

GREEN ECONOMY PANEL

**MEETING TO BE HELD AT 4.00 PM ON TUESDAY 20 FEBRUARY 2018
IN COMMITTEE ROOM A, WELLINGTON HOUSE, LEEDS**

A G E N D A

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**
- 3. EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**

To highlight Agenda item 11 which officers have identified as containing exempt information within the meaning of Schedule 12A to the Local Government Act 1972, and where officers consider that the public interest in maintaining the exemptions outweighs the public interest in disclosing the information, for the reasons outlined in the report.

To consider whether or not to accept the officers' recommendation in respect of the above information as set out at Agenda item 11.

If the recommendations are accepted, to formally pass the following resolution:-

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 Agenda item 11 on the grounds that they are 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.

- 4. MINUTES OF THE MEETING OF THE GREEN ECONOMY PANEL HELD ON 21 NOVEMBER 2017**

Copy attached
(Pages 1 - 6)

5. 25 YEAR ENVIRONMENT PLAN

Presented by Noel Collings
(Pages 7 - 14)

6. LOCAL INCLUSIVE INDUSTRIAL STRATEGY AND CLEAN GROWTH STRATEGY UPDATE

Presented by David Walmsley / Marc Eatough
(Pages 15 - 26)

7. LEEDS CITY REGION ENERGY STRATEGY AND DELIVERY PLAN

Presented by Noel Collings
(Pages 27 - 28)

8. ENERGY ACCELERATOR UPDATE

Presented by Jacqui Warren
(Pages 29 - 42)

9. MAJOR PROJECTS UPDATE

Presented by Jacqui Warren
(Pages 43 - 50)

10. BUSINESS PLANNING AND BUDGET 2018/19

(Pages 51 - 72)

11. FUTURE DEVELOPMENT OF SME RESOURCE EFFICIENCY SUPPORT

Presented by Jacqui Warren
(Pages 73 - 80)

Signed:



WYCA Managing Director



**MINUTES OF THE MEETING OF THE
GREEN ECONOMY PANEL
HELD ON TUESDAY, 21 NOVEMBER 2017 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Simon Pringle
William Firth
Councillor Jenny Lynn
Dr Alice Owen
Councillor Andrew Waller
Jim Cardwell (Advisory Representative)
David Gill (Advisory Representative)

Project Rome
Hargreaves Services PLC
Calderdale Council
University of Leeds
City of York Council
Northern Powergrid
Northern Gas Grid

In attendance:

Ed Cox
Martin Farrington
Vincent McCabe
Wallace Sampson
Jacqui Warren
Janette Woodcock

IPPR North
West Yorkshire Local Nature Partnership
WYCA
Harrogate Borough Council
WYCA
WYCA

1. Apologies for absence

In Paul Hamer's absence the chair was taken by Simon Pringle.

Apologies were received from Councillors Andrew Cooper and Lucinda Yeadon, Mark Duncan, Paul Hamer, Natasha Luther-Jones, Nevil Muncaster and John Williams.

It was reported that John Bradley had resigned from the Panel on 28 September 2017, and members thanked him for his contribution to the work of the Panel.

2. Declarations of disclosable pecuniary interests

None were declared.

3. Exempt information - Possible exclusion of the press and public

There were no exclusions of the press and public at the meeting.

4. Minutes of the meeting of the Green Economy Panel held on 14 September 2017

Resolved: That the minutes of the Green Economy Panel held on 14 September 2017 be approved.

- (i) Panel to receive a future paper on the key support it will offer the H21 programme.
- (ii) Panel to receive a future paper on how it will offer support to Yorkshire Water's Esholt Circular Economy Demonstration Programme.

5. A Northern Energy Strategy

Ed Cox, Director, IPPR North attended to give members a presentation to outline the recently published Northern Energy Strategy and explore opportunities for the Panel.

A Northern Energy Taskforce was established in 2016 to oversee and develop an energy strategy for the Northern Powerhouse.

The aim of the Northern Energy strategy was to put the North as the leading low-carbon energy region in the UK and to create a northern energy economy. To achieve this the Taskforce recommend:

- A new Northern Energy Accelerator to identify; co-ordinate and drive northern energy opportunities from early-stage innovation to commercial and social success;
- Making the north of England the testbed for the smart grid transition and the roll out of new Distribution System Operators (DSOs);
- Collaboration to support more flexible and permissive approaches to energy pricing and supply to support and transform the North's energy intensive industries.

The full Northern Energy Strategy was available on the IPPR's website.

Mr Cox also took questions from members on a variety of issues related to the above and members expressed their thanks for his attendance at the meeting.

Resolved:

- (i) That the Panel explore how it might continue to be updated on, and play a part in, this regionally significant strategy.
- (ii) That Jacqui Warren and Ed Cox explore opportunities and begin to align / coordinate opportunities

6. Resource Efficiency Fund Steering Group Representative

That the Panel be requested to consider the nomination of a new Green Economy Panel representative to sit on the Resource Efficiency Fund (REF) Steering Group.

The REF Steering Group provides expert advisory support to the REF programme team to advise decisions on the delivery operations of the REF scheme and meets on a quarterly basis.

- Henry Rigg, West Yorkshire Combined Authority (Chair)
- Phil Cole, Leeds City Council (Delivery Partner representative)
- Jannik Giesekeam/Jonathan Busch, University of Leeds Sustainability Research Institute (role-share providing specialist sustainability advice)

John Bradley of Crompton Mouldings had been a member of the Steering Group, representing both the SME client sector and the Green Economy Panel up until he tendered his resignation from the Green Economy Panel and the Steering Group on 28 September 2017. While Mr Bradley has been approached to consider continuing to represent the SME sector on the Steering Group, the Green Economy Panel will no longer have a representative.

Resolved:

- (i) William Firth volunteered to be the new GEP representative.
- (ii) To be fair to absent members, an email will be sent out to all Panel members asking them to express an interest in being the new REF GEP representative.

7. Green Economy Panel Major Projects Update

The Panel considered a report providing an update on the progress of major projects currently being delivered under the Strategic Economic Plan's priority 3 including:

- Overall Project Delivery
- Energy Accelerator
- Better Homes Yorkshire
- Warm Homes Fund
- Resource Efficiency Fund (REF)
- District Heat Network (DHN) Programme
- Green and Blue Infrastructure (GBI) Strategy and Delivery Plan
- Zero Carbon Energy Strategy and Delivery Plan
- H21

Resolved: That the contents of the report be noted.

8. Energy Strategy and Delivery Plan Update

The Panel considered a report to update it on the delivery of the Energy Strategy and Delivery Plan (ESDP), including the outputs of recently completed commissions.

The Strategic Economic Plan (SEP) under Pillar 3 (Energy and Environmental Resilience) sets out the ambition of becoming a 'resilient, zero carbon energy economy by 2016'.

The ESDP has been split into four discrete work packages, as detailed in the submitted report which updated the Panel on progress to develop the ESDP with a specific focus on the outputs of recently completed commissions for Work Packages 1 and 2 and the next steps with regard to Work Packages 3 and 4.

Resolved:

- (i) That the update and emerging outputs of the ESDP be noted.
- (ii) The ESDP Steering Group to create a fifth work package to embed the ESDP across the LEP and align with the wider Yorkshire region.

9. Clean Growth Strategy

The Panel considered a report to outline and inform on the opportunities presented by the government's new Clean Growth Strategy (CGS) and seeking members' views on the priority areas for action.

It was reported that the commitments made by governments when signing up to the Paris Climate Agreement present a huge potential economic opportunity. It had been estimated that £13.5 trillion of investment in the global energy sector alone would be required if all national targets were to be met.

A summary of the key benefits / opportunities and implications for WYCA and the wider LCR LEP were set out in the submitted report including various innovation related proposals and existing funding opportunities to be explored in the short – medium term.

Resolved:

- (i) That the proposals outlined in the Clean Growth Strategy be noted and explored further including:
 - Review of SEP, Energy Strategy and Industrial Strategy for synergies
 - Amend Appendix 1 and refine priorities for the next GEP meeting.

10. BEIS Local Energy Capacity Support

The Panel considered a report to update it on a new offer of support from

Business, Energy and Industrial Strategy (BEIS) relating to the development of new energy hubs to accelerate clean energy generation across England.

It was reported that following a Local Enterprise Partnership's (LEP) Chief Executives meeting in London on 22 August, BEIS wrote to all LEPs outlining proposals for local energy capacity support and provided a starting point for discussion. The purpose of the letter was to share BEIS' outline proposals for how support in the form of additional resources could be used, and as a starting point for discussion. A copy of the letter was attached at Appendix 1 of the submitted report.

An alternative proposal received from BEIS on 7 November was also presented to the Panel. This was for a £1.29m Northern Hub serving all 11 Northern LEPs

BEIS have asked LEPs to confirm their preferred model by 30 November. LCR, Sheffield, Humber, York, North Yorkshire and East Riding, Tees Valley and the North East LEPs were currently developing a model and in discussion with the North Western LEPs.

Due to the funding available, the Panel advised that the original proposals (Yorkshire Humber and North East) LEP clusterings were more workable.

The Panel advised that resources were better focussed on delivering the LCR's Energy Accelerator than hosting the new proposed BEIS Funded Northern hub. As the proposals, stand the additional capacity offered would complement the LCR's Energy Accelerator (EA) work by potentially supporting a wider array of low carbon projects.

Resolved:

- (i) That the new offer of support from BEIS be noted and explored further.
- (ii) That Items 5, 8, 9 and 10 of this meeting be further explored and a coherent set of priorities drafted to ensure all new opportunities, strategies, policies and resources are fully aligned and accelerate the SEP zero carbon ambitions.

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Report to: Green Economy Panel

Date: 20 February 2018

Subject: 25 Year Environment Plan

Director(s): Liz Hunter, Interim Director of Policy and Strategy

Author(s): Alice Rowland, Noel Collings

1 Purpose of this report

- 1.1 To inform the Panel of the key points in the government's new 25 Year Environment Plan and to provide a steer on the areas in which it feels West Yorkshire Combined Authority (the Combined Authority) should focus its resources and effort.

2 Information

- 2.1 The 25 Year Environment Plan, published in January 2018, sits alongside the Industrial Strategy and accompanying Clean Growth Strategy to set out the government's approach to safeguarding the environment and future proofing the economy.
- 2.2 In the Plan, the government recognises its important role in protecting and improving the environment in the UK and beyond and pledges to show leadership on conservation, climate change, land use, sustainable global food supplies and marine health. Key themes are for the UK to champion sustainable development, lead in environmental science, innovate to achieve clean growth and increase resource efficiency.
- 2.3 The Plan is framed in the context of Brexit and the opportunity this brings to make the behavioural and institutional changes necessary to build sustainable, enduring growth.
- 2.4 Central to the Plan is the 'natural capital approach' – natural capital being defined as the sum of elements of nature that directly or indirectly bring value to people and the country at large, for example through providing food, clean air and water, energy etc. The Plan acknowledges this wider value of natural assets, giving the environment its due value as a contributor to the economy and wider society, for example through health and wellbeing benefits to citizens.

- 2.5 Within the Plan, the government sets out 6 goals for the next 25 years:
- Achieve clean air
 - Achieve clean and plentiful water
 - Achieve a growing and resilient network of land, water and sea that is richer in plants and wildlife
 - Reduced risk of harm from environmental hazards such as flooding and drought
 - Using resources from nature more sustainably and efficiently
 - Conserve and enhance beauty, heritage and engagement with the natural environment
- 2.6 In addition, the government plans to manage pressure on the environment by:
- Mitigating and adapting to climate change
 - Minimising waste
 - Managing exposure to chemicals
 - Enhancing biosecurity
- 2.7 The Plan sets out 6 key policy areas around which action will be focussed. Further detail on each area is provided in this report:
- Using and managing land sustainably
 - Recovering nature and enhancing the beauty of landscapes
 - Connecting people with the environment to improve health and wellbeing
 - Increasing resource efficiency and reducing pollution and waste
 - Securing clean, productive and biologically diverse seas and oceans
 - Protecting and improving the global environment
- 2.8 It is worth noting that the Environment Plan shows good alignment with the Leeds City Region Green and Blue Infrastructure Strategy and Delivery Plan (GBISDP), with a number of the policy areas identified in the Environment Plan already being progressed as part of the Leeds City Region approach. The publication of the Environment Plan has come at a timely point allowing further detail to be incorporated into the GBISDP prior to its publication in the summer.
- 2.9 The key implications and opportunities of the Environment Plan for the Combined Authority and the wider Leeds City Region are still being developed and a full report on these will be presented to the next meeting of the Panel in April. However, the Panel may wish to consider the information provided in the report and indicate the areas where they feel the Combined Authority should be concentrating its effort and resources in advance of the report to be presented at the April meeting.
- 2.10 To assist the Panel in making more informed comments on where the Combined Authority should focus its effort and resources, this initial assessment of the Environment Plan has identified the following areas where it could be beneficial for the Combined Authority to focus on:-

- Opportunities presented by a new agricultural policy in the wake of Brexit to utilise public money for public goods. Should the Combined Authority be targeting a new agricultural policy and the funds it brings in a devolution ask to Government?
- Opportunities presented by reforms to developer contributions to secure investment in natural capital. What approach should the Combined Authority take in influencing future reforms and should it look to target a Leeds City Region-wide fund for natural capital investment?
- Influencing future Planning Policy Guidance on Sustainable Urban Drainage Systems (SuDS). What, if any, role should the Combined Authority play in influencing future policy? Is this a role which should be left to the Local Authorities given the limited planning role of the Combined Authority?
- Implementing fully the Green Streets Design Principles into West Yorkshire Transport Fund projects to ensure the Combined Authority contributes to the delivery of the policy goal to create 1 million street trees and 12% overall woodland cover.
- Opportunities presented through the creation of a Northern Forest and the allocation of £5.7m towards this project. How should the Combined Authority look to support the LNP and the White Rose Forest in the delivery of its portion of the Northern Forest?

Using and managing land sustainably

- 2.11 This chapter sets out a new approach to using and managing land sustainably, in the context of Brexit as an opportunity to reform the way land is managed to support cost effective, sustainable growth. Going forward, this shift could provide further opportunities to explore a devolved system of agricultural subsidies which prioritise public funding for public goods within the Leeds City Region. This is something that is being investigated as part of the GBISDP.
- 2.12 **Embedding an ‘environmental net gain’ principle for development, including housing and infrastructure.** This means putting the environment at the heart of planning and development, and that wider natural capital benefits will be assessed as part of the planning process. This will include establishing ‘strategic, flexible and locally tailored approaches that recognise the relationship between the quality of the environment and development’. Actions the government will take on this area include:
- Working with interested parties to reduce costs to developers by expanding the net gain approaches used for wildlife to include wider natural capital benefits such as flood protection, recreation and improved water and air quality – streamlining environmental process, whilst achieving net environmental gains.
 - Producing stronger new standards for green infrastructure.
 - Exploring, with government, reforms of developer contributions, how tariffs could be used to steer development towards the least environmentally damaging areas and to secure investment in natural capital.

- 2.13 **Improving how we manage and incentivise land management.** The most important proposal within this policy area is delivering a new environmental land management system as the UK withdraws from the Common Agricultural Policy. This will mean a shift to a system of 'paying farmers public money for public goods' and will incentivise and reward land managers to restore and improve natural capital and rural heritage. Proposals will be set out in a Command Paper in spring which the government will consult on.
- 2.14 **Improving soil health and restoring and protecting peatlands.** This will include developing a soil health index and ending the use of peat in horticulture.
- 2.15 **Focusing on woodland to maximise its many benefits.** Key priorities include expanding woodland cover and ensuring existing woodlands are better managed and protected to maximise the range of benefits they provide. This will include an ambition to plant 11 million trees, the development of a Northern Forest and appointment of a National Tree Champion to support the approach.
- i. **The key policy of note here is supporting the development of a new Northern Forest**, which will mean £5.7million of government funding to plant a forest that crosses the country, along the border of the M62. The Local Nature Partnership (LNP) through the White Rose Forest Partnership will be at the forefront of delivering the funding within the Leeds City Region.
- 2.16 **Reducing risks from flooding and coastal erosion.** This section sets out actions to reduce the risk of harm from flooding and coastal erosion including greater use of natural flood management solutions, building on the raft of government work that has been done in this area since 2015. Key areas of focus are:
- i. **Expanding the use of natural flood management solutions.** The key action is learning from the £15m National Flood Management funding to develop knowledge and identify and promote practical solutions for local implementation. The Combined Authority is already taking action on this area, having secured £12.2m through the Local Growth Fund to deliver Natural Flood Management measures (i.e. tree planting, dam enhancements, soakaways and peat restoration).
 - ii. **Putting in place more sustainable drainage systems (SuDS)** and exploring a range of solutions to deal with excess surface water. Within this, the most important action is the pledge to amend Planning Practice Guidance to clarify construction and ongoing maintenance arrangements for SuDS in new developments, tightening links with planning guidance for water quality and biodiversity.

Recovering nature and enhancing the beauty of landscapes

- 2.17 This area focuses on the government's goal to 'balance the needs of a growing, vibrant society with the ability to access green space'. It includes work to start to restore and create areas of wetland, woodland, grassland and coastal habitat to provide chance for wildlife to flourish.

Connecting people with the environment to improve health and wellbeing

- 2.18 This section highlights the links between access to nature/green space and the positive impact on a person's wellbeing. It sets out a plan to make it easier for more people from every background to access and enjoy nature.
- 2.19 **Helping people improve their health and wellbeing by using green spaces**, including using green spaces to improve both mental and physical health. This relates to both the Leeds City Region SEP Priority 3 on clean energy and environmental resilience and GBISDP. The GBISDP highlights the benefits of access to green and blue infrastructure for health and wellbeing and commits to increasing access for citizens.
- 2.20 **Encouraging children to be close to nature**, in and out of school, with a particular focus on disadvantaged areas.
- 2.21 **'Greening' our towns and cities** by creating more green infrastructure and planting one million urban trees. Urban greenspace is unequally distributed and the provision of more and better quality green infrastructure will make places more attractive to live and work in and have long term health benefits. The two key areas in this theme are:
- i. **Creating more green infrastructure**, with an initial focus on places where there is not enough green infrastructure or where it is poor quality. The government will draw up a national framework of green infrastructure standards to ensure new developments include accessible green spaces.
 - ii. **Planting more trees in and around our towns and cities.** Government aims to achieve 12% of overall tree cover by 2060 and in doing so will consider how to bring woodland closer to where people live. The Combined Authority will look to contribute through the Green Streets design guidance which works to integrate green and blue infrastructure into designs of West Yorkshire Transport Fund schemes and other city region investments.

Increasing resource efficiency and reducing pollution and waste

- 2.22 This chapter focuses on cutting pollution and pursuing measures to make the UK more resource efficient to both ease pressure on the environment and boost productivity. This will be done through improving the regulatory

framework so it provides environmental protection and promotes economic growth.

- 2.23 **Maximising resource efficiency and minimising environmental impacts at end of life.** This means making sure that resources are used more efficiently and are kept in use for longer to minimise waste and reduce environmental impact by promoting reuse, remanufacturing and recycling. This links to the Leeds City Region Resource Efficiency Fund which provides financial support and advice for SMEs looking to become more resource efficient in the way they do business. Opportunities are being explored to extend the Resource Efficiency Fund beyond its initial three year programme.
- 2.24 **Reducing pollution** by tackling air pollution in the Clean Air Strategy and reducing the impact of chemicals. This includes a fund of £475m for LAs with biggest pollution issues to tackle hotspots in their areas, of which Leeds is a beneficiary.

Securing clean, healthy, productive and biologically diverse seas and oceans

- 2.25 This chapter sets out the importance of the seas and oceans for maintaining our environment and sets out an approach to maintaining them.

Protecting and improving our natural environment

- 2.26 This chapter sets out the plan to lead by example in tackling global environmental issues. For example through domestic measures, such as publishing a second national Adaptation Programme in 2018 to address issues from the UK's climate change risk assessment, as well as international measures such as supporting developing countries to mitigate/adapt to the impacts of climate change.

Putting the plan into practice

- 2.27 Key proposals that the government will put in place to ensure the delivery of the plan include:-
- **Consulting on setting up a new independent body** to hold government to account and on a new set of environmental principles to underpin policy making
 - **The government will develop a set of metrics to assess progress towards the 25 year goals.**
 - **The Plan will be refreshed regularly**, proposed at every 5 years, and progress will be reported annually.
 - **The government will explore creating a Natural Environment Impact Fund**, a facility to blend capital from a range of sources (public, private, philanthropic) to provide technical assistance funding and repayable finance to projects with potential to improve natural environment and generate revenue.

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 Panel notes the information provided in the report on the government's 25 Year Environment Plan.
- 7.2 That the Panel notes the intention to provide a further report at the next Green Economy Panel analysing any significant implications for the Combined Authority of the proposals within the 25 Year Environment Plan.
- 7.3 That the Panel provide comments and steer on the areas in which it feels the Combined Authority's efforts and resources should be focussed.

8 Background Documents

None.

9 Appendices

None.

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Report to: Green Economy Panel

Date: 20 February 2018

Subject: **Local Inclusive Industrial Strategy and Clean Growth Strategy Update**

Director(s): Liz Hunter, Interim Director of Policy and Strategy

Author(s): Marc Eatough, Jacqui Warren

1 Purpose of this report

- 1.1 Update the Green Economy Panel on the development of the Leeds City Region Inclusive Industrial Strategy.
- 1.2 Update the Panel on further refinement of opportunities to explore linked to the recent Clean Growth Strategy.
- 1.3 Seek comment and views on the direction of travel on the following areas:
 - An updated Leeds City Region strategic framework presented in Section 2.4 and in **Appendix 1**.
 - The draft vision statement set out in Section 2.7 and the intention to develop further 'expressions' for different audiences.
 - Initial priorities and proposals that could form the core building blocks of our Inclusive Industrial Strategy, including emerging priorities and opportunities from the Clean Growth Strategy, 25 year Environment Plan and the Leeds City Region's Green and Blue Infrastructure Strategy and Energy Strategy (see section 2.18) and,
 - The approach to developing the Inclusive Industrial Strategy that will harness the views and influence of key stakeholders and partners, including the Panel, in co-producing a compelling, bold city region proposition.

2 Information

Agreement to develop a single, bold city region strategy

- 2.1 At the LEP Board on 29th November 2017, it was agreed to begin the development of a local, inclusive Industrial Strategy (LIIS) as a replacement for the Strategic Economic Plan (SEP). This decision was endorsed by West Yorkshire Combined Authority (the Combined Authority) on 14th December 2017. Building on the SEP, this will form a key component of an agile, long-term strategic framework aimed at driving growth, boosting productivity and earning power for a post 2030 economy.
- 2.2 There is an ambition to deliver at pace with the intention to present a compelling plan that further transforms the City Region. The aim is to position the City Region so that it forms part of the first wave of Local Industrial Strategies agreed by government by March 2019.
- 2.3 An indicative timeframe for development of our strategy is provided below:
- Short-term (January/February 2018): high level messages, including an emerging vision and statement of intent for the City Region that will be used as a mechanism for engagement with government and local stakeholders; and
 - Long-term (pre-March 2019): publication/submission of the LIIS, subject to further guidance from government.

An agile long-term strategic framework

- 2.4 Crucially, our policy framework needs to provide room for bold, long-term planning. Recommended core principles for our new strategic framework include:
- A different ‘look and feel’, providing an agile and ‘live’ strategic framework, with sections that might form mini strategies in their own right, for example; key priorities and proposals identified in the Clean Growth Strategy;
 - A focus on tackling the key challenges the City Region faces:
 - Productivity Gap is increasing;
 - Innovation and R&D are very low;
 - Living standards have stalled; and
 - Stubborn deprivation persists
 - To reflect the City Region’s expanded policy remit, covering the direct and indirect determinants of citizen experience and inclusive growth¹, such as

¹ **Inclusive Growth** is broad based growth that enables the widest range of people and places to both contribute to and benefit from economic success. Its purpose is to achieve prosperity alongside greater equity in opportunities and outcomes.

how culture and sport contribute to the status and identity of thriving places and prompt diversity of thought, stimulating innovation across communities.

- To build on our core strengths e.g. our concentration of science, research and innovation assets; our globally-competitive manufacturing sector and vibrant digital-tech sectors, such as medical technologies, Fin-tech, environmental/clean tech and Agri-tech.
- To guide decision-making over a refocused programme of activity to more clearly drive inclusive growth outcomes.
- To place the City Region on the front-foot with an ambitious policy platform that improves competitiveness and ensures the benefits are shared fairly.

2.5 The diagram in **Appendix 1** presents the proposed ‘new’ strategic framework for the City Region which was considered and welcomed by the LEP Board on 16th January 2018 and the Combined Authority on 1st February 2018. Further development of the framework, including establishing a clear set of ambitions and associated outcome measures and targets, will be informed by LEP Board, the Combined Authority and advisory committees, such as the Panel. The framework is followed by a summary of the key messages emerging from an exercise to map the headline priorities of the SEP and associated delivery plans / strategies, against the overarching objectives of the Industrial Strategy’s ‘five foundations of productivity’.

Developing a compelling and transformative narrative for the City Region

2.6 One of the actions agreed by the LEP Board and endorsed by the Combined Authority, was to commence work on the development of a compelling and transformative vision narrative for the City Region. The starting point is the sentiments of the existing SEP vision:

“THE LEEDS CITY REGION WILL BE A GLOBALLY RECOGNISED ECONOMY WHERE GOOD GROWTH DELIVERS HIGH LEVELS OF PROSPERITY, JOBS AND QUALITY OF LIFE FOR EVERYONE”

2.7 The narrative below is an indicative illustration to express for a particular audience what life in 2035 might be like if we deliver economic and social transformation. Other ‘expressions’ can be developed for different audiences and communicated in appropriate language and formats.

In Leeds City Region, we believe that only by integrating economic and social policy will we achieve *Inclusive Growth*. Our aim is to address social exclusion, inequality and put forward economic interventions that jointly achieve the best outcomes and opportunities for our citizens.

LEEDS CITY REGION 2036: TRANSFORMED BY TECH

It is 2035. Sarah and Kareem plan their day over breakfast. Sarah's smartphone confirms the autonomous vehicle booking to get Muhammed to his free child care. He waves as he gets on board, chatting excitedly with his friend Ruth about the coding club they will be attending at the primary school where the children's centre is located. Kareem cycles to Bradford's new Rail Hub for his 9.00am train to London, where he is meeting clients at an investment bank, who are interested in his company's digital trading platform with enhanced security features, developed on the back of the city region's world famous strengths in data security. He will be back in time to meet Muhammed when his autonomous vehicle returns him home.

Sarah walks to her urban transit stop and meets her friend Sam. They met working in retail, but having retrained in the mid-2020s, both now work at an engineering company in Dewsbury which produces digitally enabled artificial hips, this family owned business, part of the city region's med-tech cluster, has seen its workforce double in size over the last 10 years and its output quadruple, with export markets in North America and East Asia performing particularly strongly since the full implementation of the UK's free trade agreements with these areas in 2031.

On the tram, Sam checks his smartphone to confirm when his mum's virtual consultation on the management of her diabetes is due. Since her husband died, Thelma has moved to a new flat with integrated health and care provision that has enabled her to stay out of hospital, despite last winter's national flu pandemic. The flat was one of the first in the neighbourhood to be converted to hydrogen in 2030 and the reduction in heating costs that this clean technology provides means that Thelma was able to stay warm throughout the winter.

Thelma's primary designated carer, Lauren, started her career as a care assistant 15 years ago. She is studying on-line to develop her IT skills to level 5, to enable her to move to a more senior role at her provider, leading on the remote, digital delivery of integrated care packages, bringing together NHS and local authority provision.

On her way to the Stormzy 20th anniversary retrospective concert at the Leeds Arena, Lauren spots the BBC News alert which highlights the latest ONS economic reporting. Leeds City Region has for the second year running achieved more than £100bn in economic output with productivity per head now exceeding the national average and second only to London.

This is our future; let's all work together to create it.

Emerging priorities for our Inclusive Industrial Strategy

- 2.8 Further guidance is awaited from government on the approach and process that will be adopted to develop Local Industrial Strategies during 2018. Work has commenced to identify a number of priorities and 'big ideas' that could form the core building blocks and focus of our Local Industrial Strategy.

A summary of these emerging proposals and ideas is provided below:

1. Transformative private sector leadership in the Leeds City Region to tackle the growing productivity gap.

We need a productivity revolution; one that is led by the private sector by harnessing the collective power of business groups, business intermediaries like banks and accountants, and public business support, where businesses are clear of the challenge and there is 'no wrong door' to high quality advice to improve productivity. Real term living standards can only be increased sustainably by increasing productivity.

2. The Leeds City Region Transformed by Tech

Technology changes the world – and the Leeds City Region has significant private and public tech assets to extend its reputation for tech. Businesses invest relatively little in Research & Development (R&D) and there are opportunities to test how to best prompt and channel investment in technology, innovation and R&D to transform our economic base. We need to deliver the Leeds City Region Med-Tech Science Innovation Audit (SIA) as a 'proof of concept' to learn how orchestrated academic, public and private action can unlock R&D and innovation, driving investment, productivity and growth in other key sectors and technologies where the City Region has particular strengths and assets, including environmental/clean technologies .

3. Maximising the impact of HS2 and Northern Powerhouse Rail through the development of inclusive growth corridors in the Leeds City Region

Deprivation is stubborn, while new infrastructure and the power of agglomeration brings new good jobs, we have to do more to ensure that all communities are able to take these opportunities. We therefore need to deliver inclusive growth corridors alongside local communities so everyone – and particularly those in the most disadvantaged areas – are connected to opportunities. A series of corridors will connect major communities, including some of the most deprived, to HS2. The plans will cover housing and employment, flooding and wider environmental and social policy as well as the transformational connectivity and the opportunities around new technologies required to support each of these.

2.9 These ideas and proposals build on the 10 Headline Initiatives presented in the SEP (e.g. the headline initiatives) and the long-term priorities set out in our Autumn Budget submission, such as:

- An ambition to become a global digital centre, with specialisms in data storage, analytics, digital health and tech.
- To implement co-ordinated and wide ranging action to radically increase innovation.
- To make the City Region a leading edge centre for zero carbon energy;
- To deliver a more jobs, better jobs programme and the need to close the gap in relation to high level skills and to tackle employability issues.
- Our intention to drive forward the development of our Spatial Priority Areas (SPAs) through integrated investment, ensuring climate change adaptation and high quality green infrastructure is integral to improving the City Region economy and its SPAs; and
- Move beyond the improved connectivity that will result from the Transport Fund towards a single integrated public transport network, connected to major national/northern schemes such as HS2.

Our Approach to Policy Development

2.10 It is our intention to adopt an open and inclusive approach to the development of the LIIS, working with the CA/LEP's Advisory Committees, and with strong engagement in particular with:

- Districts, building on the excellent work done and ongoing to develop their local inclusive growth/economic/industrial strategies;
- Universities, making the most of their research assets and role as local anchor institutions; and
- Business representative groups, as key actors representing the views of the private sector in the city region and deep knowledge of the barriers to improving productivity and boosting earning power.

2.11 A key part of securing widespread buy-in and support will be to ensure we have a shared vision for our future economy (and society – see illustrative vision statement in 2.7above). The LEP Board and the Combined Authority agreed that Communications & Marketing will develop a range of ways to engage with stakeholders on our vision, developing alternative and additional perspectives that demonstrate how, with the right interventions, all parts of the city region and all its residents can be transformed.

Clean Growth Strategy Update

2.12 At the previous Panel meeting on 21 November 2017 the Panel received an outline of the Government's Clean Growth Strategy. There is immense value accessing the opportunities presented by clean growth and the government has acknowledged that clean growth must play a central part in the Industrial Strategy. As a result the Clean Growth Strategy (CGS) sets out proposals which will contribute to the UK meeting its ambitions that are set out in the

Industrial Strategy White Paper. Clean Growth is also identified as one of four key challenges in the Industrial Strategy White Paper.

2.13 Policies and proposals in the CGS have been set in eight key areas reflecting the areas where the government considers the greatest progress is needed. These are:-

- Accelerating clean growth;
- Improving business and industry efficiency;
- Improving our homes;
- Accelerating the shift to low carbon transport;
- Delivering clean, smart and flexible power;
- Enhancing the benefits and value of our natural resources;
- Leading in the public sector; and
- Government leadership in driving clean growth

2.14 Given the links between the CGS and Industrial Strategy, and the need for clean growth to be an integral part of any local Industrial Strategy, the Combined Authority and the wider LEP need to look to embed clean growth into emerging work to develop a local Industrial Strategy (including inclusive growth) and the wider policy framework (see **Appendix 1**). The exact way that this will be achieved is currently being explored.

2.15 As requested by the Panel, further work is also underway reviewing the short, medium and long term opportunities and priorities that the CGS may offer the City Region and its local authority partners. The table below summarises the current refined list the GEP should consider exploring in the short term.

| Policy / proposal | Priority Rating |
|---|-----------------|
| 11. Support around £3.6 billion of investment to upgrade around a million homes through the Energy Company Obligation (ECO), and extend support for home energy efficiency improvements until 2028 at the current level of ECO funding. | High |
| 17. Build and extend heat networks across the country, underpinned with public funding (allocated in the Spending Review 2015) out to 2021 | High |
| 25a. Provide £50 million for the Plug-in Taxi programme, which gives taxi drivers up to £7,500 off the purchase price of a new ULEV taxi, alongside £14 million to support 10 local areas to deliver dedicated charge points for taxis. | High |
| 25b. Provide £100 million for a national programme of support for retrofitting and new low emission buses in England and Wales. | High |
| 38. Design a new system of future agricultural support to focus on delivering better environmental outcomes, including addressing climate change more directly | High |
| 46. Introduce a voluntary public sector target of a 30 per cent reduction in carbon emissions by 2020-21 for the wider public sector. | High |

| | |
|--|--|
| 47. Provide £255 million of funding for energy efficiency improvements in England and help public bodies' access sources of funding. | |
|--|--|

An update on the work to refine the draft priorities/opportunities worth exploring in detail (including the medium and long term opportunities and work with partners), and to feed into the new policy work above, will be summarised at the meeting. As there are at least 47 proposals within the CGS this work is still being explored and further work is required. In addition, the following will also need to feed into the new policy work above (para 2.14):

- 25 year Environment Plan
- Green and Blue Strategy and Delivery Plan
- Energy Strategy and Delivery Plan

3 Financial Implications

- 3.1 While there are no immediate and direct financial implications arising as a result of this report, without further investment or significant changes to fiscal powers, it is likely that the Combined Authority will have insufficient resources to fund interventions for its extended policy range.
- 3.2 The Leeds City Region currently does not have access to further government support for developing a local industrial strategy, unlike Mayoral Combined who have access to a further £12m over two years to increase capacity and resources, in addition to committing civil servant support to co-produce local industrial strategies

4 Legal Implications

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

5 Staffing Implications

- 5.1 Broadening the Combined Authority's policy range will require capacity and expertise from the Combined Authority, local authorities and other partners. This can largely be provided within existing resources.

6 External Consultees

- 6.1 No external consultations have been undertaken.

7 Recommendations

- 7.1 That the Panel comments and provides views on the direction of travel on the following areas:

- 7.1.1 The proposed 'new' Leeds City Region strategic framework.

- 7.1.2 The draft vision statement and the intention to develop further ‘expressions’ for different audiences.
- 7.1.3 Initial priorities and proposals that could form the core building blocks of our local, inclusive industrial strategy, including the priorities from the Clean Growth Strategy, 25year Environment Plan and the Leeds City Region’s Green and Blue Infrastructure Strategy and Energy Strategy; and
- 7.1.4 The suggested approach to the development of the Inclusive Industrial Strategy so that it harnesses the views and influence of partners in co-producing a compelling, bold city region proposition, including how the Panel would like to be involved in its development.

8 Background Documents

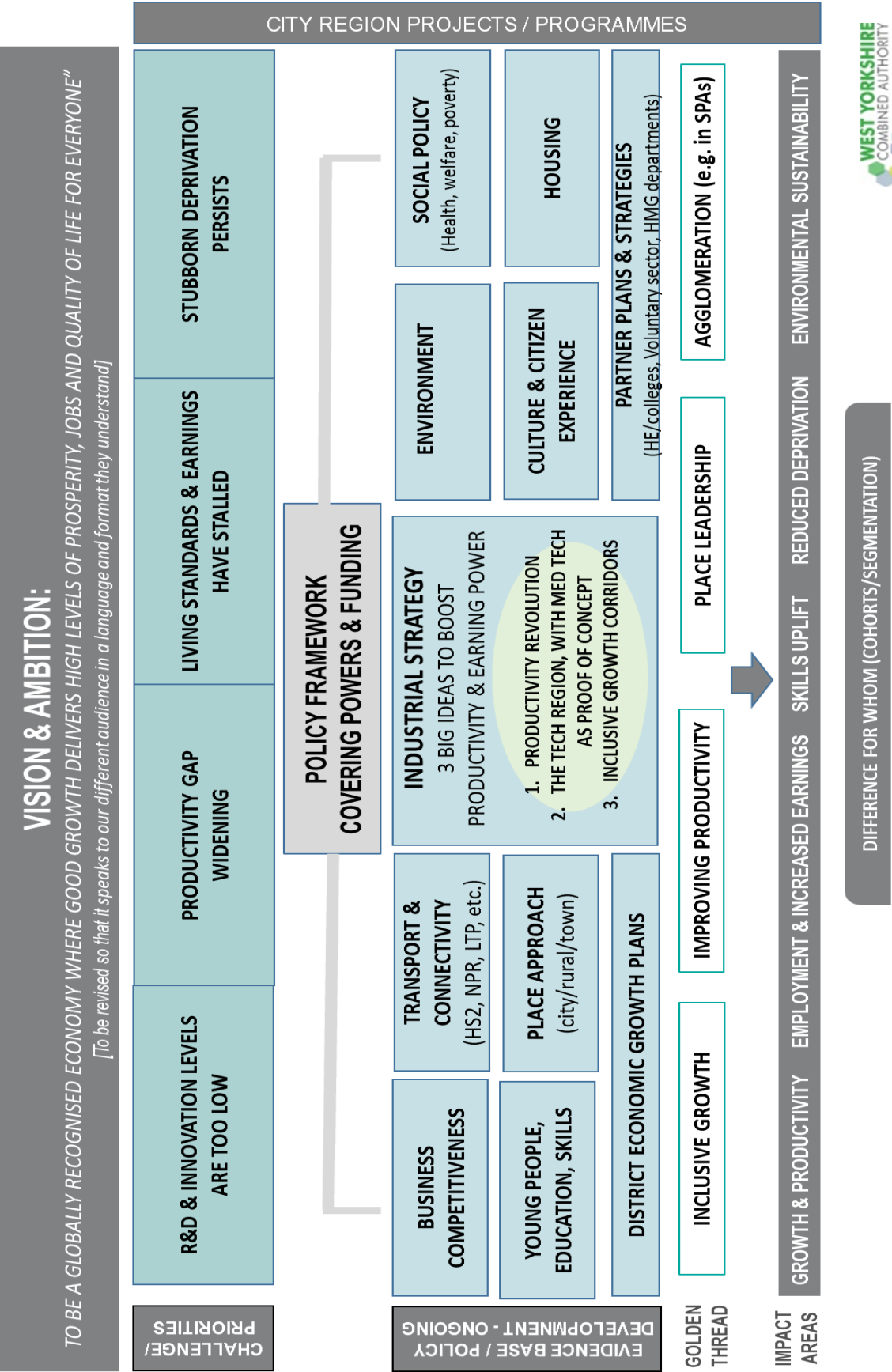
None.

9 Appendices

Appendix 1 - Leeds City Region Strategic Framework

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Leeds City Region Strategic Framework



Mapping the Industrial Strategy to our current Strategic Framework

Following the publication of the national Industrial Strategy White Paper, a light touch review of the headline priorities of the SEP and associated delivery plans / strategies, mapped against the overarching priorities of the Industrial Strategy's 'five foundations of productivity' was undertaken. The review looked at LCR's existing funding streams and the potential for new funding opportunities as outlined within the Industrial Strategy.

Key messages emerging from the headline review include:

- At a strategic level, the SEP's headline priorities have a strong fit with the overarching objectives of the national Industrial Strategy, and broadly align to the policy areas depicted in the diagram above. These priorities are supported by funding objectives outlined in the LCR ESIF strategy and the priorities of the LCR Growth Deal submission.
- LCR currently has well developed plans in place in relation to employment and skills, transport, the environment (including green infrastructure and flooding), and aspects of business engagement activity (such as trade and investment). There are clear opportunities for further development of policy in these areas (focused on delivery), building on a strong track record and aligned with the Industrial Strategy.
- Building upon LCR's engagement with universities (including on ESIF projects such as Access Innovation), and involvement with Science and Innovation Audits (SIA) provides scope for further development in this area. Innovation policy development aligned to key sector strengths in LCR (particularly Med-tech and Agri-Tech) is a clear opportunity.
- Further development on delivery plans and priorities is also needed in relation to, housing, digital, connectivity, spatial priority areas/integrated infrastructure, and culture. Culture in particular has a role in the foundation of 'place' within the national Industrial Strategy, providing a clear basis for development of a LCR approach.
- The Government's recently published 'Social Mobility Strategy' makes the link between educational attainment and imbalances in regional inequality as one of the key drivers of productivity variation across the country. Educational attainment and school standards is not currently embedded within the SEP objectives or LCR delivery plans, with priorities currently focused on enterprise and business engagement in schools. Further work with partners will be required to develop this policy area linking to the inclusive growth agenda.
- Social policy (including health and welfare) is a new area of policy for LCR and not reflected in current plans and strategies. Building upon existing approaches to inclusive labour market activities such as those supported in the ESIF strategy, has strong potential to deliver against an inclusive growth agenda, in particular with a focus on early intervention and prevention.

LCR's existing energy activities provide a platform for further policy development in clean energy, the Government's Clean Growth Strategy provides an excellent national framework to shape local delivery.



Report to: Green Economy Panel

Date: 20 February 2018

Subject: **Leeds City Region Energy Strategy and Delivery Plan**

Director(s): Liz Hunter, Interim Director of Policy and Strategy

Author(s): Noel Collings

1 Purpose of this report

- 1.1 To provide an update on the delivery of the Energy Strategy and Delivery Plan (ESDP) and seek comments from the Panel in response to the update.

2 Information

- 2.1 The Strategic Economic Plan (SEP) under Pillar 3 (Energy and Environmental Resilience) sets out the ambition of becoming a 'resilient, zero carbon energy economy by 2036'.
- 2.2 To understand how West Yorkshire Combined Authority and the Leeds City Region could achieve the ambition an ESDP has been commissioned with support from the Department for Business, Energy and Industrial Strategy (DBEIS). The ESDP is a named delivery plan of the SEP.
- 2.3 The ESDP has been split into four discrete work packages:-
- **Work Package 1:** Energy State of the Leeds City Region
 - **Work Package 2:** Technology Options Appraisal
 - **Work Package 3:** Energy Opportunity Areas
 - **Work Package 4:** Delivery Plan
- 2.4 The ESDP, in accordance with the requirements of the funding provided by DBEIS, is to be completed by the end of March 2018. Final sign-off by the Combined Authority is currently planned for end-June 2018.
- 2.5 The presentation, to be delivered at the meeting, will update the Panel on the final outputs of Work Packages 1 and 2. The presentation will also highlight current progress and outputs related to Work Packages 3 and 4. Noel Collings

from the Economic Policy Team will give the presentation and take questions from the Panel.

2.6 It is currently proposed that the ESDP will adhere to the following socialisation and approval process:

- Green Economy Panel: 17th April 2018
- LCR Directors of Development: 4th May 2018
- West Yorkshire and York Chief Executives: 24th May 2018
- West Yorkshire Leaders: 31st May 2018
- LEP Board: 13th June 2018
- Combined Authority: 28th June 2018

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 The Panel notes and provides comments on the emerging outputs of the ESDP.

8 Background Documents

GEP 21st November 2017 - Item 8 Energy Strategy and Delivery Plan Update,

9 Appendices

None.



Report to: Green Economy Panel

Date: 20 February 2018

Subject: **Energy Accelerator Update**

Director(s): Liz Hunter, Interim Director of Policy and Strategy

Author(s): Jacqui Warren

1 Purpose of this report

1.1 To update the Green Economy Panel on the Energy Accelerator (EA) including:

- The Contract for Funding of the Project Development Services between the EIB (European Investment Bank) and West Yorkshire Combined Authority (Combined Authority).
- Key corporate risks for the Combined Authority and Project Sponsors if the Combined Authority choose to sign the contract.

1.2 Subject to consideration, the Panel are also asked to make recommendations to the LEP Panel about the Combined Authority signing the EIB contract.

2 Information

2.1 The EA is a key initiative under Priority 3 of the Strategic Economic Plan (SEP) which aims to create a zero carbon energy economy by 2036. It is a programme providing a new project development support service that will remove the barriers relating to lack of project development funding and expertise that are currently preventing investment in low carbon capital projects in the City Region. The EA will provide a service to the public, private, academic and community sectors to develop projects around three key themes:

- Commercial & Domestic Retrofit including integration of renewable energy into the built environment.
- District Heat Networks.
- Street Lighting.

- 2.2 The EA will not deliver capital programmes, it will bridge a current market failure by providing robust technical and commercial advice that will enable projects to develop and proceed to implementation. The EA will enable ~£98m of capital investment in low carbon projects to happen across the city region.
- 2.3 EA is dependent on the European Investment Bank (EIB) ELENA fund (a fund for technical assistance focused on the implementation of energy efficiency, distributed renewable energy projects and programmes) and the Local Growth Fund (LGF) which has already been secured. A bid was made to the ELENA fund in 2016 and revised in May 2017 on the advice of the EIB.
- 2.4 The total value of the project is estimated at £3.817m¹ funded by:
- £0.820m Local Growth Fund (of which some is allocated as match funding towards the ELENA grant); and
 - EUR 3.513m (£2.997m²) EIB ELENA funding.

ELENA funding

- 2.5 On the 27 December 2017 the Combined Authority received confirmation that the EIB ELENA application had received formal approval from the European Commission. The Combined Authority has since received official written confirmation and a draft Contract for Funding of the Project Development Services with the EIB to review and sign.
- 2.6 The Combined Authority's ELENA application included project development support (commercial, technical advisory services and staff) totalling EUR 3.513million. It is anticipated that it will support a pipeline of approximately 21 low carbon schemes across the Leeds City Region.
- 2.7 The EA will be delivered through a new Project Delivery Team. The team comprises of six posts, two Combined Authority internal staff and four procured part – time external advisors who will also be supported by a wider team of external advisors:

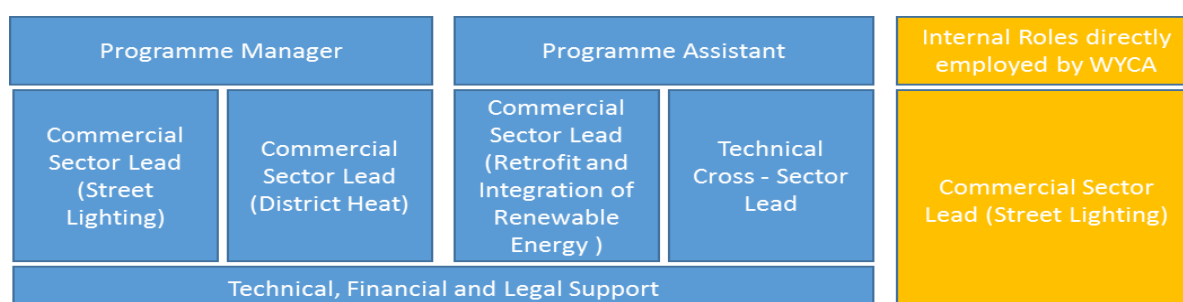


Figure 1. EA Project Delivery Team

¹ Based on [EC's March 2017 exchange rate](#)

² See 1

- 2.8 EA has already developed a Governance and Appraisal Framework. All governance is overseen by the Combined Authority and through its assurance processes at appropriate stages. Once operational, recommendations for each project will be developed by the EA's Project Delivery Team and an Advisory Group, (currently made up of three representatives from the Green Economy Panel (GEP)). This group is being reviewed currently. All support that goes through the EA will be approved by the Managing Director of the Combined Authority. The GEP will also continue to receive regular progress updates on the EA.

EIB Contract Summary

- 2.9 The contract terms include a range of special and general terms and Annexes.
- 2.10 EA funding covers eligible costs of EUR 4,147,056 of which the EIB will contribute a maximum of 85% (EUR 3,513,847; £2.997m³). The remaining 15% will be funded by the Combined Authority, using previously approved Local Growth Funds (EUR 633,209³; £540,000).
- 2.11 The contract requires an investment programme to deliver investment (either actual investment in a project or a published procurement for a forthcoming investment) that is at least 20 times the bank's contribution. This 1:20 leverage factor translates into EUR 70.276m (£59.93m) of capital investment.
- 2.12 The pipeline of low carbon projects developed by the Combined Authority with its partners are projected to attract £98m (EUR 115m) of capital investment (1:33).
- 2.13 In respect to payment arrangement, ELENA is paid in instalments – 40% at the outset, 30% after 18months, and 30% on completion of the Accelerator. The second payment will be reduced if less than 70% of the first tranche of funding has been committed at the 18 month milestone.
- 2.14 As the payments are in Euros at the prevailing rates, the Combined Authority will need to manage the fixed rate risks.
- 2.15 There are a range of financial reporting requirements. Including:
- Inception report;
 - Bi-annual progress reports;
 - Interim report (18 month milestone); and
 - Final implementation report

Risks

- 2.16 The EIB requires the Combined Authority, as the final beneficiary, to sign the Contract for Funding. In order to do this the Panel, LEP and Combined

³ Based on the EC's March 2017 exchange rates

Authority need to be aware of the significant risks, mitigations and residual risk. The key risks to the Combined Authority are summarised below and in Appendix 1:

| Risk | Residual risk before mitigation | Residual risk after mitigation |
|--|--|---|
| Risk of reduced EIB payments at the 18 months (see para 2.13) | A risk the EIB delay payment of the second payment (EUR 1.054m) | Less likelihood but still a risk the EIB delay payment of the second payment (EUR 1.054m) |
| Risk of clawback from the EIB | A risk of clawback. Maximum is EUR 1.405m (this is the fixed costs that the CA would incur over the duration of the programme). All other costs associated to the EA would not be incurred due to our project appraisal processes and any addition funding drawn down and unused would be repaid to the EIB. | Less likelihood of clawback. Maximum is EUR 1.405m (this is the fixed costs that the CA would incur over the duration of the programme). All other costs associated to the EA would not be incurred due to our project appraisal processes and any addition funding drawn down and unused would be repaid to the EIB. |
| Loss of EIB funding by failing to contract within an acceptable timescale | Loss of EIB funding | Less likelihood of losing the funding or delays. |
| Out of date pipeline of projects due to EIB delays in awarding the funding | A risk the EIB delay payment of the second payment (EUR 1.054m) / final clawback The residual risk depends on Project Sponsor appetite. This will be gauged as the pipeline of projects is refreshed. | Less likelihood of delays / clawback. The pipeline of projects will be up to date post-review (currently underway). The residual risk depends on Project Sponsor appetite. This will be gauged as the pipeline of projects is refreshed. |
| Project Sponsors fail to use the EA | | |
| Limited amounts of Project Sponsor sign up due to requirement to progress projects if feasible or face clawback. | | |

- 2.17 There is a range of specific risks that all Project Sponsors that use the Accelerator will be exposed to. These are different to the EIB contractual risks that only the Combined Authority will be exposed to. The key risks for project sponsors are summarised below and in Appendix 2:

| Risk | Residual risk before mitigation | Residual risk after mitigation |
|---|---|---|
| Responsible for delivering ³ the project (either actual investment in a project or a published procurement for a forthcoming investment), within the 3 year duration of the EIB contract | If the sponsor fails to deliver within the 3 years required, claw back is possible from the CA. | Likelihood of claw back reduced. Value is dependent on the support agreed. |
| A project fails to meet the 1:20 leverage target | If the sponsor fails to deliver this target, partial or full claw back is possible from the CA. | Likelihood of claw back reduced. Value of claw back is dependant of the support agreed. |

Other

- 2.18 There is a range of mitigating actions identified in Appendix 1 and 2 that aim to reduce the impact and likelihood of the risks and any residual risks to the Combined Authority. Paragraphs 2.19, 2.20 and 2.21 outline some of the ways risks to the Combined Authority are being mitigated.
- 2.19 A contract between the Combined Authority and the EA advisors is being developed. It includes achieving the 1:20 leverage factor, payment terms, staffing requirements and professional indemnity (not exhaustive). It also includes a secondary (non-mandatory) 1:33 leverage factor target.
- 2.20 There will also be a contract between the Combined Authority and each project sponsor that uses the EA. This is currently being drafted and will outline what support the EA will offer and a range of terms to ensure the project meets the EIB's requirements. This includes the process for clawback by the Combined Authority should a sponsor fail to meet its contractual obligations.

-
- ³ Investment occurred during the contract period which has been directly supported by the Accelerator; or
 - b) the estimated value of the contract for further investment which has been supported by the Accelerator, as published in the relevant notice relating to the procurement procedure for this investment and in accordance with applicable procurement rules and statutes.
 - c) to qualify for inclusion under b, the related budget must have been fully secured prior to publication and hence the award cannot be made conditional on the availability of budgetary resources. (Source: EIB Contract)

- 2.21 The Combined Authority is currently reviewing the pipeline of low carbon projects that fed into the ELENA bid. A refreshed pipeline will be completed prior to any approval to consider the signing of the EIB contract.

Establishing the Energy Accelerator

- 2.22 Over the past few months the Combined Authority has approved a range of recommendations to establish the EA quickly, from the point of securing the ELENA funding. Subject the CA's approval, there are now a range of actions the Combined Authority needs to take in order to establish the EA. Table 1 below summarises the major activity and indicative milestones / timescales. **Please note these dates are indicative and subject to Combined Authority Approval.**

| Activity | Timescales |
|---|---|
| 1.Seek CA approval to sign the EIB contract and establish a date for the contract to come into force. | 5 April 2018 |
| 2.Recruitment of 2 Combined Authority staff (1 – Programme Manager and Programme Assistant) | April – June 2018 (subject to CA approval) |
| 3.Procure external Advisors | April – June 2018 (subject to CA approval (1)) |
| 4.Commence engagement with Project Sponsors and refresh the pipeline of projects for support | February 2018 – onwards (subject to CA approval (1)) |
| 5.Final approvals from the WYCA Authority to establish the EA | End of June 2018 (subject to CA approval (1)) |
| 6.Sign EIB Contract | 9 April 2018 ⁴ (subject to CA approval) |
| 7.EIB and Combined Authority contract comes into force | July / Aug 2018 ⁵ (subject to CA approval (1)) |
| 8.Launch | September 2018 (subject to CA approval (1)) |

Table 1. Key actions required to establish the EA

3 Financial Implications

- 3.1 The Combined Authority's Finance Team have reviewed the EIB contract, VAT implications and are aware of the risks covered in 2.16 and Appendix 1.
- 3.2 Throughout the project there is a risk on foreign exchange rates and the payments we receive in Euros. Any loss on this has to be met by the Combined Authority. It is unclear from the documentation whether any benefit from Exchange rates could be retained by the Combined Authority. A matter to be followed up with the funder.

⁴ Combined Authority meeting 5/4/2018

⁵ See 5

- 3.3 The payment profile on the 36month project is 40% month 2, 30% month 18 and 30% month 38 (2 months after project end). There will potentially be periods where the Combined Authority will need to cash flow the project. Estimates will be calculated for the Combined Authority approval in April 2018.
- 3.4 There are still some queries to follow up with the funder re 'eligible expenditure' that can be charged to the project. These include redundancy / severance costs and additional pension contributions. These will be clarified for the Combined Authority approval in April 2018.

4 Legal Implications

- 4.1 The Combined Authority's Legal Team have reviewed the EIB contract and are drafting all legal contracts linked to the EA.

5 Staffing Implications

- 5.1 Subject to Combined Authority approval, there will be a need for some existing Combined Authority staff to work on the EA whilst the new EA Delivery Team is being established. This is estimated to be three officers from the Policy and Strategy Directorate, on a part time, ad-hoc basis. Work programmes have been revised to account for this additional work.

6 External Consultees

- 6.1 No external consultations have been undertaken.

7 Recommendations

- 7.1 Subject to consideration, the Panel are also asked to make recommendations to the LEP Panel about the Combined Authority signing the EIB contract.

8 Background Documents

Combined Authority 20th November 2015 – Item 5 Growth Deal Delivery and Budget Approvals

Combined Authority 6th October 2017 –Item 5 Capital Spending and Approvals

The Accelerator is part of the GEP's Major Project Update reports at all GEP meetings.

9 Appendices

Appendix 1. Major risks for the Combined Authority

Appendix 2. Major risk for any project sponsor using the EA

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Major risks for the Combined Authority

| Risk | Impact | Mitigation actions | Residual risks |
|---|--|---|--|
| 1. Risk of reduced EIB payments at the 18mths (see para 2.13) | Programme stalls | 1) Effective programme management 2) Project appraisal to include a preference for projects with the greatest leverage factors 3) Over –programme the pipeline. 4) Include clauses within advisor contracts to meet interim targets 5) Staged payments to advisors 6) Inclusion of claw back clause in advisor and project sponsor contracts and option to suspend or terminate contract. 7) Prioritise high leverage factor projects | Less likelihood but still a risk the EIB delay payment of the second payment (EUR 1.054m) |
| 2. Risk of clawback from the EIB | Combined Authority has to fund programme costs | As above in 1 1)All detailed advice provided beyond the fixed advisors (i.e. technical, financial and legal support value EUR 1.405m) will only be made on a scheme by scheme basis and subject to meeting at least 1:20 target. 2)As the final payment is in arrears the investment achieved must be continually monitored to ensure we can meet 1:20 target. | Less likelihood of clawback. Maximum is still EUR 1.405m (this is the fixed costs that the CA would incur over the duration of the programme). All other costs associated to the EA would not be incurred due to our project |

| | | | |
|---|--|---|---|
| | | | appraisal processes and any addition funding drawn down and unused would be repaid to the EIB. |
| 3. Loss of EIB funding by failing to contract within an acceptable timescale | No programme | <p>1) Fast-tracking CA approvals - some were granted in October 2017, including a number of outstanding approvals delegated to the Managing Director of the CA.</p> <p>2) Sign the contract in April 2018 but defer contract start date until July/August 2018 (subject to approval by the EIB)</p> | The risk remains |
| 4. Out of date pipeline of projects due to EIB delays in awarding the funding | Programme delays and funding is reduced | <p>1) Effective programme management</p> <p>2) Continuously monitor pipeline projects</p> | Less likelihood of delays. The pipeline of projects will be up to date post-review (currently underway) |
| 5. Project Sponsors fail to use the EA | Limited programme Reputational damage | 1) Effective Project Sponsor engagement supported by CA staff and external advisors | Less likelihood of delays. The pipeline of projects will be up to date post-review (currently underway) |
| 6. Limited Project Sponsor sign up due to requirement to progress project | Limited programme | 1) Effective Project Sponsor engagement | Less likelihood of delays. The residual risk depends on Project Sponsor appetite. This |

| | | | |
|------------------------------|--|---|---|
| if feasible or face clawback | | 2) Refresh pipeline of potential low carbon projects continuously to ensure the pipeline is over-programmed | <p>will be gauged as the pipeline of projects is refreshed.</p> <p>Project Sponsor capacity to support programme may be further reduced due to new BEIS funded energy hub</p> |
|------------------------------|--|---|---|

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Major Risks for any project sponsor of the Energy Accelerator.

| Risk | Impact | Mitigation action | Residual Risks remaining |
|--|-----------------------|--|--|
| Will be responsible for delivering ¹ the project within the 3 year duration of the EIB contract | Claw back from the CA | 1) Only projects that are deemed deliverable will be granted access to the EA 2) Effective project management 3) Project selection to closely assess likelihood of delivery within three years | Likelihood of claw back reduced. Value is dependant of the support agreed (estimate that support is likely to range from 10 – 100k). |
| A project fails to meet the 1:20 leverage target | Claw back from the CA | 1) Preference for projects with strong leverage factors 2) Effective project management The Sponsor can choose to provide staff or apply for external funding to help meet the 1:20 target | Likelihood reduced. Value is dependant of the support agreed (estimate that support is likely to range from £10 – 100k). |

-
- ¹ Investment occurred during the contract period which has been directly supported by the Accelerator; or
 - b) the estimated value of the contract for further investment which has been supported by the Accelerator, as published in the relevant notice relating to the procurement procedure for this investment and in accordance with applicable procurement rules and statutes.
 - c) to qualify for inclusion under b, the related budget must have been fully secured prior to publication and hence the award cannot be made conditional on the availability of budgetary resources.

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Report to: Green Economy Panel

Date: 20 February 2018

Subject: Major Projects Update

Director(s): Liz Hunter, Interim Director of Policy and Strategy

Author(s): Jacqui Warren

1 Purpose of this report

- 1.1 To provide an update on progress against the Green Economy Panel's major projects and programmes.

2 Information

Energy Accelerator

- 2.1 This is a new innovative project development programme that will offer specialist expertise to local low carbon energy projects. The West Yorkshire Combined Authority (the Combined Authority) has recently been awarded 3.5 million euros from the European Investment Bank's (EIB) ELENA technical assistance programme (a fund that provides technical assistance for energy efficiency and renewable energy projects) to establish the Energy Accelerator. Item 8 provides a full update on the programme.

Better Homes Yorkshire

- 2.2 This is a City Region wide programme delivering energy efficiency and heating improvements across the City Region's homes. The programme launched in March 2015, and at the end of the second year, 2,480 homes had received energy efficiency or renewable energy measures, with a contract value of £11.2m.
- 2.3 Over 88% of the contract value has been delivered by Leeds City Region supply chain, with the remaining 12% % by contractors just outside (i.e. Doncaster and Sheffield). In total 35 different sub-contractors have been awarded work through the programme and 204 jobs have been sustained.

- 2.4 The Leeds City Region Tackling Fuel Poverty project, delivered through the Better Homes programme, is now in delivery. The schemes are delivering measures in areas at high risk of fuel poverty, in every district. Barnsley and Bradford schemes are both complete, and schemes in Leeds, Wakefield and Calderdale are progressing well. Take up of the offer in the four North Yorkshire authorities has picked up in response to a sustained marketing campaign by those authorities, however further actions are to be implemented to ensure the scheme is delivered.
- 2.5 The Kirklees Council hard to treat cavity wall scheme in the Riddings area of Huddersfield has now started on site, this is a cross tenure scheme, delivered in partnership with Kirklees Council Building Services. 290 households are expected to receive measures and benefit from warmer, healthier homes over the long term.
- 2.6 The Wakefield District Council hard to treat external wall insulation scheme in the Castleford area has also started on site. Around 80 households are expected to receive measures, and the long term benefits of a more energy efficient home.
- 2.7 The Leeds City Region Warm Homes project launched at the end of December 2017. This is a £2.9m scheme delivering efficient central heating systems, and often a gas connection, to fuel poor households, who do not use mains gas as their primary heating fuel. The project was set up in response to a National Grid funding opportunity.
- 2.8 According to Government data sources, around 73,000 households, around 6%, in the Leeds City Region are off gas. Data indicating how many off gas properties are also fuel poor is incomplete; however the best available data shows that around 10% of those households who are off gas, are also fuel poor. This evidence base will be further developed through the Energy Strategy work previously described.
- 2.9 Many off gas properties are located in rural areas of the city region, which are beyond the reach of the gas network. A bid was submitted to National Grid to deliver measures to benefit properties of this nature, however it was unsuccessful, one of the reasons for this was the absence of any match funding to support the bid.
- 2.10 The successful bid to National Grid Warm Homes Fund was focused on properties within reach of the gas main, where a gas central heating system could be fitted. As the data sources are incomplete, the scale of the Programme has been determined largely by the lessons learned from similar projects, and the work completed to date to extend the gas network in many areas of the City Region.
- 2.11 Over 700 new heating systems are expected to be delivered across all tenures, and many households will also receive a gas connection, supplied by Northern Gas Networks. Over 200 will be delivered through the Better Homes

Yorkshire contracts, and 500 through Housing Leeds (part of Leeds City Council) contract arrangements to Housing Leeds homes.

- 2.12 Leeds City Council own around 56,000 domestic properties, of these around 45,000 are heated through mains gas. Around 10% of the non-gas properties are high rise properties. The high rises are subject to separate feasibility and options appraisal, in terms of heating and energy efficiency improvements, and therefore did not lend themselves to the tight timeframes of Warm Homes Round 1 funding. The 500 properties which will be improved through Leeds City Region Warm Homes represents around 9% of non-high rise, off gas Leeds City Council housing stock.
- 2.13 As part of its Energy Strategy and Delivery Plan work, West Yorkshire Combined Authority will be collating available data sets to try and determine the remaining potential for domestic energy efficiency across the region. This will be fed back to the Panel once collated.

Resource Efficiency Fund

- 2.14 The Resource Efficiency Fund (REF) offers free expert advice and business support to small and medium sized enterprises (SMEs) to help them to implement energy and water efficiency and waste reduction measures. This is supported by a 50% capital grant of up to £10,000. The REF is funded through the Local Growth Fund (LGF) and European Regional Development Fund (ERDF) 2014-2020 programme.
- 2.15 As of 31st December 2017 the REF had engaged with 280 clients. Of these, 157 businesses have had technical assessments by external consultants commissioned, and 48 have undergone an in-house review by the Resource Efficiency Managers (REMs). The combined figure of 205 compares favourably with the target number of assessments for the 2017 calendar year (112).

| Table 1: Progress of business contacts as at 31st December 2017 | |
|--|-----|
| Total Business Contacts | 280 |
| Businesses Visited | 266 |
| Assessments Commissioned | 157 |
| Type I/II Assessments Completed | 146 |
| Type III Reviews Completed | 48 |
| Businesses Completed | 104 |
| 12 Hour Assists | 89 |
| Grants Approved & Pending | 60 |
| Grants Completed | 22 |
| Grants Rejected | 1 |

- 2.16 The programme continues to progress. The 12 hour assist output (89) is well ahead of target (60 to the end of December 2017) while the grant output (22) and grant spend is currently behind target (46 to end of December). It is expected that grant outputs will be caught up over the next couple of quarters and grant spend is expected to be on 90%+ of target by the end of March 2018 and well ahead of target by June 2018. The overall businesses supported output is currently 96, which is slightly below target (104).
- 2.17 Item 9 covers the future development models for the REF.

District Heat Network (DHN) Programme

- 2.18 The DHN Programme continues to support 12 active schemes in the Leeds City Region. These innovative schemes aim to produce heat (and or use waste heat) to create localised heat networks that heat homes and businesses. They can also help reduce carbon emissions and create fair priced energy locally.
- 2.19 A Heat Network Delivery Unit (HNDU) Round 7 application (£120k) is being made for further project support for a heat network in Barnsley Town Centre. To date this has received HNDU Round 5 support to carry out a feasibility study.

Green and Blue Infrastructure (GBI) Strategy and Delivery Plan

- 2.20 This work aims to deliver a new regional strategy and delivery plan that aims to create high quality natural/green infrastructure and environments across the City Region including new woodlands, street trees, and open spaces.
- 2.21 Mini-delivery plans are currently being collated and the programme is still on track to deliver a draft delivery plan to the Green Economy Panel in the April 2018, and the Leeds City Region Enterprise Partnership Board (LEP) Board and the Combined Authority following this.

Zero Carbon Energy Strategy and Delivery Plan

- 2.22 The Strategic Economic Plan (SEP) under Pillar 3 (Energy and Environmental Resilience) sets out the ambition of becoming 'a resilient, zero carbon energy economy by 2036'. To understand how the Combined Authority and the Leeds City Region could achieve the ambition an Energy Strategy and Delivery Plan (ESDP) has been commissioned with support from the Department for Business, Energy and Industrial Strategy (DBEIS). The ESDP is a named delivery plan of the SEP. The ESDP has been split into four discrete work packages:-

Work Package 1: Energy State of the Leeds City Region

Work Package 2: Technology Options Appraisal

Work Package 3: Energy Opportunities

Work Package 4: Delivery Plan including scenario modelling

- 2.23 Work packages 1 is nearing completion. Work Package 2 is complete. A summary of this work was provided at the previous Panel meeting. Full finalised reports will be sent to the Panel.
- 2.24 Work package 3 has just been procured and will spatially identify current energy assets and future energy opportunities across the Region.
- 2.25 Work Packages 4 has commenced. A range of stakeholder meetings have been held to begin to outline the strategic priorities for the Strategy and Delivery Plan, Item 7 will outline more on this current work. A draft strategy and delivery plan will be completed by April 2018 and presented to the Green Economy Panel, the LEP Board and the Combined Authority for approval.

H21

- 2.26 This Northern Gas Network innovative programme aims to convert the gas grid from natural gas (methane) to hydrogen, starting with the Leeds city region and then for conversion to take place incrementally across the country.
- 2.27 The Northern Gas Network (NGN) applied to OFGEM's Gas NIC fund. The Gas NIC is an annual opportunity for Gas network companies to compete for funding for the development and demonstration of new technologies, operating and commercial arrangements. The bid was partially successful, and NGN will receive £10m to fund the demonstration of the safety case for 100% hydrogen in the gas network through field trials.

BEIS Local Capacity Support

- 2.28 The Department for Business, Energy and Industrial Strategy (BEIS), as part of the BEIS Local Energy programme, is funding 5 new energy hubs. The hubs will:
- Identify and prioritise local energy projects
 - Undertake the initial stages of development for priority projects and programmes (e.g. feasibility studies and business cases), up to a point where investment can be secured
 - Take a collaborative and coordinated approach across multiple LEP areas
- 2.29 A North East, Yorkshire and Humber Hub is being established covering the following LEP areas:
- Humber
 - Leeds City Region / West Yorkshire Combined Authority
 - North East
 - Sheffield
 - Tees Valley
 - York, North Yorkshire and East Riding

2.30 This will include:

- Tees Valley Combined Authority to act as accountable body and manage the total budget of ~ £704k total budget over two years.
- For the NEYH Hub to contain a core team which consists of
 - one person to manage the programme (Programme Manager)
 - call-off contracts for specific expertise, including but not limited to financial, commercial, legal, and technical support
 - Local Project Managers to work in the LEPs at a local level (for the Combined Authority/ Leeds City Region this equates to 1 x p/t Project Manager for 2 years)

2.31 The joint LEPs above are awaiting a Memorandum of Understanding from BEIS. Once this is received, recruitment of the regional and local posts will commence. It is envisaged that the Hub will be established by May 2018.

2.32 This hub will complement the work of the Energy Accelerator. It will potentially enable a wider range of low carbon project to gain project development support. ELENA has specific criteria that has to be met. It is unlikely that the BEIS hub will have such stringent requirements. A full paper on the new BEIS funded Energy Hub will be presented at the next Panel meeting in April 2018.

3 Financial Implications

3.1 The Combined Authority's finance team are supporting the development of the Energy Accelerator and its on-going operation.

4 Legal Implications

4.1 The Combined Authority's legal team and procurement teams are supporting the establishment of the Energy Accelerator.

5 Staffing Implications

5.1 The Combined Authority's HR team are supporting the recruitment of internal members of staff to work on the Energy Accelerator and BEIS Energy Hub (once approved by the Combined Authority's Leadership Team).

6 External Consultees

6.1 No external consultations have been undertaken.

7 Recommendations

7.1 That the Panel notes progress against the Green Economy Panel's major projects and programmes.

8 Background Documents

None.

9 Appendices

None.

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Report to: Green Economy Panel

Date: 20 February 2018

Subject: **Business Planning and Budget 2018/2019**

Director(s): Liz Hunter, Interim Director Policy and Strategy

Author(s): Liz Hunter

1 Purpose of this report

- 1.1 To advise the Green Economy Panel of the progress of the Combined Authority's business planning and budget setting for 2018/19.

2 Information

Background

- 2.1 The Combined Authority brought together the organisations and teams responsible for public transport, economic growth, research and intelligence and inward investment for the Leeds City Region and who are united around a shared agreed focus on good economic growth for the region. Following the appointment of the Managing Director in February 2016 the One Organisation programme was established and has made significant progress in delivering a number of workstreams covering new delivery processes, changes to organisational culture and structure, governance, policy, strategy and services. New directorates were created and directors and heads of service appointed to take forward new ways of working and improved processes and systems to ensure that resources are all best aligned towards good inclusive growth.
- 2.2 The Combined Authority has been successful in securing significant external funding to support its delivery of the ambition set out in the Strategic Economic Plan. The region has previously secured the largest Growth Deal in the country and has recently received confirmation of a further £43m to continue some key programmes and to commence other critical projects. A significant number of projects are underway including skills capital projects at colleges across the region and West Yorkshire plus Transport Fund schemes are progressing in all Districts.

- 2.3 The focus for 2018/19 remains on achieving 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. Negotiations continue with government on the size and shape of a devolution deal that could bring significant benefits to the region and build on the successes achieved to date. In the current context of public sector funding cuts and the huge pressures on the District Councils that largely fund the Combined Authority's revenue budget securing the right devolution deal could help to ensure that the improvements in economic growth across the region are delivered.
- 2.4 The work underway through the One Organisation Programme will enable the Combined Authority to respond to any devolution deal and adapt its shape and processes accordingly.

Business Plans 2018/19

- 2.5 The Combined Authority's activities are led at an overarching strategic level by the Strategic Economic Plan approved by both the Combined Authority and the Leeds City Region Enterprise Partnership (LEP). In order to translate this into practical measurable actions an annual corporate plan is produced and approved each year. This plan confirms the vision and mission for the organisation and the practical steps for how these are to be progressed during the year. The plan includes key performance indicators to measure the success of these deliverables and regular reports will be provided to the Combined Authority to provide information on progress against these indicators. The corporate plan will be kept under review throughout the year to ensure it reflects any changes arising, for example, from the work underway to develop the Local Inclusive Industrial Strategy.
- 2.6 **Appendix 1** sets out a high level summary of the draft business plans for each of the organisation's five Directorates that was presented to the last meeting of the CA. **Appendix 1** also highlights, in yellow, the main areas that align directly with the Green Economy Panel's Action Plan for 2018/ 19 and the SEP's current Priority 3 zero carbon energy economy ambitions. This includes delivering improvements to Place to deliver inclusive and clean growth. It is also worth noting that there are a range of other actions within these plans that also meet the Green Economy Panel / wider sustainability objectives of the Combined Authority. These draft plans will form the basis of the 2018/19 corporate plan which will be brought to the next meeting of the Combined Authority for approval following further work to develop the details of how delivery of the organisational priorities and associated targets will be measured.

Revenue budget 2018/19

- 2.7 The Combined Authority has considered a number of reports on the medium term financial strategy and the budget strategy for 2018/19. At its meeting on 14 December 2017 it considered a report putting forward a £1m cut in the

transport levy for 2018/19 and the subsequent two years. In order to be able to produce a balanced revenue budget for this period a number of actions were required, including identifying budget savings and income targets to be achieved. This work has commenced, with reductions in expenditure and increases in income for 2018/19 and subsequent years built into the attached budgets. Further work planned includes undertaking a thorough review over the next year of the way in which transport services are provided in order to reduce expenditure over the next three years. The updated forecast figures for 2017/18 are still in line with those provided in the December report of the Combined Authority and the original budget position of using £3.5m of reserves. The budget proposals was approved on 1st February 2018 by the Combined Authority. It had also been considered by the LEP Board and Overview and Scrutiny Committee, with Governance and Audit Committee considering them at their meeting on 25 January.

- 2.8 **Appendix 2** provides details of the 2018/19 budget and early estimates for the subsequent two years.

3 Financial Implications

- 3.1 As set out in the report.

4 Legal Implications

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

5 Staffing Implications

- 5.1 The budgets include the funding for current approved establishment and the associated employer on-costs.

6 External Consultees

- 6.1 No external consultations have been undertaken.

7 Recommendations

- 7.1 That the approach to the corporate plan and all budgetary information for 2018/19 be noted.

8 Background Documents

None.

9 Appendices

Appendix 1 – Business Plan Summary
Appendix 2 – Revenue Budget

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WYCA 2018/19 Draft Business Plan Summary

| DELIVERY DIRECTORATE | |
|---|---|
| <p>Delivering the right projects whilst providing value for money</p> <p>Ensuring the delivery of a portfolio of projects and programmes within the agreed cost, time and quality framework, which meet our strategic priorities and derive maximum benefit for the region</p> | |
| 2018/19 Priorities | Resource Lead |
| <p>Facilitating partner delivery of 57 No. projects, value c£72.971m in the West Yorkshire Transport Fund (WYTF), Leeds Public Transport Infrastructure Programme and City Connect Ambition Grant (CCAG) programme:</p> <ul style="list-style-type: none"> • Provision of new and enhanced cycle routes from the completion of CCAG phase 2 projects at: Castleford to Wakefield phase 2&3; Canals projects; York Scarborough Bridge; Bradford Canal Road; & Leeds City Centre. • Completion of the WY+TF schemes at Kirkgate, Wakefield and A629 (1a) Halifax • Progression of the following schemes through the Assurance Framework to OBC stage: LBIA Link road; Tong Street; Bradford to Shipley Corridor; M2D2L (A653); A62/A644 Cooper Bridge; Halifax Station Gateway; A629 Phase 5; Corridor Improvement Programme junction improvements across West Yorkshire. • Progression of the following schemes through the Assurance Framework to FBC stage: Ings Road Wakefield; York Outer Ring Road (further junctions); ELOR; A629 Phase 1b; A629 Phase 2; Bradford Forster Square; Hard Ings Road, Bradford; UTMIC Phases 1 & 2; Corridor Improvement Programme junction improvements across West Yorkshire • Provision of direct project manager and transport planner expertise (x8 FTE) to West Yorkshire & York partners to support delivery of WY+TF projects. • Contract management of consultancy support commission to West Yorkshire & York partners to support delivery of WY+TF projects. | <p>Transport Partnerships Team (including x8 FTE supporting direct delivery for WY districts)</p> |
| <p>Leading the implementation of other significant Transport Projects (46 No.; value c£15.762m) in 2018/19 including:</p> <ul style="list-style-type: none"> • Completion of Bradford Interchange Accessibility & Upgrade Works to provide H&S improvements with improved operational practices. • Progress preferred option for Halifax Bus Station to outline business case and full business case approval to achieve operational, economic and social benefits. • Start on site for first phase of West Yorkshire's ULEV (taxis) project with aim to achieve 5.1% ULEV taxis by 2020 positively contributing to improvements in air quality. • Completion of detailed design, GRIP5 and start on site for Castleford Rail Station Gateway to provide enhanced passenger facilities. | <p>Transport Projects Team (direct delivery)</p> |

| | |
|---|---|
| <ul style="list-style-type: none"> • Implementation of the New Station Street scheme in Leeds to improve the public realm, pedestrian experience and public safety. • Provide funding contract management support to facilitate completion of 10 bus hotspot schemes to reduce congestion impacts & improve the customer experience • Progress preferred option for a Rail accessibility scheme at Horsforth Rail station whilst coordinating proposals at Cross Gates and Morley with Network Rail's TRU Programme. • Commencement on-site of 3 rail station car park extensions as part of a +2000 parking spaces programme. • Develop outline designs for four new West Yorkshire rail stations. Achieving Approval in Principle for the preferred option from Network Rail, and Outline Business Case approval under WYCA's Assurance Framework. • Closing final accounts for rail legacy projects at Kirkstall Forge, Apperley Bridge, Low Moor and LSSE. • Completion of Real Time Information installations at Morley and South Elmsall Hubs. | |
| <p>Facilitating Economic Regeneration 61 No. Projects with a value of c£45.166m (including skills capital & innovation, Housing & Regeneration, Broadband and Better Homes), with targets of:</p> <ul style="list-style-type: none"> • Completing phase 2a and 2b of skills capital & Innovation projects (delivering 6,684 sqm of new build floorspace and 2,500 sqm of refurbished floorspace) • Enabling 200 new homes at Bolton Woods and Beech Hill • Enabling 8,000 sqm of commercial floorspace across York Central/York Guildhall • £3.2m LGF spend on tackling fuel poverty • Delivery of 524 CHS as part of the Warm Homes Fund • Broadband infrastructure to cumulatively deliver 43,086 Total Homes Passed of which 35,679 superfast (>24mb/s) • Enable a further 250 homes and 200 jobs through Growing Places Fund loans • £4m GD spend on Leeds District Heat; £20m total project spend (total contract value £21.3m, Heat On via gas Q1 1920, Heat On via RERF Q2 1920) • 1,000 homes improved through Better Homes Yorkshire Programme • Finding innovative ways to unlock further housing and economic growth with partners to enhance viability, improve developer confidence and deliver essential upfront infrastructure. | <p>Economic Regeneration Team (currently non-direct delivery, but may adapt during year to assist partner delivery)</p> |
| <p>Completion of the current Smartcard and information Programme (SCIP) projects (5 No., £1m value) with significant improvements to our customer offer and Phase 5 going live in March 2019, including:</p> <ul style="list-style-type: none"> • Handover of 5 new Mcard ticket machines to Transport Services directorate, enabling customer self-serve • "Hotlisting" capability launch to block lost, stolen, damaged smartcards and improve the customer refund offer • Launch operator only bus products on the Mcard smartcard platform | <p>Smart Card Implementation Programme Team (direct delivery)</p> |

| | |
|--|--|
| <ul style="list-style-type: none"> • Launch of the “travly” journey planning and mobile ticketing app • Launch of blind/ disabled, personal annuals and corporate annuals on the online card management system for self-serve functionality • Review future programme potential with Policy directorate and future resource requirement | |
| To monitor and manage delivery efficiency through robust governance procedures and resource planning. Explore innovative ways to minimise delivery constraints such as skills shortages and district capacity constraints and to stimulate land owner & market interest to achieve jobs and homes targets | Director and Heads of Service in partnership with Policy and Economic Services Directorate |
| Providing Feasibility and Assurance services across all portfolio’s work including overseeing further calls for projects and re-profiling of programmes. The estimated value of the call projects for 2018/19 is £14.2m | Feasibility and Assurance Team |
| Managing the Assurance process, monitoring and reporting of progress, spend and benefits, (including the oversight of the £30.6m Highways Maintenance block) further development of project management controls, including risk & cost management and embedding the Portfolio Information Management System (PIMS). | PMO Team |
| Leading the head office refurbishment project (£3.5m) and supporting the flexible ways of working project | Staff from the PMO team |
| Further development of policies, processes and working practices to maximise staff retention and embed the culture of a high performing team with ambition to become the ‘Go To’ source of project/programme management expertise for the organisation and partners | Led by Director and Heads of Service |
| Develop and implement a strategy for resourcing corporate projects and revenue funded projects, through further workforce resource planning and cross-directorate liaison on pipeline requirements | Led by Director in partnership with Director, Resources |
| Further work with the Policy Directorate to better define the boundary between the Policy and Delivery Directorates and agreeing handover terms | Led by Director and Heads of Service in partnership with Policy Directorate |

Budget and Resources

| | | |
|---|--------------------|--|
| 2017/18 Revenue Budget | Expenditure | £2.451m |
| | Income | (£2.450m) |
| | Net | £0.001m |
| 2018/19 Revenue Budget | Expenditure | £3.458m |
| | Income | (£3.741m) |
| | Net | (£0.283m) |
| Net Revenue Budget change between years | | (£0.284m) |
| Capital spend under the direct control of Delivery 2018/19 | | £183m (of the total £195m for 2018/19) |
| 2018/19 FTE | | 71.72 |

ECONOMIC SERVICES DIRECTORATE

Delivering effective services to drive inclusive growth

To attract global investors, support businesses to be more productive and inspire people to gain relevant skills, working with partners across all sectors.

| 2018/19 Priorities | Resource Lead |
|--|--|
| <p>Continue to provide support to help businesses grow and become more productive through the LEP Growth Service, and embed a range of ESIF funded business support programmes, with the targets of:</p> <ul style="list-style-type: none"> • Supporting up to 2,750 businesses that want to grow • Providing intensive support to 900 growth businesses • Supporting the creation of 500 jobs in businesses receiving intensive growth support, investing £5m in capital projects with an average cost per job of £12.5k • Supporting 100 high growth businesses to develop strategic growth plans • Delivering 12 'Pop-Up' business advice events including 6 in more disadvantaged areas | <p>Business Support Team including: Growth Service, Strategic Business Growth Programme and Business Grants Team plus those below, with support from Comms</p> |
| <p>Provide Resource Efficiency funding and advice to businesses with a target of supporting 80 businesses to reduce costs on energy, water and waste.</p> | <p>Resource Efficiency Team</p> |
| <p>Provide support and advice on accessing innovation services and funding with a target to support a further 70 businesses to undertake innovation activity.</p> | <p>Access Innovation Team</p> |
| <p>Deliver sustainable travel plan advice and services to businesses, recruiting 75 new businesses to the Travel Plan Network and generating over £7m in M-card sales.</p> | <p>Travel Plan Network Team</p> |
| <p>Work with schools and business leaders to deliver an enhanced model of employability, enterprise and careers education to reach over 160 schools and 12,000 disadvantaged students.</p> | <p>Enterprise in Education Team (+ new posts tbc subject to new funding)</p> |
| <p>Promote and advise on the benefits of apprenticeships to over 1,000 businesses (smaller funding envelope for 2018/19).</p> | <p>Skills Funding Manager and Apprenticeship Grants Team</p> |
| <p>Continued skills support for businesses, sector skills initiatives which upskill 1400 individuals in shortage areas; and development & monitoring of delivery agreements with FE colleges in readiness for the proposed devolved Adult Education Budget, in order to secure the right kind of vocational education & training provision to meet the skills demands on our economy.</p> | <p>Skills Funding Manager, Sector Skills Manager plus Digital Skills Coordinator & Economic Intelligence Manager (in Policy & Comms Directorate)</p> |

| | |
|--|--|
| Attract global investors to the Region, undertake inward investment lead generation and deploy targeted grant funding, with the aim of creating 1,500 new jobs for the region and bringing 40 inward investment projects to the LCR. | Inward Investment Team and support from Comms team |
| Promote Leeds City Region investment propositions in the key sectors of advanced manufacturing; digital including fintech; healthcare and life sciences; and financial & professional services, with 180 investor meetings leading to 40 inbound visits hosted. | Sector leads in Advanced Manufacturing, Health & Life Sciences and Digital and support from wider Inward Investment Team above and Comms Team |
| Promote investor development, safeguard UK jobs and seek 'floating' investment opportunities within 120 internationally owned firms, in partnership with local authorities, seeking to identify 48 new investment projects from 240 meetings. | Key Account Managers <i>(new posts subject to funding)</i> |
| Inspire over 100 additional LCR businesses to export and 100 existing exporters to increase global trade, through the improved co-ordination of international trade services with partners, including through 10 new export initiatives. | International Trade Manager |
| Embed further the principles of inclusive growth into mainstream services through the targeting of employment & skills programmes towards low paid workers, focusing education support onto disadvantaged pupils, implementing employment brokerage to support employers to fulfil social value obligations within WYCA contracts, inspiring businesses to adopt leadership practices which support the progression of low paid workers, considering the application of specific grant conditions, adapting the inclusive growth narrative for inward investment and monitoring appropriate outputs. | To be led by the Executive Head of Economic Services and senior managers with support from PSC Directorate |
| Collaborate with Policy, Strategy & Comms colleagues on new digital and productivity-led services linked to the inclusive industrial strategy, including reviewing the application of sector prioritisation and considering productivity outputs alongside job outcomes. | To be led by the Executive Head of Economic Services and senior managers with support from the Head of Economic Policy |
| Refine the efficiency and effectiveness of our grant programmes and implement the recommendations from the grant review process, in line with the Assurance Framework, including a new partnership agreement for delivering support for smaller grants, as well as the inclusive growth principles above. | Head of Business Support & Business Grants Manager to lead with support from specific grant teams including T&I input |
| Accelerate digital careers activity and develop a digital talent offer as well as activity to address the future infrastructure skills needs linked to HS2 and other transport/regeneration investments, and replacement demand in manufacturing and engineering, including by securing and delivering additional ESIF programmes. | Head of Employment & Skills & Digital Skills Coordinator (in Comms) to lead with support from Enterprise in Education team to promote in schools and T&I team to connect to inward investors. Additional resources subject to ESIF & other bids. |
| Introduce/test activity to maximise local employment opportunities through major capital investments, including a business facing Gateway for local employment. | Head of Employment & Skills to lead, working with Delivery Directorate and Jobcentre Plus/Local Authority partners |

| | |
|--|--|
| Review the options for increasing the effectiveness of export support within the region, in collaboration with the Policy, Strategy and Communications Directorate, in order to help increase the region's export performance. | Head of T&I plus International Trade Manager to lead working with the network of trade partners. |
| Attract a greater number of transformational inward investments and assist to create a more resilient economy through strengthening links with existing foreign owned businesses. | Head of T&I plus Inward investment team to lead working closely with Comms & Marketing |
| Establish a specific KAM function within the Trade and Investment Team. | New KAM staff to be recruited (subject to funding being secured) |
| Work to develop a coordinated approach with local authorities to packaging investment opportunities more effectively in order to create more attractive offers for global investors. | To be led by Head of T&I with additional resource to be identified |
| Working with colleagues in Policy and Delivery to further develop the strategy for securing end user investment in Enterprise Zones. | To be led by Head of T&I with additional resource to be identified |

Budget and Resources

| | | |
|--|-------------|-----------|
| 2017/18 Revenue Budget | Expenditure | £9.901m |
| | Income | (£8.620m) |
| | Net | £1.281m |
| 2018/19 Revenue Budget | Expenditure | £8.396m |
| | Income | (£7.536)m |
| | Net | £0.860m |
| Net Revenue Budget change between years | | £0.421m |
| 2018/19 FTE | | 60.53 |

TRANSPORT SERVICES DIRECTORATE

Connecting people to places

To transform, through strong relationships with local partners and transport providers, the services provided by the CA to be efficient, community led and customer focused.

| 2018/19 Priorities | Resource Lead |
|--|--|
| Information | |
| Providing direct customer contact services including Metroline and driving efficiencies in running costs | Metroline and Customer Services teams |
| Coordinating the efficient production of passenger information and considering a range of alternative formats | Service Development Team (inc real time information) |
| Timetable data and content preparation and working with operators to drive a step change in the quality of raw data to increase efficiency | Data Team |
| Increase the proportion of information interactions/enquiries that are online to 98% | All |
| Retail | |
| Ensuring robust financial process are in place for administering concessions and Integrated ticketing services | Financial Processes Team |
| Delivering direct customer sales and information through Travel Centres including back office and reshaping the customer sales and information offer | Travel Centres team |
| Managing WYCA offices including the provision of a reception services and high levels of customer care for staff, partner organisations and visitors | Office Facilities Team |
| Increase the proportion of MCard sales via self-service/travel centre alternatives to 75% and increase the % of concessionary permits online to 70% | |
| Asset Management | |
| Managing our buildings, bus shelters and other on-street public transport infrastructure, aiming to increase income from property rental by 10% | Facilities and Assets team |
| Day to day running of our staffed and unstaffed bus station facilities continuing to seek efficiencies in running costs while delivering a quality customer experience | Bus Station Services team Cleaning staff |
| Bus Services | |
| Cost effectively coordinating and delivering transport services for those with personalised travel needs through AccessBus and home to school transport services for children with Special Educational Needs, seeking to reduce cost per passenger | Door to Door Transport Team and SEN team |
| Monitoring performance of local transport against contract specifications with the aim of increasing the quality of service. | Monitoring and Survey team |
| Procuring bus services, coordinating bus network changes and highway liaison, aiming to reduce overall expenditure by a net figure of 5% (taking account of inflation) | Bus Network and Highways Liaison team |
| Coordinating education transport services on behalf of District Councils to meet educational needs. | Education Transport Team |

| | |
|--|--|
| | |
| In 2018/9 the Directorate will also deliver a programme to transform Transport Services through: | |
| Information Devise and implement new strategy by June 2018 to move from a paper based information provision to a fully digital self service provision focused on live travel information “on the move” to drive efficiency and savings | Led by HoS and Information and Marketing Manager Policy Manager + assistant from PSC to support high level policy/horizon scan R&I analysis support |
| Retail Devise and implement new strategy by June 2018 to grow market for MCard with WY Ticketing Company introducing new retail channels including mobile phone ticketing. Modernise the service offer at Travel Centres to streamline these and realise savings | Led by HoS and Service Delivery Manager and involving Retail Teams Policy Manager + assistant from PSC to support high level policy/horizon scan R&I analysis support Finance support to deliver changes |
| Asset Management Strategy Develop a five year plan to maximise rental income and cost effectively maintain the CA’s portfolio of operational and non-operational property with an initial target to increase income generation from property rental by 10% in 2018/19 | Led by HoS and Facilities and Assets Manager Involving Asset Development Team PSC support – to support strategic view Legal/Procurement and Finance support Delivery support – interface with Transport Fund teams |
| Bus Services Strategy Support the transformation of bus services in partnership with bus operators through Bus 18 and the Leeds PTIP Ensure the effectiveness of the young people’s concessionary fare scheme seeking to increase patronage at a reduced cost to the taxpayer Devise and implement a new policy for bus service support which promotes inclusive growth at a reduced cost to the taxpayer Working with Policy and Strategy Directorate to develop a new delivery model for public transport services in the future | Led by Director HoS and involving Bus Services Team Support from PSC – Policy Manager input and Consultation team |
| Scope out/agree new delivery frameworks for operational services with transport operators/partners. <ul style="list-style-type: none"> Improving management information to develop a more transparent approach to the unit costs of service provision Develop Bus 18 and LPTIP Bus Delivery Board into effective, strong customer focussed partnerships Scope out how the Joint Venture Company for ticketing can be developed into a means by which WYCA and operators share the cost of providing public transport infrastructure, information and ticketing products | Led by Director, HoS and Service Development Manager |
| Coordinating WYCA operational plans and liaison with bus operators to meet emerging local and national Air Quality requirements and Clean Air Zones | Led by Director, HoS and with input from other Directorates |

| Budget and Resources | | |
|--|-------------|------------|
| 2017/18 Revenue Budget | Expenditure | £127.300m |
| | Income | (£44.969m) |
| | Net | £82.331m |
| 2018/19 Revenue Budget | Expenditure | £128.540m |
| | Income | (£46.788m) |
| | Net | £81.752m |
| Net Revenue Budget change between years | | £0.579m |
| 2018/19 FTE | | 194.7 |

POLICY, STRATEGY & COMMUNICATIONS DIRECTORATE

Leading thinking, securing funding

To develop a leading, inclusive Industrial Strategy, a radically new economic policy framework for Leeds City Region; a new vision for the kind of place we want the City Region to be, and use this as part of our pitch for securing a devolution deal that covers the City Region; and to agree a long term funding settlement with Government

| 2018/19 Priorities | Resource Lead |
|---|--|
| POLICY, STRATEGY & RESEARCH | |
| <p>Strengthen our local powers and secure investment to maintain and enhance the CA's investment in the region (currently c.150m a year)</p> <ul style="list-style-type: none"> • Continue to make the case for an ambitious devolution deal. • Develop proposals for future local growth funding. • Be "bid ready" for opportunities that arise from Government where they support our priorities. • Deliver the current ESIF programme and influence the design and implementation of the successor national programme (shared prosperity fund). | <p>Core function of all roles – all policy team input led by Director. With specific input on devolution and on future funding.</p> <p>Support from Delivery and Economic Services and in demonstrating the case for investing here through case studies</p> |
| <p>Development over the course of 2018 of a single, bold Local Inclusive Industrial Strategy which will be owned by both the LEP and CA with inclusive growth at its core</p> <ul style="list-style-type: none"> • This will be an agile, long-term framework aimed at driving growth, boosting productivity and earning power for a post 2030 economy. This will be produced in partnership with key stakeholders including Districts, Universities, and business representative groups. | <p>Led by HoS supported by policy managers and policy officers</p> |
| <p>Support Private Sector Growth through proposals to enhance the region's digital and innovation capabilities and through a focus on improving skills.</p> <ul style="list-style-type: none"> • Explore ways to lever private sector-led collaboration and mutual improvement to raise the productivity of firms Develop a City Region wide digital framework recognising the importance of the development of a digital and technology strategy for the region covering the 5 pillars of "every business a digital business", digital skills and inclusion, digital as a sector digital infrastructure/connectivity and a smarter city region,. • Work with University partners and other stakeholders to take forward the Leeds City Region Med-tech Science & Innovation Audit, supporting the development of investible propositions. • Develop proposals for an ambitious retraining programme • Develop the case for further enhancement of the Combined Authority's engagement with the education system | <p>Led by HoS with input from policy managers/officers and input from Economic Services</p> |

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| <p>Deliver improvements to Place to deliver inclusive and clean growth</p> <ul style="list-style-type: none"> • A web-based map product to transform our ability to align investments and use it to support identification of the pipeline of projects. • Deliver the EZ Programme to Outline Business Case stage • Support development of housing growth, including through supporting development of an LCR Housing Deal, working with districts to identify the resources needed to deliver sites, and making the case for investment in strategically important sites. • Identify and capture opportunities from the Government's Clean Growth Strategy, including through the Green/Blue Infrastructure Delivery Plan and LCR Energy Strategy. • Support a refreshed corporate approach to clean growth, through the CA's Accommodation Strategy and embedding Environmental Impact Assessment into the Assurance Framework. • Support the move to cleaner air through cleaner buses through taking opportunities to bid for funding and working with bus operators to test new technology here. • Deliver the Energy Accelerator to create a pipeline of innovative projects in districts. • Secure developer contributions for public transport from new developments | <p>Led by HoS with input from policy managers/officers and input from Delivery on business case development and challenge of policy agenda.</p> |
| <p>Develop policies to transform our City Region connectivity</p> <ul style="list-style-type: none"> • Integrated Local Transport Develop the policies within the Transport Strategy into actions • Lead engagement on the LCR Connectivity Strategy and develop defined inclusive growth corridor plans. • Develop Local Cycling and Walking Infrastructure plans. <p>Developing our approach to rail</p> <ul style="list-style-type: none"> • Shape the development of Leeds Station, High Speed Two Northern Powerhouse Rail, Calder Valley improvements, Transpennine Route Upgrade and East Coast Mainline. • Influence and shape the regional and national rail policy and work with operators on the operational performance of the current franchises. • Develop and establish a new WYCA rail plan Develop proposals for four new rail stations to OBC <p>Developing our approach to bus services</p> <ul style="list-style-type: none"> • Support the delivery of the Leeds Public Transport Investment Programme • Support Transport Operations with their transformational programme including a review of tendered bus services and how 'mobility as a service' could benefit passengers. <p>Influencing the regional and national agenda</p> <ul style="list-style-type: none"> • Influence Highways England's Road Investment Strategy • Shape Transport for the North's investment programme. | <p>Led by HoS with input from policy managers/officers and input from Delivery on business case development and challenge of policy agenda.</p> |

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| Develop a research programme to support our evidence-based decisions | Led by Research and Intelligence |
| Develop our approach to appraisal. <ul style="list-style-type: none"> • Directly shape government business case guidance including the evolution of Webtag • Lead the economic appraisal and monitoring & evaluation of the West Yorkshire Transport Fund and support to appraisal of ESIF and ERDF | Led by Research and Intelligence |
| Provide a range of intelligence services to city region partners <ul style="list-style-type: none"> • Develop an intelligence product portfolio • Build a research and economics function with the capacity and capability to undertake pan city region work • Drive improvements in data capture to inform service improvements and development an “Open Data” Strategy. | Led by Research and Intelligence |
| Provide evidence for policy-making <ul style="list-style-type: none"> • New research mapping key LCR supply chains and their relationships to support development of the LIIS and ongoing Brexit Impact Assessment. • New primary research into firm characteristics and business culture • Finalise the HS2 Growth Strategy • Employment Land Review (to ensure we are planning for the new jobs and transformed economy we need. | Led by Research and Intelligence |
| Provide business case intelligence and scrutiny for projects through delivery <ul style="list-style-type: none"> • Market intelligence for route development to support bus operators in the development of the bus network. • SMART card transactional analysis • LPTIP Monitoring and Evaluation framework • Development of the CA’s GIS tools to support project and program monitoring (within the context of formally agreed GIS strategy for the CA). • Impact assessment of the Growth Service, the LEP Capital Grants Programme, the Travel Plan Network, the large capital grant applications (over £100K). • Development of LCR Labour market information • Impact of Northern Powerhouse Rail, rail policy and CA interventions in the bus industry. | Led by Research and Intelligence |
| COMMUNICATIONS, ENGAGEMENT & MARKETING | |
| Market services and delivery of CAs, initiatives and programmes <ul style="list-style-type: none"> • Communications and Engagement support across all major programmes – Provide Agency value (over £1m) worth of advice and delivery. Providing a link between communities of interest and decision making internally and with partners. • Market Employment & Skills offerings delivering higher take up rates than comparable regions in the UK. • Market Leeds City region as the Digital centre of the UK driving increases in trade & inward investment opportunities. | Head of Involvement, Communications & Engagement formerly Head of Communications Heads of Corporate Communications & Engagement Head of Marketing Marketing Team Design Team |

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| <ul style="list-style-type: none"> • Market Economic Services through the 'Growth Service' (14 different groups of offerings) and 'Invest Leeds City Region'. Target 66% in next 3 years from base of which is an agency value of over £0.5m worth of advice & delivery. • Market Transport Services and TravelCard offerings. Agency value (over £1m) worth of advice and delivery. • Policy & Strategy reports and analysis amplification – (over £0.3m) worth of advice & delivery. • Amplify the achievements of the CA and partners in delivering large scale transformative infrastructure projects establishing credibility with funders. • Establishment of single overarching place based narrative for the region. • Promotion, engagement and marketing of cycling and active travel and the required infrastructure | <p>Corporate Communications Market Research CCAG team</p> |
| <p>Create a full service Digital engagement, marketing and communications function delivering efficient and valued engagement channels</p> <ul style="list-style-type: none"> • A single web presence £0.3m Investment to save £0.3m per annum. • A social media strategy delivered through fewer channels in a more targeted and measurable way. Double followers & Treble engagement scores. Cost of PR/Consultation transaction to be reduced by 50%. • Establish a modern intranet platform that enables true partnership working across WYCA/LEP but also across district partners and external third parties. Cost savings target £100k p.a. • Create ICT / Communications strategy working group with savings target on planned expenditure equal to £250k p.a. • Establish a central and available Consultation & Engagement team offering advice and services to all partners and programmes to the value of £0.5m via Engagement Hub. | <p>Head of Involvement, Communications & Engagement – formerly Head of Communications</p> <p>Head of Digital</p> <p>Head of Marketing</p> <p>Digital Team Design Team</p> |
| <p>Create a strategic communications and external affairs function promoting inclusive growth measures, policy choices & the region</p> <ul style="list-style-type: none"> • Overall Advertising Value Estimate measure target 2018/19 of £5m (2015/16 = £1m). • Establish real awareness and sense of presence in Whitehall & Westminster with MP partners and Officials. Devise and measure a metric. In addition minimum of 3 Westminster/London events a year and build a team WY/LCR/Yorkshire amongst MPs. • In region partnerships built upon and value delivered e.g. Welcome to Yorkshire, YEN, National Parks, IoD, CBI, Chambers, FSB, NPP and many more. Devise measure for value. • Establish an ongoing partnership programme with districts and other key delivery partners • Devolution – establish the support for and create conditions for a deal on a preferred geography with required powers. | <p>Head of Involvement, Communications & Engagement – formerly Head of Communications</p> <p>Heads of Corporate Communications & Engagement</p> <p>Head of External Affairs</p> <p>External Affairs Team Design Team Corporate Communications</p> |

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| Use internal communications to embed the organisation's values & Enable Transformation <ul style="list-style-type: none">Establish a professional, high value, service orientated values driven culture across the organisation.Support and enable transformation programmes with internal communications, channel shift, external engagement assistance. Working with all Directorates especially Transport Services and Resources Directorates. | Head of Involvement, Communications & Engagement formerly Head of Communications Heads of Corporate Communications & Engagement Corporate Communications | | |
| Budget and Resources | | | |
| 2017/18 Revenue Budget | Expenditure | £3.597m | |
| | Income | (£0.134m) | |
| | Net | £3.463m | |
| 2018/19 Revenue Budget | Expenditure | £6.076m | |
| | Income | (£0.572m) | |
| | Net | £5.504m | |
| Net Revenue Budget change between years | | £2.041m | |
| 2018/19 FTE | | 105.15 | |

RESOURCES DIRECTORATE

Enabling the right solution

To transform our processes and support for the organisation around a business partner model ensuring that we have our own house in order as a champion for Inclusive Growth. We need to ensure high value for money, given the financial pressures we and our partners face.

| 2018/19 Priorities | Resource Lead |
|---|------------------|
| Embedding a new structure for Finance to enable more strategic focus and updating key processes to better meet customer needs and maximise efficiencies. Achieving a balanced financial outturn at year end, achieving 100% statutory compliance and paying all undisputed invoices within 30 days. | Finance Team |
| Embed the new procurement team and implement the procurement strategy with a specific focus on further embedding social value principles into procurement practices, ensuring there are no successful legal challenges to procurement decisions and on devising an efficiency savings programme for revenue budgets with a target of delivering 5 savings initiatives | Procurement Team |
| Embedding the new OD structure for the Legal Team and introducing new working practices to enable a greater customer focus. Fully implementing the GDPR action plan and new processes to ensure ongoing statutory compliance, including meeting 100% of FOI/EIR deadlines | Legal Team |
| Develop new process for delegations and more streamlined decision making across officers and committees to drive efficiencies, while ensuring 100% compliance with statutory requirements regarding committee agenda publication. | Governance Team |
| Implement year 1 of the Corporate Technology Strategy to improve the service offer and ensure efficiency - including developing a customer service management system (ITIL), defining a flexible working technology strategy, security and compliance enhancements and review of mobile equipment. Ensuring that the core network and Microsoft cloud services are available for at least 99% of the time and limiting non-critical open service desk request to 100 or below | ICT Team |
| Embedding the new HR structure and implementing the new HR strategy, moving to a model of more strategic focus and greater efficiency | HR Team |
| Updating and implementing new HR policies/strategies including the workforce development strategy and diversity strategy and initiatives to support the organisation in delivering STEM activities. Working with managers across the organisation to ensure that average recruitment times do not exceed 30 days, | HR Team |

| | |
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| sickness absence does not exceed 6 days per annum and to achieve 11 apprentices in post across the organisation | |
| Implement year 1 of the 5 Year Health and Safety strategy and continue training of senior managers in Managing Safely | Health and Safety Team |
| Coordinate the delivery of the Phase 2 One Organisation programme to drive organisational change and further work to embed new risk and performance management processes across the organisation | Corporate Planning and Performance team |
| Carry out a programme of independent internal Audit reviews to enable an opinion on control environment and risk management arrangements, and to drive continuous improvement. Achieve at least 80% positive feedback through client feedback questionnaires | Internal Audit team |
| Moving to a partnering model across all Resources teams, creating a seamless customer service offer for corporate functions and embedding a customer service culture suited to the specific needs of the organisation | Led by Director with all teams |
| Further developing a seamless corporate team which provides high quality strategic advice and supporting services to the organisation in an efficient manner | All |
| Updating corporate systems and processes to include the specification /implementation of integrated new systems for Finance, budgeting, payroll, HR, procurement, offering a seamless resource planning offer for internal customers | All teams |
| Improve transparency across data and information for all Resources functions | All teams |
| Driving culture change through embedding our values and behaviours in all of our corporate functions and rolling these out across the organisation | All teams |
| Ensuring statutory compliance across all Resources functions | All teams |

Budget and Resources

| | | |
|--|-------------|-------------|
| 2017/18 Revenue Budget | Expenditure | £14.629m |
| | Income | (£98.184m) |
| | Net | (£83.555m) |
| 2018/19 Revenue Budget | Expenditure | £15.019m |
| | Income | (£100.401m) |
| | Net | (£86.382m) |
| Net Revenue Budget change between years | | (£2.827m) |
| 2018/19 FTE | | 75.41 |

WYCA Summary - 2017/18 to 2018/19 (and 2019/20 - 2020/21)

| | 2017/18 Forecast | 2018/19 | | | | | 2019/20 | 2020/21 |
|------------------------------------|---------------------|---------------------------|----------------------|------------------------|-------------------|--------------|--------------|---------------|
| | Total £ | Salary & Pay Related £ | Salary Recovery £ | Other Expenditure £ | Other Income £ | Total £ | Total £ | Total £ |
| Transport Services | | | | | | | | |
| Subsidised Services | 19,181,000 | 0 | 0 | 27,397,250 | (8,710,000) | 18,687,250 | 17,345,421 | 15,851,650 |
| Bus Station & Services | 4,917,328 | 3,649,676 | 0 | 6,349,153 | (5,654,284) | 4,344,546 | 4,417,539 | 4,491,993 |
| Concessions + Integrated Ticketing | 55,755,478 | 0 | 0 | 56,270,200 | 0 | 56,270,200 | 57,676,955 | 59,118,879 |
| Prepaid Tickets Income | 0 | 0 | 0 | 31,500,000 | (31,500,000) | 0 | 0 | 0 |
| Passenger Information | 1,303,055 | 1,478,349 | 0 | 323,024 | (617,993) | 1,183,380 | 1,212,947 | 1,243,105 |
| Travel Centres | 498,516 | 568,798 | 0 | 40,340 | (80,000) | 529,138 | 540,514 | 552,117 |
| Telematics | 810,118 | 200,382 | 0 | 763,050 | (226,000) | 737,432 | 741,440 | 745,527 |
| Transport Services | 82,465,495 | 5,897,205 | 0 | 122,643,017 | (46,788,277) | 81,751,945 | 81,934,816 | 82,003,271 |
| Delivery | (145,262) | 3,401,966 | (3,740,650) | 56,200 | 0 | (282,484) | (289,258) | (296,167) |
| Economic Services | 1,356,314 | 2,657,421 | (576,725) | 5,738,783 | (6,958,932) | 860,548 | 1,092,161 | 1,134,608 |
| Policy, Strategy & Communications | 4,210,592 | 5,219,803 | (317,596) | 855,771 | (254,224) | 5,503,754 | 5,515,798 | 5,545,803 |
| Resources | 5,219,319 | 3,107,347 | 0 | 2,088,408 | 0 | 5,195,755 | 5,213,902 | 5,277,292 |
| Corporate | 7,292,512 | 830,952 | (1,355,000) | 8,992,287 | (2,379,520) | 6,088,719 | 6,263,226 | 6,618,793 |
| Other Directorates | 17,933,475 | 15,217,489 | (5,989,971) | 17,731,449 | (9,592,676) | 17,366,292 | 17,795,830 | 18,280,329 |
| Capitalisation | (1,000,000) | 0 | (1,500,000) | 0 | 0 | (1,500,000) | (1,530,000) | (1,560,600) |
| Enterprise Zone Receipts | (712,000) | 0 | 0 | 0 | (1,968,000) | (1,968,000) | (3,804,000) | (6,525,000) |
| Transport Levy | (95,198,000) | 0 | 0 | 0 | (94,198,000) | (94,198,000) | (93,198,000) | (92,198,000) |
| Other | (96,910,000) | 0 | (1,500,000) | 0 | (96,166,000) | (97,666,000) | (98,532,000) | (100,283,600) |
| Further Resources Required | 3,488,971 | | | | | 1,452,237 | 1,198,646 | 0 |
| Transfer from Reserves | (3,488,971) | | | | (1,452,237) | | (1,198,646) | (0) |
| Balanced Budget | 0 | | | | 0 | 0 | 0 | 0 |

| | Balance at 31/3/17 £ | 2017/18 £ | 2018/19 £ | 2019/20 £ | 2020/21 £ | Balance at 31/3/21 £ |
|---------------------------|----------------------------|--------------|--------------|--------------|--------------|----------------------------|
| Available Reserves | | | | | | |
| 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) |
| Total | (14,853,000) | 3,488,971 | 1,452,237 | 1,198,646 | 0 | (8,713,147) |

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