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Report to: Overview and Scrutiny Committee
Date: 11 July 2017
Subject: Feedback from the Overview & Scrutiny SEP Working Group

1. Purpose

- 1.1 To consider feedback from the Overview and Scrutiny's Strategic Economic Plan (SEP) Delivery Working Group in respect of SEP delivery.
- 1.2 To provide an opportunity to comment on proposed recommendations arising from the SEP Delivery Working Group and any further work that is needed to improve SEP delivery.

2. Information

Background

- 2.1 The Overview and Scrutiny Committee meeting of 13 July 2016 agreed to establish two working groups to focus on the SEP and the Transport Strategy to ensure they are delivered effectively. It was agreed that up to four Members be involved in each group and volunteers were identified. It was also agreed that the two groups would report back to the Overview & Scrutiny Committee.
- 2.2 This report provides feedback from the SEP Working Group, including an overview of the key actions and activities undertaken by the Working Group between September 2016 and April 2017. The paper also sets out a number of recommendations for potential actions and activities for the Working Group during 2017/18.

Working Group membership

- 2.3 The SEP Delivery Working Group comprised:
 - Councillor Stephen Baines, Conservative, Calderdale;
 - Councillor Ian Cuthbertson, Liberal Democrats, York;
 - Councillor Kim Groves, Labour, Leeds; and
 - Councillor Paul Kane, Labour, Kirklees.

Working Group Action Plan

- 2.4 At the first meeting of the Working Group, Members were provided with an overview of the SEP and Growth Deal, including the work undertaken to ensure that WYCA and

the Leeds City Region Enterprise Partnership (LEP) has an appropriate range of delivery plans and robust assurance processes in place to ensure that the ambition set out in the SEP is met.

- 2.5 The first meeting provided the Working Group the opportunity to discuss and identify the topics that they were keen to cover in more detail at future meetings, including:
- how projects are prioritised;
 - how business cases are assessed and, once approved, how projects are monitored and delivered;
 - information to help better understand the impact and value for money of SEP interventions; and
 - key risks associated with the SEP and how these would be managed.
- 2.6 These topics formed the basis of a three point Action Plan that was agreed at the second meeting of the Working Group:
- **Action 1:** Officers to provide the Working Group with a briefing on WYCA Assurance Framework and its key components, including the Single Appraisal Framework (SAF).
 - **Action 2:** The Working Group to provide scrutiny and challenge to the annual review process of the WYCA Assurance Framework; and
 - **Action 3:** The Working Group to provide scrutiny of the risk management procedures that have been established to oversee the delivery of the SEP and its key funding mechanisms such as Growth Deal.

Action 1: (Meeting held on 18 October 2016)

- 2.7 The Working Group was provided with a briefing paper on the WYCA Assurance Framework and its key components. The paper included an overview of:
- the criteria used by the SAF to assess business cases; and
 - the processes and metrics used to monitor performance and measure value for money.
- 2.8 The Working Group was also provided with the business case and assessment paperwork for the Barnsley Town redevelopment scheme. This was to provide Members with a more detailed understanding of the process and procedures adopted to undertake project appraisal to inform decision makers. Members provided feedback on areas for improvement.
- 2.9 The Working Group also considered the eligibility and procedures for businesses to apply for grants and loans through the Business Growth Programme. Feedback was provided on areas for improvement.

Action 2: (Meetings held on 11 January 2017 and 22 February 2017)

- 2.10 The Working Group provided scrutiny and challenge to the annual review process of the WYCA Assurance Framework. Key activities undertaken by the Working Group included:
- Reviewing the draft Assurance Framework against Government guidance which was circulated to members in advance of the meetings; and
 - Providing feedback on the draft documentation, including areas where the Assurance Framework could be improved to meet national guidance (e.g. transparency of decision making).
- 2.11 It was agreed at the meeting on 22 February 2017 that this would be a useful exercise for the Working Group to undertake on an annual basis, including scrutiny of the 2017/18 Action Plan that had been prepared for revised Assurance Framework.

Action 3: (Meetings held on 22 February and 26 April 2017)

- 2.12 The Working Group was provided with an overview of the Growth Deal strategic risk framework, covering both programme and project level risk. Members discussed the processes agreed for WYCA to take on Intermediate Body (IB) status in order to receive delegated authority from government for Sustainable Urban Development (SUD) strategy and programme.
- 2.13 The current procedures for the reporting, monitoring and managing of risk were discussed. This included an overview of current risk management arrangements and the establishment and roles of the Portfolio Management Office (PMO) and the Programme Appraisal Team (PAT).

Other topics discussed

- 2.14 It is important to note that the Working Group also discussed a number of additional topics during the year, including:
- the potential implications of Brexit on the SEP and associated funding streams (e.g. ESIF) and how these would be managed in terms of risk;
 - skills challenges and gaps facing the City Region, ensuring school leavers were 'work ready' and the work Leeds City Region Enterprise Partnership and WYCA were doing with schools regarding skills; and
 - updates on the WYCA organisational design programme.

Proposed activities for Working Group during 2017/18

- 2.15 As highlighted above the focus of the Working Group's activities during 2016/17 has been on the WYCA Assurance Framework and its key components including the SAF.

- 2.16 The Working Group has played an important role in providing on-going scrutiny and challenge to: (1) annual review process of the Assurance Framework and, (2) the risk management procedures that have been established to oversee the delivery of the SEP and its key funding mechanisms.
- 2.17 The Working Group considered that it would be beneficial to continue this role and meet during 2017/18 to undertake the following activities:
- **Activity 1:** providing scrutiny and challenge to the annual review process of the WYCA Assurance Framework;
 - **Activity 2:** undertaking a periodic review of the strategic risk register, including an on-going assessment of whether all risks have been appropriately considered and that the procedures in place to mitigate key risks; and
 - **Activity 3:** it was also suggested that the Working Group receive updates on the risk register and staffing issues at each meeting.
- 2.18 Members were informed that there would be an Independent Panel Review (IPR) of the West Yorkshire plus Transport Fund, with the first review due to take place in 2019. The Working Group were keen to be updated on progress of the IPR throughout 2017/18.

3. Financial Implications

- 3.1 None arising directly from this report.

4. Legal Implications

- 4.1 None arising directly from this report.

5. Staffing Implications

- 5.1 None arising directly from this report.

6. External Consultees

- 6.1 None.

7. Recommendations

- 7.1 That the Overview and Scrutiny Committee notes the feedback from the Strategic Economic Plan Delivery Working Group and comments on the proposed recommendations and any further work that is required to improve SEP delivery (paragraph 2.16).
- 7.2 That the update in respect of the work of the SEP Delivery Working Group be noted.

8. Background Documents

8.1 None.