Committee and the Green Economy Panel.

It was noted that an exception report for the DfT Cycling and Walking to Work scheme had been assessed in line with WYCA's Assurance Framework and had progressed directly to WYCA because of timescales relating to its delivery and governance requirements of the funding stream.

Members discussed the reporting and transparency in respect of the level of detail provided for the schemes in the submitted report. The importance of engaging with the public and information being accessible was stressed and consideration would be given to the presentation of future reports. It was

suggested that options such as the inclusion of a summary box, hyperlinks to the business cases, previous papers and other reports as background information for the schemes be included going forward.

It was reported that there were rigorous processes in place for assessing schemes. These were detailed in the Leeds City Region Assurance Framework which was to be considered at agenda item 10. The process included WYCA's Programme Appraisal Team (PAT) considering scheme business cases and, subject to their assessment, these are then considered by the Investment Committee who would take a decision on whether to recommend the schemes to WYCA for approval. It was noted that business cases were published on WYCA's website. It was agreed that summary scheme performance information be included in the 'summary box'.

**Resolved:**

- (i) In respect of Bradford Interchange Phase 1 (Decision Point 2 Case Paper) –

That following a recommendation from the Investment Committee, WYCA approves:

- (a) That the Bradford Interchange Phase 1 project proceeds through Decision Point 2 and work commences on Activity 3 (Outline Business Case) of the Assurance process.
- (b) That an indicative approval to the total project value of up to £5.605m is given to be funded from the West Yorkshire plus Transport Fund, with Full Approval to spend being granted once the scheme has progressed through the Assurance Process to Decision Point 5 (FBC with Finalised Costs).
- (c) That further development costs of up to £0.100m are approved in order to progress the scheme to Decision Point 3 (Outline Business Case) taking the total project approval to £0.180m, and that WYCA enter into an addendum to the existing funding agreement with City of Bradford Metropolitan District Council for total expenditure of up to £0.180m from the West Yorkshire plus Transport Fund.
- (d) That future approvals are made in accordance with the Approval Pathway and Approval Route set out in the Case Paper. This will be subject to the scheme remaining within the tolerances outlined in the Case Paper.

- (ii) In respect of **Bradford Interchange Phase 2 – Pre-feasibility Option Development (Decision Point 2 Case Paper) -**

That following a recommendation from the Investment Committee, WYCA approves £0.512m pre-feasibility funding from the WY+TF Transformational Projects Fund to support the selection of a preferred option for progressing Phase 2 of this project and that WYCA enter

into a Funding Agreement with City of Bradford Metropolitan District Council for expenditure of up to £0.512m from the WY+TF Transformational Projects Fund.

(iii) In respect of **Project Beta (Decision Point 2 Case Paper) -**

That following a recommendation from the Investment Committee, WYCA approves:

- (a) That Project Beta proceeds through Decision Point 2 and work commences on Activity 4 (Full Business Case).
- (b) That an indicative approval to the proposed grant funding award £3m is given, to be funded from the Strategic Inward Investment Fund, with Full Approval to expenditure being granted once the scheme has progressed through the Assurance Process to Decision Point 5 (FBC with Finalised Costs).
- (c) That future approvals are made in accordance with the Approval Pathway and Approval Route set out in this report. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

(iv) In respect of **Leeds City Region Natural Flood Management Scheme (Decision Point 3 Outline Business Case) -**

That following a recommendation from the Investment Committee, WYCA approves:

- (a) That the LCR Pilot Natural Flood Management Programme proceeds through Decision Point 3 and work commences on Activity 4 (Full Business Case).
- (b) That an indicative approval to WYCA's contribution of £1.700m (which will be funded through from the Local Growth Deal 3 fund) is given with Full Approval to spend being granted once the scheme has progressed through the Assurance Process to Decision Point 5 (FBC with Finalised Costs). The total project value is £3.801m.
- (c) That development costs of £0.045m are approved in order to progress the scheme to Decision Point 4 and then WYCA enter into a Funding Agreement for expenditure of up to £0.045m from the Local Growth Deal Fund.
- (d) That future approvals are made in accordance with the Approval Pathway and Approval Route set out in this report, including at Decision Point 5 through a delegation to WYCA's Managing Director following a recommendation by WYCA's Programme Appraisal Team. This will be subject to the



scheme remaining within the tolerances outlined in the submitted report.

(v) In respect of **Wyke Beck Valley Flood Alleviation (Decision Point 4 Full Business Case) -**

That following a recommendation from the Investment Committee, WYCA approves:

- (a) That the Wyke Beck Valley Flood Alleviation Project proceeds through Decision Point 4 and work commences on Activity 5 (Full Business Case with Finalised Costs).
- (b) That an indicative approval to WYCA's contribution of £2.600m (which will be funded through from the Local Growth Deal 3 fund) is given with Full Approval to spend being granted once the scheme has progressed through the Assurance Process to Decision Point 5 (FBC with Finalised Costs).
- (c) That future approvals are made in accordance with the Approval Pathway and Approval Route set out in this report, including at Decision Point 5 through a delegation to WYCA's Managing Director following a recommendation by WYCA's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

(vi) In respect of **York Outer Ring Road – Phase 1 (Full Business Case Decision Point 4) -**

That following a recommendation from the Investment Committee, WYCA approves:

- (a) That the York Outer Ring Road Phase 1 project proceeds through Decision Point 4 and work commences on Activity 5 (Full Business Case with Finalised Costs).
- (b) That an indicative approval to York Outer Ring Road Phase 1 total forecast costs of up to £3.600m is given (to be funded from the West Yorkshire plus Transport Fund) with Full Approval to spend being granted once the scheme has progressed through the Assurance Process to Decision Point 5 (Full Business Case with Finalised Costs).
- (c) That future approvals are made in accordance with the Approval Pathway and Approval Route outlined in this report including at Decision Point 5 through a delegation to WYCA's Managing Director following a recommendation by WYCA's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

- (vii) That in respect of **Project Raven (Decision Point 2 Case Paper)** - it was agreed to withdraw consideration of the item as the situation had changed following publication of the agenda and this would be brought back to a future meeting.
- (viii) In respect of DfT Cycling and Walking to Work Fund (Activity 6 Delivery Change Request) -

That WYCA approves:

- (a) That the additional funding of £6.40k offered by DfT to extend the programme is accepted by the Director of Resources as Chief Finance Officer by the deadline of 31 March 2018
- (b) The Request for Change to programme funding and timescales as outlined in the submitted report
- (c) That the spending of up to £2.14m to be funded from the West Yorkshire Cycling and Walking to Work DfT grant

#### **85. Leeds City Region Growth Deal Programme Review**

The Authority considered a report of the Director of Delivery which:

- Provided an update on the implementation of the Growth Deal and sought agreement of actions to actively manage scheme performance.
- Presented recommendations following the recent Call for Projects relating to Growth Deal funding, that a number of schemes are brought forward for consideration, pending the outcome of the programme re-profiling exercise and the future availability of funding, and subject to approval through the WYCA Assurance Process.
- Provided an update on current activity relating to the forthcoming 2019/20 Growth Deal Review, and sought approval for an allocation of £400,000 to undertake the work required in preparation for the Gateway Review.

The performance and management of schemes in the Growth Deal was discussed. It was reported that an Investment Committee workshop would be held in March to consider the timing and profiling of projects and WYCA members would be invited to take part in those discussions.

Members discussed the recent Call for Projects and the list of schemes outlined in the submitted report which were recommended for taking forward. They reiterated their request that hyperlinks be provided in future reports to any background information available. It was noted that based on the information that had been provided, the schemes would potentially deliver direct jobs and houses by 2021. It was recognised that because of delivery timescales, the Call for Projects had been restrictive to projects that would deliver by 2021; it was however noted that there may be further

opportunities to support a wider range of projects with the development of the Local Inclusive Industrial Strategy. It was proposed that a further Call for Projects be considered and this would be discussed at a future meeting of the Investment Committee.

It was noted that the Growth Deal review is a stipulation by Government. A project ceiling budget of £400,000 has been identified by Government to undertake the Gateway Review exercise in the Leeds City Region, including all lead-in activity and reporting to Central Government. It was reported that WYCA was working with other LEP areas and Government to understand what the money would be spent on and how it could be reduced, including whether it was possible that some of the initial work could be undertaken in-house to reduce the expenditure.

**Resolved:**

That WYCA approves:

- (i) In-principle support to the projects identified in paragraphs 2.10 and 2.11 of the submitted report and that the projects be brought forward for consideration for entry into the WYCA pipeline list, pending the outcome of the programme re-profiling exercise and the future availability of funding, and subject to approval through the WYCA Assurance Process.
- (ii) A maximum of £400,000 to be funded from the Local Growth Fund to fund the Growth Deal Review activity as detailed in the submitted report.

**86. Local Inclusive Industrial Strategy update**

The Authority considered a report of the Interim Director of Policy & Strategy which provided an update on the development of a single, bold city region strategy, owned by both the LEP and WYCA that provides a compelling proposition using the city region's tech assets and opportunities to deliver inclusive growth outcomes.

It was noted that there was an ambition to deliver this work at pace in order to position the City Region so that it forms part of the first wave of Local Industrial Strategies agreed by Government by March 2019.

Members discussed and noted the update which included the draft vision statement, emerging priorities and proposals that could form the core building blocks of the local inclusive industrial strategy and the suggested approach to the development of the strategy.

In welcoming the progress to date, the following comments/observations were made:

- The important development work being undertaken across all the local authorities should be highlighted.

- Inclusive growth needs to be reflected in the emerging priorities and throughout the document.
- Ensure that the narratives are written for different audiences and take other views into account.

The opportunity to consider how businesses could be supported as the economy grows and new jobs created was recognised and the challenges in respect of skills, retraining, working practices and the apprenticeship levy were discussed. It was agreed that a skills report would be prepared for a future meeting.

**Resolved:** That WYCA endorses the direction of travel on the following areas:

- (i) An updated Leeds City Region strategic framework.
- (ii) The draft vision statement as set out in paragraph 2.7 and the intention to develop further 'expressions' for different audiences.
- (iii) The emerging priorities and proposals summarised in paragraph 2.10 that could form the core building blocks of our local, inclusive industrial strategy and will be key to securing future investment.
- (iv) The proposed 'open policy' approach that intends to harness the views and influence of partners in co-producing a compelling, bold city region proposition.

#### **87. West Yorkshire plus Transport Fund Transformational Programme**

The Authority considered a report of the Interim Director of Policy & Strategy on the proposed approach for the Transformational Fund which is part of the West Yorkshire plus Transport Fund (WY+TF).

It was noted that the WY+TF Growth Deal Transformational Fund provides the opportunity to undertake early development work to shape the future transformational pipeline of schemes. The WY+TF includes an allocation of £12.5m within the Transformational Fund and endorsement of £7m to develop the LCR Connectivity Strategy Priority pipeline was sought. This would take into account the recent call for projects and Inclusive Growth Corridor Plans.

Members were advised that the Investment Committee had endorsed the approach set out in the submitted report at their meeting held on 3 January 2018. It was proposed that a further report be prepared for consideration by the Investment Committee and WYCA to seek approval to spend within the £7m allocation, subject to approval through the WYCA Assurance Process.

**Resolved:**

- (i) That the proposed approach for the West Yorkshire plus Transport Fund Transformational Fund, as set out in the submitted report, be endorsed.
- (ii) That an allocation of £7m be made within the West Yorkshire plus Transport Fund Transformational Fund to develop the Leeds City Region Connectivity Strategy Priority pipeline taking into account the recent call projects and Inclusive Growth Corridor Plans.
- (iii) That a further report be prepared for consideration by the Investment Committee and WYCA to seek the capital approval to spend the £7m allocation subject to approval through the WYCA Assurance Process.

**88. Business Planning and Budget 2018/19**

The Authority considered a report of the Director of Resources and was given a presentation which:

- Set out the outline corporate plan for West Yorkshire Combined Authority (WYCA) for 2018/19 and its strategic aims on behalf of local people.
- Sought approval for the proposed revenue budget and transport levy for 2018/19, the indicative capital programme and the treasury management statement.

**Corporate Plan 2018/19**

It was reported that the Corporate Plan was in the process of being developed. A high level summary of the draft business plans for each of the organisation's five Directorates was attached at Appendix 1 and these will form the basis of the 2018/19 corporate plan which will be brought to the next WYCA meeting for approval. The proposed shape of the corporate plan was set out in Appendix 2.

**Revenue Budget 2018/19**

Members considered the revenue budget and transport levy for 2018/19. Details of the proposed budget for 2018/19 and early estimates for the subsequent two years were provided in Appendix 3.

The challenges in setting a balanced budget were noted together with a number of actions which had been required, including identifying budget savings and income targets required.

The proposed transport levy reduction of £1m was in response to continuing pressure on local government funding with proposals that the levy is further reduced by £1m in each of the next two years. A review would be undertaken over the next year of the way in which transport services are provided in order to reduce expenditure over the next three years. Details of

the net and gross levy by population, showing the decrease was set out in Table 2 of the submitted report together with the rebates due to each District.

Details of the Reserves Policy and position for 2017/18 were outlined in the submitted report. The workings for this year's reserves policy were set out in Table 1 and were based on the approach taken in previous years with an updated assessment of the relative risks.

### **Capital Programme 2017/18 and 2018/19**

WYCA noted the capital programme for 2018/19 and subsequent years and the indicative capital programme which were outlined in the submitted report.

It was reported that the Investment Committee had considered the individual projects within the West Yorkshire plus Transport Fund (WY+TF) and would continue to be a key part of the process whereby Growth Deal and other projects are considered and recommended for progression. This would also include the further work on the call for projects. It was proposed that the arrangements for the Transport Committee to approve Integrated Block funded projects up to a value of £3m also be continued for 2018/19.

### **Treasury Management**

Members noted the Prudential Funding Statement which was attached at Appendix 4. This set out the treasury management activity in the year, the arrangements in place and details of the funding position.

#### **Resolved:**

- (i) That the approach to the corporate plan for 2018/19 be endorsed.
- (ii) That the revised budget/forecast for 2017/18 and the proposed budget for 2018/19 for WYCA be approved.
- (iii) That the indicative capital programme for 2018/19 – 2020/21 be approved.
- (iv) That the Transport Committee be delegated to approve individual schemes within the integrated transport block of the 2018/19 capital programme up to a maximum cost of £3m.
- (v) That in accordance with the powers contained in the Local Government Finance Act 1988 (as amended) and by virtue of article 9(6) of the West Yorkshire Combined Authority Order and the Transport Levying Bodies Regulations 2015 (as amended) a levy of £105m be determined for the year ended 31 March 2019.
- (vi) That the Chief Financial Officer be authorised to issue the levy letter in respect of the financial year ending 31 March 2019 to the five District Councils in West Yorkshire.

- (vii) That a payment of £5.099m be made to the District Councils in accordance with Table 2 of the report.
- (viii) That the Chief Financial Officer be authorised to arrange appropriate funding for all expenditure in 2017/18 and 2018/19 subject to statutory limitation, including the most appropriate application of capital funding as set out in the report.
- (ix) That the expenditure of highways maintenance funding of £28.4m and the pothole action fund of £2.2m, to be paid quarterly to the West Yorkshire local authorities in accordance with the DfT formula be approved, and that the Director of Resources be authorised to vary these amounts should DfT revise the payments from those provisionally indicated be approved.
- (x) That the policy, effective from 2017/18, for recovering the WYCA costs of managing the capital programme against the capital programme spend being mainly Growth Deal, Leeds Public Transport Investment Programme and Local Transport Plan Integrated Transport be approved. For 2018/19 the estimated total value is £5.24m (2%-3%).
- (xi) That the adoption of the CIPFA Code of Practice for Treasury Management in Public Services be reaffirmed.
- (xii) That the treasury management policy as set out in Appendix 4 to the report be approved.
- (xiii) That the prudential limits for the next three years as set out in Appendix 4 to the report be adopted.

## **89. Leeds City Region Assurance Framework - Annual Review**

The Authority considered a report of the Director of Delivery which:

- Provided an update on progress relating to changes proposed to the Leeds City Region Assurance Framework arising from its annual review, and with the recently issued review of Local Enterprise Partnership Governance & Transparency (October 2017).
- Sought feedback on the updated assurance requirements and approval of the substantive form of the document following the incorporation of further changes requested, and sought authority for WYCA's Managing Director to finalise the document in consultation with the Chair of WYCA and the Chair of the LEP Board for submission, and to make further in-year changes as may be required.

It was reported that the Assurance Framework had to be updated annually and published on the Local Enterprise Partnership's website. Members discussed the draft document which was attached at Appendix 1 and noted that this had been shared and discussed at meetings of the LEP Board,

Overview & Scrutiny Committee and Governance & Audit Committee. The Overview & Scrutiny Committee, through their SEP Delivery Working Group, had offered level of challenge to the approach taken and were content with the current progress. It was proposed that the scrutiny sessions would continue to ensure that the Assurance Framework remains fit for purpose as this was a 'live' document.

It was noted that the changes to the LCR LEP's governance arrangements which were approved by the LEP Board on 16 January 2018 had been reflected in the document. The LEP Board had agreed the revised framework subject to any further comments from WYCA and, in this respect, members' views regarding reporting and transparency which had been discussed earlier in the meeting would be incorporated. It was proposed that WYCA's Managing Director would finalise the content of the Assurance Framework in consultation with the Chair of WYCA and the Chair of the LEP Board prior to its submission to Government by 28 February 2018.

**Resolved:**

- (i) That the substantive form of the draft Assurance Framework, subject to the incorporation of any further feedback, be approved.
- (ii) That WYCA's Managing Director be authorised to finalise the content of the Assurance Framework in consultation with the Chair of WYCA and the Chair of the LEP Board, and to submit the document to Government by 28 February 2018.
- (iii) That it be noted that further changes and updates to the Assurance Framework are anticipated during the year and WYCA's Managing Director be authorised to make such further changes as are appropriate, and to update WYCA and the LEP Board on an annual basis.

**90. Report of the Overview and Scrutiny Committee**

The Authority considered a report of the Overview & Scrutiny Committee which put forward the findings and recommendations of a task and finish working group.

It was reported that in September 2017, the Overview & Scrutiny Committee established a cross party task and finish working group consisting of 5 members. This was to consider whether any lessons could be learnt from a review of the processes and governance relating to the award of a loan to Oxford GB2 in 2013 by the Leeds City Region Local Enterprise Partnership (LCR LEP).

Members discussed the findings of the Working Group which had been considered at the meeting of the Overview & Scrutiny Committee on 24 January 2018. It was recognised that their recommendations had already been addressed by WYCA in establishing and developing its Assurance Framework and governance arrangements.



In noting the improvements which had already been introduced and approving the recommendations, the Authority thanked the Overview & Scrutiny Committee for their work and the time taken to produce the thorough report on this important issue.

**Resolved:** That WYCA notes the work of the Overview & Scrutiny Committee Working Group and agrees with the recommendations contained in their report. Further, WYCA notes the improvements to assurance and governance that have taken place over recent years.

#### **91. WYCA Procurement Strategy and Changes to Contract Standing Orders**

The Authority considered a report of the Director of Resources which sought approval of the new WYCA Procurement Strategy and updated Contract Standing Orders (CSOs).

It was reported that a review of the procurement needs of the organisation had been undertaken and a new Procurement Team created. The new Procurement Strategy would cover the period 2018 to 2021 and set out a framework for committing spend and undertaking procurement activities throughout the Authority. A copy of the Procurement Strategy was attached at Appendix 1 and it was proposed that this be reviewed annually to monitor progress and update as required.

The Contract Standing Orders were attached at Appendix 2. These had been updated and approved in April 2017 and substantial changes were now required following the introduction of new working practices that would ensure greater focus on transparency and value for money

**Resolved:**

- (i) That the new Procurement Strategy to cover the period 2018 – 2021 be approved.
- (ii) That the amended Contract Standing Orders be approved.

#### **92. Governance Arrangements - Appointments**

The Authority considered a report of the Director of Resources on governance arrangements in respect of the following:

- To note a change in WYCA substitutes.
- To approve the appointment of a change in local authority appointment on the Business Innovation & Growth Panel and appoint a new private sector member.
- To approve appointments to Transport for the North.

## **WYCA Substitute Members**

It was reported that Councillor Robert Light, on behalf of the West Yorkshire Conservative Group Leaders, had notified WYCA of a change in WYCA substitute members as follows:

- Councillor Scott Benton (Calderdale Council) to replace Councillor Nadeem Ahmed (Wakefield Council) as substitute WYCA member for Councillor Andrew Carter (Leeds Council).
- Councillor John Pennington (Bradford Council) to fill the vacant position of substitute WYCA member for Councillor Simon Cooke (Bradford Council).

## **Business Innovation & Growth Panel**

It was reported that North Yorkshire County Council had notified WYCA of their wish to make the following change on the Business Innovation & Growth Panel:

- Councillor Andrew Lee to replace Councillor Patrick Mulligan

Following the conclusion of the appointments process for private sector membership on the Panel, members considered the recommendation for the appointment of an additional member and details were set out in Appendix 1 to the submitted report.

## **Appointment to TfN Shadow Board**

It was reported that a number of WYCA appointments were to be made pending TfN being established as a statutory body in April 2018 and the following appointments were agreed:

- The TfN Shadow Board - Councillor Judith Blake and Councillor Keith Wakefield as the substitute member.
- TfN when established as a statutory body - As above.
- TfN's Scrutiny Committee - Councillor Eric Firth and Councillor Barry Collins as the substitute member.

## **Resolved:**

- (i) That the change in Conservative WYCA substitute members be noted.
- (ii) That WYCA co-opts members to the Business Innovation & Growth Panel as set out in Appendix 1 to the submitted report.

- (iii) That WYCA appoints Councillor Judith Blake to the TfN Shadow Board and Councillor Keith Wakefield as the substitute TfN Shadow Board member.
- (iv) That WYCA appoints Councillor Judith Blake as TfN member and Councillor Keith Wakefield as the substitute TfN member.
- (v) That WYCA appoints Councillor Eric Firth to the TfN's Scrutiny Committee and Councillor Barry Collins as the substitute member.

**93. European Structural and Investment Funds - Sustainable Urban Development**

The Authority considered a report of the Director of Resources on European Structural & Investment Funds – Sustainable Urban Development (ESIF/SUD) which sought approval for the prioritisation list for SUD undertaken by the Department for Communities and Local Government (DCLG) as Managing Authority (MA), reconciled to the available budget.

At the last meeting, WYCA had considered and approved the advice contained in each of the outline assessments and the prioritised list for the selection of SUD projects. The MA had now finalised their assessment, taking into account the advice provided by WYCA and members considered the prioritisation list for SUD which was detailed in the exempt Appendix 1. It was noted that the total value of the projects exceeds the indicative budget attached to the Call and the MA, having taken into consideration the Intermediate Body's (WYCA's) decision in respect of local strategic fit, had reconciled the projects to the budget.

Following WYCA's agreement, as Intermediate Body, the MA will formally notify applicants of the outcome and progress the successful projects to the next stage. It was expected that the full applications will be presented to WYCA by Summer 2018.

**Resolved:** That the prioritisation list for SUD, included in exempt Appendix 1, undertaken by the Managing Authority (MA), Department for Communities and Local Government (DCLG), reconciled to the available budget, be approved.

**94. Minutes of the West Yorkshire and York Investment Committee held on 9 November 2017**

**Resolved:** That the minutes of the West Yorkshire & York Investment Committee held on 9 November 2017 be noted.

**95. Minutes of the Overview and Scrutiny Committee held on 15 November 2017**

**Resolved:** That the minutes of the Overview & Scrutiny Committee held on 15 November 2017 be noted.

**96. Minutes of the Transport Committee held on 17 November 2017**

**Resolved:** That the minutes of the Transport Committee held on 17 November 2017 be noted.

**97. Draft Minutes of the Green Economy Panel held on 21 November 2017**

**Resolved:** That the draft minutes of the Green Economy Panel held on 21 November 2017 be noted.

**98. Draft Minutes of the Governance and Audit Committee held on 28 November 2017**

**Resolved:** That the minutes of the meeting of the Governance & Audit Committee held on 28 November 2018 be noted.

**99. Draft Minutes of the Employment and Skills Panel held on 4 December 2017**

**Resolved:** That the draft minutes of the Employment & Skills Panel held on 4 December 2017 be noted.

**100. Draft Minutes of the West Yorkshire and York Investment Committee held on 3 January 2018**

**Resolved:** That the draft minutes of the West Yorkshire and York Investment Committee held on 3 January 2018 be noted.