

## **WEST YORKSHIRE COMBINED AUTHORITY**

**MEETING TO BE HELD AT 11.00 AM ON THURSDAY, 9 SEPTEMBER  
2021**

**IN COMMITTEE ROOMS 6&7, CIVIC HALL, LEEDS. THE MEETING  
WILL ALSO BE LIVESTREAMED HERE:**

**<https://www.youtube.com/channel/UCazjNSGpgZZT41Vibn2ZK9A/live>**

**(COPY AND PASTE THE LINK IN YOUR BROWSER)**

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### **A G E N D A**

This meeting will be held in Committee Rooms 6&7, Civic Hall, Leeds LS1 1UR.

There will be very limited capacity for observers of the meeting. If you would like to attend to observe the meeting in person, please email: [governanceservices@westyorks-ca.gov.uk](mailto:governanceservices@westyorks-ca.gov.uk) to request a place, clearly stating the name, date and start time of the committee and include your full name and contact details, no later than 24 hours before the meeting begins. Please note that the pre-booked places will be allocated on a 'first come, first served' basis and once pre-booked capacity has been reached there will be no further public admittance to the meeting. On receipt of your request, colleagues will provide a response to you. The meeting will be livestreamed and can be viewed via the link at the top of the agenda and a recording will be uploaded to our YouTube channel following the meeting.

Coronavirus is still circulating so please follow all the Covid safe rules. Even if you have had the vaccine but have Coronavirus symptoms: a high temperature; a new, continuous cough; or a loss or change to your sense of smell or taste, you should NOT attend the meeting and stay at home and get a PCR test. For those who are attending the meeting, please bring a face covering, unless you are exempt.

This meeting will be filmed for live or subsequent broadcast via the Combined Authority's internet site. If you have any queries regarding this, please contact Governance Services on 0113 251 7220.

#### **1. APOLOGIES FOR ABSENCE**

## **2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**

## **3. EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**

1. To highlight Agenda Item 7 Appendix 5 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 exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.
2. To consider whether or not to accept the officers' recommendation in respect of the above information as set out Agenda Item 7 Appendix 5.
3. If the recommendation is 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 7 Appendix 5 on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

## **4. MINUTES OF THE MEETING OF THE COMBINED AUTHORITY HELD ON 29 JULY 2021**

(Pages 1 - 14)

### **For Decision**

## **5. ECONOMIC RECOVERY**

(Lead Member: The Mayor, Director: Liz Hunter)

(Pages 15 - 80)

## **6. BUSINESS PRODUCTIVITY AND RESILIENCE PLAN**

(Lead Member: Sir Roger Marsh, Director: Liz Hunter)

(Pages 81 - 124)

## **7. CAPITAL SPENDING AND PROJECT APPROVALS**

(Lead Member: The Mayor, Director: Melanie Corcoran)

(Pages 125 - 196)

### **For Information**

## **8. MINUTES FOR INFORMATION**

(Pages 197 - 198)

**Signed:**



**Managing Director  
West Yorkshire Combined Authority**

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**MINUTES OF THE MEETING OF THE  
WEST YORKSHIRE COMBINED AUTHORITY  
HELD ON THURSDAY, 29 JULY 2021 AT COMMITTEE ROOMS 6&7,  
CIVIC HALL, LEEDS**

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**Present:**

Mayor Tracy Brabin (Chair)	West Yorkshire Combined Authority
Councillor Susan Hinchcliffe	Bradford Council
Councillor John Lawson	Kirklees Council
Councillor James Lewis	Leeds City Council
Councillor Shabir Pandor	Kirklees Council
Councillor Rebecca Poulsen	Bradford Council
Councillor Matthew Robinson	Leeds City Council
Councillor Tim Swift MBE	Calderdale Council

**In attendance:**

Councillor Kim Groves	Lead Member for Public Transport, Transport Committee
Ben Still	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Brian Archer	West Yorkshire Combined Authority
Melanie Corcoran	West Yorkshire Combined Authority
Dave Pearson	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Liz Hunter	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Ruth Chaplin	West Yorkshire Combined Authority
Dominic Martin	West Yorkshire Combined Authority

**21. Chair's Comments**

The Chair thanked Ruth Chaplin, the departing clerk of the Committee, paying tribute to her long career in public service and wishing her a happy retirement.

**22. Apologies for Absence**

Apologies for absence were received from Cllr Jeffery, Cllr Waller, and Sir Roger Marsh, as well as from their substitutes.

**23. Declarations of Disclosable Pecuniary Interests**

There were no pecuniary interests declared during the meeting.

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

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

**25. Minutes of the Meeting of the Combined Authority held on 24 June 2021**

**Resolved:** That the minutes of the meeting of the West Yorkshire Combined Authority held on 24 June 2021 be approved.

**26. Economic Recovery**

The Combined Authority received an update on developments around the COVID-19 pandemic, including the delivery of products and services in response to the crisis.

The report highlighted that there had been a concerning rise in COVID-19 cases since the end of lockdown restrictions on July 19 2021, particularly among young people. It was noted that high numbers of people needing to self-isolate had caused disruption for both public services and private companies. In partnership with the region's Local Authorities and the LEP, the Combined Authority was working closely with local businesses and funding the Employment Hub and Reboot programmes. The delivery of extensions to these programmes was intended to commence from August.

Work to refresh the region's Economic Recovery Plan was underway and was hoped to be completed in September. This plan would have the Mayor's pledges at its heart, and would include a new central economic forecast. It was intended that the plan would primarily focus on what could be delivered through resources already available within the region, and that the Combined Authority would work with the government on targeted opportunities for co-investment.

Members were advised that their feedback on the plan was welcomed, and that it was intended that an updated version would be brought to the September meeting of the Combined Authority.

**Resolved:** That the report be noted.

**27. Place Narrative**

The Combined Authority considered a report from the Director of Policy and Development updating them on the development of the Place Narrative and

seeking endorsement for the adoption of the Place Narrative as part of the Strategic Economic Framework.

The Place Narrative had begun development in partnership with the Place Panel as a way to bring together spatial information about the region and its infrastructure priorities.

Members highlighted the importance of the Place Narrative, particularly in showing how both these priorities and the different communities of the region connected, and also noted its role in supporting the attraction of investment and new jobs into the region.

**Resolved:**

- (a) That the Place Narrative be approved and its positioning as part of the Strategic Economic Framework be endorsed.
- (b) That approval of future updates of the Place Narrative be delegated to the Place, Regeneration and Housing Committee.

**28. Housing Pledge & Housing Revenue Fund Approval**

The Combined Authority considered a report from the Director of Policy and Development setting out the opportunities and challenges of the Mayor's pledge to support the delivery of 5,000 sustainable homes, including council and affordable, in West Yorkshire over the next three years.

Members discussed the fundamental role of housing in assisting communities to thrive, as well as in working toward improving equality and inclusion throughout the region. Over the next three years an estimated financial and delivery capacity of some 8276 homes has been identified across the partnership. It was queried whether any specific standards were employed regarding the housing being sustainable and affordable. A wide range of factors were informing the sustainability of the housing, including accessibility to public transport, and successful models such as those of housing associations were being considered. The benefits of better housing on health, employment, and skills were also discussed.

Members welcomed news of these homes but questioned how they would be equitably and consistently distributed around the region, as well as how the Combined Authority would ensure that the housing provision reached the communities where it was most needed. Members also questioned whether the proposed development sites were all on brownfield land, and were advised that all identified sites were working within districts' Local Plans – though it was cautioned that these were at different stages of development for each Local Authority - and the Combined Authority was working with local partners when identifying opportunities for further development.

It was noted that the report discussed two new officer posts being created within the Combined Authority. Members questioned why, given the strong emphasis on partnership within the report, new posts were being created rather than working with planning partners in Local Authorities. It was advised

that the additional posts were necessary in order to ensure that the Combined Authority had the necessary capacity to deliver these programmes and that the right skillsets were available. The funding was also expected to lead to further capacity within the Local Authorities.

**Resolved:**

- (a) That the Combined Authority notes and endorses the approach to delivery of the Mayor's housing pledge working closely with Partners, including Districts through their Directors of Development.
- (b) That following a recommendation from the Investment Committee, the Combined Authority approves:
  - (i) That the Housing Revenue Fund programme proceeds through decision point 2 (strategic outline case) and decision point 4 (full business case) with Approval to Proceed to activity 5 (delivery).
  - (ii) That approval to the remainder of the Combined Authority's contribution of £2.95 million, funded from the West Yorkshire Devolution Deal, is given. The total scheme value is £3.2 million.
  - (iii) That allocation of the £2.95 million of funding for the individual work packages is delegated to the Managing Director.
  - (iv) That future approvals are made in accordance with the assurance pathway and approval route outlined in appendix 1 of the submitted report.

**29. Brownfield Housing Fund Programme**

The Combined Authority considered a report from the Director of Delivery providing an update on the Brownfield Housing Fund Programme.

The Combined Authority had been allocated £66.7 million of funding from the Government to build a minimum 4,500 homes on brownfield land by 2025. This was noted as a challenging deadline, and it was cautioned that the Government reserved the right to withdraw all or part of the funding if milestones and targets were not met. The report identified a number of projects that could be delivered quickly and would support meeting these targets, as well as providing more sustainable and affordable housing throughout the region whilst also providing employment and training opportunities for young people. The majority of these homes would be near to transport hubs and over 1900 were expected to be categorised as 'affordable'.

Members welcomed the investment into the region, noting it would not have been possible if not for becoming a Mayoral Combined Authority, but questioned whether this funding would mean that viability concerns in regard to renegotiating affordable homes and Section 106 monies were no longer an issue. It was noted that 60% of the scoring for schemes intending to enter the programme was set by the Government, and that the primary factor in this scoring was evidence of a market viability gap and a need for public

investment, although deliverability, timescales, local priorities and other factors were also considered.

Clarification was requested on whether the 5000 homes needed to fulfil the Mayor's housing pledge would be delivered through the Brownfield Housing Fund or would additional homes be needed. Members were advised that potential sites from the Brownfield Housing Fund would make a contribution to the 5000 affordable homes pledge but would not deliver all of them. The Combined Authority will therefore need to work with Local Authorities and other providers with the expectation that they would identify development sites in their districts for affordable houses and the Combined Authority would work with them on delivery.

**Resolved:**

- (a) That the Combined Authority notes the work undertaken so far on the Brownfield Housing Fund Programme.
- (b) That the Combined Authority sequencing of Waves and associated projects in Exempt Appendix 1 be endorsed.
- (c) That in light of the proposed changes to Committees, future project approvals are made in accordance with the assurance pathway and approval route outlined and approved by the Combined Authority in September 2020, including at the next decision point through delegation to the Place, Regeneration and Housing Committee and at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team.
- (d) That to ensure the programme progresses at pace, to delegate to the Director of Delivery, in consultation with the Portfolio Holder for Place, Regeneration and Housing:
  - (i) The review and transfer of projects between the project prioritisation 'Waves' detailed in Exempt Appendix 1.
  - (ii) The acceptance of new projects on to the programme.
  - (iii) The transfer of projects which place greater risk on the programme back to the Strategic Housing pipeline for consideration as part of future investment programmes.

**30. Capital Spending & Project Approvals**

The Combined Authority considered a report from the Director of Delivery on proposals for the progression of, and funding for, a number of West Yorkshire Combined Authority supported projects that had been considered at stages 1, 2 and 3 of the Combined Authority's assurance process.

Due to the changes to committee arrangements made at the Combined

Authority meeting of 24 June 2021, the projects discussed in the report were brought directly to the Combined Authority due to expediency of delivery. These included projects relating to:

- British Library for the North (Temple Works)
- TCF Network Navigation
- CityConnect Phase 3 Canals: Leeds & Liverpool Shipley
- CityConnect Phase 3 Canals: Huddersfield Narrow Canal Phase 2
- Halifax Bus Station

The report also included an additional recommendation that Calderdale Council retain future business rates income generated from the Clifton Enterprise Zone (up to March 2042) under the conditions set out in the report.

Members questioned whether discussion of linking settlements and towns under the City Connect Phase 3 Canals scheme could be extended past the West Yorkshire boundary, such as linking Silsden to Skipton, and were advised that work to extend this provision was already underway with collaboration with North Yorkshire partners.

It was also questioned whether the battery-operated screens discussed within the report for use at bus stations could be replaced with solar power. It was noted that solar powered screens would still require a battery and that evaluation of the options available had indicated that solar power would not significantly extend this battery's lifespan. Technical details on this could be shared after the meeting, and it was requested that this be reevaluated when appropriate with regard to the progression of technology in this area.

Members also queried whether the British Library Temple Works project discussed in the report would be creating new jobs or moving existing ones to the Boston Spa facility; it was confirmed that the jobs would be newly created positions, with the Temple Works facility fulfilling a public-facing role and Boston Spa remaining a storage facility.

The report noted that the following decision points and change requests had been assessed and approved through the agreed delegation process to the Combined Authority's Managing Director:

- Lanthwaite Business Park Enterprise Zone
- York Northern Outer Ring Road
- Leeds Station Sustainable Active Travel Gateway
- Selby Station Gateway

**Resolved:**

- (a) That in respect of the Clifton (Calderdale) Enterprise Zone Business Rates Receipt, the Combined Authority approves that, subject to the conditions in the submitted report, Calderdale Council retains future business rates income generated from the Clifton Enterprise Zone (up

to March 2042).

- (b) That in respect of the British Library for the North (Temple Works), the Combined Authority approves:
  - (i) That the British Library for the North (Temple Works) scheme proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case).
  - (ii) That an indicative approval of £25 million (to be funded through the Combined Authority's devolution deal) is given. The total forecast scheme value is £69.810 million.
  - (iii) That approval of £5.35 million development costs to progress the scheme to decision point 3 (outline business case) be given.
  - (iv) That the Combined Authority enters into a funding agreement with Leeds City Council for expenditure of up to £5 million from the Combined Authority's devolution deal.
  - (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the report.
  
- (c) That in respect of the TCF Network Navigation, the Combined Authority approves:
  - (i) That the TCF Network Navigation project proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case)
  - (ii) That an indicative approval to the total project value of £15.500 million, comprising of £15.200 million from the Transforming Cities Fund, and £0.300 million from Local Transport Plan Integrated Transport Block, is given.
  - (iii) That development costs of £0.200 million are approved to progress the scheme to decision point 4 (full business case) taking the total scheme approval to £0.360 million.
  - (iv) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the report.
  
- (d) That in respect of the CityConnect Phase 3 Canals - Leeds Liverpool Shipley, the Combined Authority approves, subject to the conditions set by PAT stated in the submitted report:
  - (i) That the CityConnect Phase 3 Canals - Leeds Liverpool Shipley scheme proceeds through decision point 4 (full business case)

and work commences on activity 5 (Delivery).

- (ii) That approval to the Combined Authority's contribution of £1.981 million which will be funded from West Yorkshire plus Transport Fund (£1.057 million), Getting Building Fund (£0.500 million) and £0.424 million yet to be secured is given. The total scheme value is £1.981 million.
  - (iii) That the Combined Authority enters into an addendum to the existing funding agreement with the Canal and River Trust for expenditure of up to £1.981 million.
  - (iv) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the report.
- (e) That in respect of the CityConnect Phase 3 Canals - Huddersfield Narrow Canal (HNC) Phase 2, the Combined Authority approves, subject to the conditions set by PAT stated in the submitted report:
- (i) That the CityConnect Phase 3 Canals – Huddersfield Narrow Canal Phase 2 scheme proceeds through Decision Point 4 (full business case) and work commences on Activity 5 (Delivery).
  - (ii) That approval to the Combined Authority's contribution of £1.371 million (which will be funded through £0.643 million from the West Yorkshire plus Transport Fund and £0.728 million from the Active Travel Fund) is given. The total scheme value is £1.371 million.
  - (iii) That the Combined Authority enters into an addendum to the existing funding agreement with the Canal and River Trust for expenditure of up to £0.643 million from the West Yorkshire plus Transport Fund.
  - (iv) That the Combined Authority enters into an addendum to the existing funding letter with Kirklees Council for expenditure of up to £0.728 million from the Active Travel Fund.
  - (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the report.
- (f) That in respect to Transforming Cities Fund Halifax Bus Station, the Combined Authority approves:
- (i) That the Transforming Cities Fund Halifax Bus Station scheme proceeds through decision point 5 and work commences on activity 6 (Delivery).

- (ii) That approval to total scheme costs of £17.700 million is given, of which the Combined Authority to contribute £17.295 million from the Transforming Cities Fund and £0.405 million from the West Yorkshire plus Transport Fund.
- (iii) That the Combined Authority enters into a Memorandum of Understanding Agreement with Calderdale Council for expenditure up to £50,000 from the Transforming Cities Fund.
- (iv) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the report.

### **31. Mayoral Pledge Funding**

The Combined Authority considered a report from the Director of Strategy, Communications and Policing on funding for the West Yorkshire Mayor's pledges relating to business support and inclusive growth.

To support equality, diversity and inclusion in the recovery of the region, £400k was requested to progress a pipeline of inclusive growth work over three years. This would enable recruitment of an Inclusivity Champion as well as the development of a new programme focusing on areas of intervention that would complement the existing business support offered by the Combined Authority and local partners. This would build on the work done by the Inclusive Growth and Public Policy Panel prior to becoming a Mayoral Combined Authority.

A package of £500k was also requested to support local businesses and to allow the Mayor to act as a champion for the regional economy through the development of new programmes and business support measures. It would also be used to support the growth of co-operative, social-enterprise and worker-owned businesses; these businesses were praised as being resilient and community-focused, and a strong partner in sustainable growth. Members requested clarification on whether the requested package would be delivered over a three year period as in the case of the inclusive growth package; officers advised that the development funding was expected to take place over a shorter period of time.

Members supported the push for greater inclusivity in business, but questioned whether a benchmark of some sort would be used regarding this, what the benefits of such an approach may be, and whether sanctions would potentially exist for businesses that did not meet any of the suggested standards. The Fair Work Charter, which launched its development earlier in the week, would set out aspects of businesses the Combined Authority wanted to do business with and promote. Measures such as paying a real living wage, taking steps to promote inclusivity, or working to eliminate the gender pay gap would all be celebrated as examples of good business practices, and similar work already done in the Greater Manchester and

Liverpool regions was being used to inform the development of this charter. There was no legislation in place to support sanctions against businesses choosing not to follow the charter, but it was hoped that businesses would be encouraged and incentivised to work toward its goals.

Members questioned whether the Mayor had noticed any issues with inclusivity not being considered thoroughly enough within the Combined Authority in decision-making. Officers advised that a great deal was being done to try to improve inclusivity within the Combined Authority, but noted it was always possible to achieve more, and the hope was that the Inclusivity Champion would be of great assistance in this. Although the specifics of the role had not yet been decided, the experience and skills needed to maintain the needed independence for effective challenge would be built into the role profile.

The historical work on inclusivity that had been done by the Inclusive Growth and Public Policy Panel was discussed by Members, and the importance of preserving both the passion for this work as well as the talent that had been developed was noted. The Covid-19 pandemic had highlighted serious inequalities that still existed, and it was hoped that the opportunities afforded by devolution and through measures such as the introduction of an Inclusivity Champion would allow new heights to be reached in combatting these inequalities.

It was noted that following the approval of the Creative New Deal funding at the previous meeting of the Combined Authority, £190k of this funding would be used to fund the Beyond Bronte's programme, which worked to support 18-24 year olds from diverse and disadvantaged communities in the Leeds City Region in gaining skills and contacts in the creative industries through work placements.

**Resolved:**

- (a) That the Combined Authority indicatively approves funding from the Single Investment Fund to enable progress to be made in key priority areas, with full approval to spend being granted once the project has progressed through the assurance process in line with the Combined Authority's Assurance Process. The indicative funding requested is:
- £500k to support scheme development relating to business support.
  - £400k over three years to enable the recruitment of the Inclusivity Champion and further progress a pipeline of inclusive growth work.
- (b) That the Combined Authority notes that £190k from the £500k of SIF funding which was previously provisionally allocated to support scheme development relating to culture and creative industries and lead a creative new deal, is to be used to fund the Beyond Bronte's

programme, subject to Assurance Framework approvals.

- (c) That the Combined Authority delegates to the Finance, Resources and Corporate Committee, the approval for the programmes set out in the report to pass through Decision Point 2, totalling no more than £0.9m of funding from the Single Investment Fund.

### **32. Intra City Transport Settlements**

The Combined Authority considered a report from the Director of Policy and Development on the Government's approach to Intra City Transport Settlements, and on the government's Active Travel Fund.

It was noted that the Intra City Transport Settlements scheme had now been renamed to the City Region Sustainable Transport Settlement. The project was recognised as an exciting and valuable opportunity of £4.2 billion for long-term transport settlements to be divided between eight Mayoral Combined Authorities, for a five year settlement running from 2022-23 to 2026-27.

It was cautioned that there was a match fund element to the scheme, and bids would need to be completed by the end of August. Because this timetable prevented bids being returned to the Combined Authority before the submission deadline, it was recommended that approval of the detail of the final bid be delegated to the Managing Director in consultation with the Mayor and the Chair of the Transport Committee. Details of the bid would be circulated to all Members.

Members expressed reservations about the match fund element of the scheme, questioning what might have to be sacrificed if funding that had already been pledged elsewhere had to be recycled, and noted that this and the bidding requirement ran the risk of leading to the richest areas of the country taking the greatest benefits. However, Members praised the opportunities this funding would provide in propelling the economy forward and in supporting inclusive growth throughout the region. Plans were already in place for how the funding could be used. The social prescribing and active travel elements of the Active Travel fund were also welcomed.

Members noted that different geographies throughout the region, particularly in its valleys, would provide their own restrictions on what might be possible to deliver, highlighting this as an important factor to consider going forward.

The recommendation put to the Combined Authority regarding the bid to the DfT Active Travel Fund Local Authority Capital Fund was noted to be different than that in the published report, which had mistakenly recommended delegation to the Chair of the Active Travel Working Group rather than to the Managing Director in consultation with the Mayor and the Chair of the Active Travel Working Group.

**Resolved:**

- (a) That the Combined Authority notes the Government's proposals for the City Region Sustainable Transport Settlement and agrees to submit a CRSTS proposal for the 5-year period 2022/23 to 2026/27 to the Department for Transport, which is aligned to accelerating the delivery of the West Yorkshire Connectivity Infrastructure Plan.
- (b) That the Combined Authority agrees to delegate the decision on the detail of the final City Region Sustainable Transport Settlement submission to the Managing Director in consultation with the Mayor and Chair of Transport Committee.
- (c) That the Combined Authority notes the Government's proposals for Active Travel Fund Local Authority Capital Funding for 2021/22 and agrees to submit a bid proposal and Expressions of Interests to the Department for Transport.
- (d) That the Combined Authority agrees to delegate the decision on the detail of the final bid proposal and Expression of Interests to the DfT Active Travel Fund Local Authority Capital Fund for 2021/22 to the Managing Director in consultation with the Mayor and Chair of the Transport Committee's Active Travel Members Working Group.

### **33. Governance Arrangements**

The Combined Authority considered a report from the Director of Corporate and Commercial Services requesting the approval of changes to the Governance Arrangements of the Combined Authority and its committees. These included:

- Confirmation of outstanding nominations from the previous meeting of the Combined Authority to the Culture, Arts and Creative Industries Committee as well as nominations to all three Scrutiny Committees.
- A recommendation from the LEP Board to extend the term of office of a private sector member of the Business Investment Panel by one year.
- A request to approve minor amendments to the Officer Delegation Scheme as set out in Appendix 2 of the submitted report.
- Confirmation of outstanding nominations for appointment to the Rail North Committee.

It was noted that since the publication of papers for the meeting, there had been changes to some of the listed nominated candidates. York Council had requested that Cllr Ian Cuthbertson replace Cllr Keith Orrell on the Employment and Skills Committee. Similarly, the representative from Calderdale Council informed Members that Cllr Dot Foster would now be nominated for the Transport Scrutiny Committee, and that Cllr Susan Press would be nominated to replace Cllr Foster as nominee for the Economy Scrutiny Committee.

**Resolved:**

- (a) That the Combined Authority appoints the following members as set out in paragraph 2.1 of the submitted report:
- Cllr Michael Graham (Wakefield Council): Culture, Arts & Creative Industries Committee
  - Cllr Darryl Smalley (York City Council): Culture, Arts & Creative Industries Committee
  - Cllr Dot Foster (Calderdale Council): Transport Scrutiny Committee
- (b) That the Combined Authority notes and approves the following changes to appointments as set out in paragraph 2.2 of the submitted report:
- Transport Scrutiny Committee – Cllr David Green (Bradford Council) to replace Cllr Joanne Dodds.
  - Economy Scrutiny Committee – Cllr Jonathan Bentley (Leeds City Council) to replace Cllr Colin Campbell, and Cllr Susan Press (Calderdale Council) to replace Cllr Dot Foster.
  - Employment & Skills Committee – Cllr Ian Cuthbertson (York) to replace Cllr Keith Orrell.
- (c) That the Combined Authority appoint the following chairs and deputy chairs as set out in paragraph 2.3 of the submitted report:
- Chair of Economy Scrutiny Committee: Cllr Richard Smith
  - Deputy Chair, Corporate Scrutiny Committee: Cllr Geoff Winnard
  - Deputy Chair, Economy Scrutiny Committee: Cllr Stephen Baines
  - Deputy Chair, Transport Scrutiny Committee: Cllr Peter Caffrey
- (d) That the Combined Authority approve the recommendation of the LEP Board to extend the term of office of Colin Glass for a further one year to 26 September 2022 as detailed in paragraphs 2.4 and 2.5 of the submitted report.
- (e) That the Combined Authority approve amendments to the Officer Delegation Scheme as set out in Appendix 2.
- (f) That the Combined Authority approve the following appointments to the Rail North Committee as set out in paragraph 2.8 of the submitted report:
- Representative: Cllr Susan Hinchcliffe

- Substitute: Mayor Tracy Brabin

#### **34. Minutes for Information**

The Combined Authority noted the minutes of the committees and panels that have been published on the West Yorkshire Combined Authority's website since the last meeting.

**Resolved:** That the minutes of the Combined Authority's committees and panels be noted.



**Report to:** West Yorkshire Combined Authority

**Date:** 9 September 2021

**Subject:** **Economic Recovery**

**Director:** Liz Hunter, Director Policy & Development

**Author:** Alex Clarke, Policy Manager Business Growth and Resilience

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

## 1. Purpose of this report

- 1.1 To provide the Combined Authority with an update on developments around the COVID-19 crisis, and to seek the Combined Authority's views and comments on the latest draft of the West Yorkshire Economic Recovery Plan.

## 2. Information

- 2.1 Since the last Combined Authority meeting, England has lifted all remaining restrictions, with self-isolation no longer mandatory to those who have received two doses of the COVID-19 vaccination from 16 August. With the lifting of restrictions, guidance is encouraging businesses and the public to continue to exercise caution. This month will also mark the end of the Coronavirus Job Retention Scheme and the end of the Universal Credit uplift. It is therefore an important moment to reconsider the West Yorkshire plan for economic recovery.
- 2.2 Throughout the pandemic, the LEP and the five West Yorkshire local authorities have continued to support residents and businesses in Leeds City Region, and the following sections outline some of the support available and the progress made, before turning to issues of economic recovery and the refreshed draft West Yorkshire Economic Recovery Plan on its development.

## Business Support and Engagement

- 2.3 This section outlines the progress made on delivering COVID-19 related business support since the last Combined Authority meeting. The support available brings together both nationally and locally funded projects, ensuring comprehensive support for businesses.

Project	Funding	Businesses Supported	Delivery Partners
Local Authority Grants, including Restart Grants (since Nov 20)	£360m	125,000 payments	Local Authorities (lead)
Additional Restrictions Grant (since Nov 20)	£42m	20,000 payments	Local Authorities (lead)
COVID-19 Recovery Grants (ERDF & LGF)	£2.8m	1114	LEP-commissioned Umi Commercial
Digital Resilience Vouchers (up to £5,000)	£1.06m	400	LEP & Leeds City Council
Peer Learning Project	£90,000	65	LEP-commissioned University of Leeds Business School
Small Business Membership Scheme (access to legal, financial HR & wellbeing support)	£300,000	1350	LEP-commissioned W&NY Chamber, Mid-Yorkshire Chamber, FSB
Cyber Security Support Scheme	£100,000	160	LEP-Commissioned North East Business Resilience Centre
Business Resilience Webinars	£15,000	180	LEP-commissioned Biskit

## Employment and Skills Support

- 2.4 The Combined Authority and LEP continue to support individuals to better equip them in the labour market as part of our economic recovery activity, including through the £13.5m strategic employment and skills package agreed by the Combined Authority on 27 November 2020. The following outlines progress on the use of additional funding to increase the existing Employment Hub and adult training programmes.
- 2.5 Delivered in partnership with Local Authorities the current ESF funded Employment Hub will continue to deliver the service until December 2021. Alongside this is an extension of the Employment Hub funded through gainshare to support the economic recovery plan, known as Employment Hub 2 with delivery through to end of March 2023.
- 2.6 As of 1 July 2021 (Q2), the original Hub has engaged 4,936 15-24 year-old participants against a profile of 5,843 (84%). Of these:

- 1,556 participants were from a black, Asian or minority ethnic background, against a profile of 707 (220%)
  - 989 participants had disabilities against a target of 527 (188%)
  - 1,582 participants had no basic skills qualifications against a target of 1,269 (125%)
  - Of the participants starting the programme, 1,314 have been supported with finding education/ training, employment, or self-employment against a target of 2,239 (59%)
- 2.7 Employment Hub 2 will provide additional employment support for those who have been furloughed, recently made unemployed and seeking to progress in their current employment. Activity will target vulnerable groups including BAME, women, over-50s, 15–24-year-olds and those with a disability.
- 2.8 The second element of the gainshare-funded Covid recovery package is the Adult Skills Framework (previously referred to as the [re]boot extension), with an appropriate name and brand for the programme being developed to bring it to market. The Adult Skills Framework builds on the best elements of [re]boot and other programmes that have been delivered over recent years including our highly successful DFE-funded bootcamps. The intention with the Adult Skills Framework is to be flexible and responsive to demand from career-changers and employers, and to changes in the labour market.
- 2.9 The tender process for adult training (part of an adult skills framework) is progressing through internal governance and approvals processes. This will create a responsive adult training offer that focusses on priority sectors for employment growth including digital, construction, engineering, the green economy and health and social care aligning to the Economic Recovery Plan and the Employment and Skills Framework. Delivery will begin late summer 2021 and continue until April 2023.
- 2.10 Adult retraining activity will similarly target those recently unemployed or furloughed staff. In addition, the framework will target support to females, over 50s, BAME and those with a disability.

#### Entrepreneurship Programme

- 2.11 Approved by the Combined Authority's Investment Committee in June 2021, the £6 million programme is being delivered as part of the Economic Recovery Plan and is focused on a 'ladder of enterprise support' across three inter-connected workstreams that will help individuals in the region to explore and establish new businesses.
- Workstream One - promoting enterprise as a career option (i.e. is enterprise / business start-up right for you?)
  - Workstream Two – a universal business start-up support programme to help anyone who has made the decision to start a business
  - Workstream Three – more intensive support programme for pre-start / start-up enterprises with high growth or scale-up potential

- 2.12 Following recent open tender exercises, preferred suppliers have been selected to deliver a £350k Exploring Enterprise programme and a £1 million Business Start-Up programme. Both are expected to commence delivery in September 2021 and will be delivered for 18 months, with options to extend for the same periods subject to performance.
- 2.13 The Exploring Enterprise Programme will deliver one-to-many support through online training, events, workshops and seminars. It is expected that a minimum of 6 hours of support will be delivered per participant. The support package will cover key areas to support participants to consider business enterprise and how to overcome any barriers that would prevent them exploring the opportunity further. Programme content includes identifying the need/market research, creating an idea, networking, understanding different types of businesses including social enterprise and cooperatives, and legal and financial support. Underrepresented groups are being targeted to engage with the programme; 50% of participants will be women and 20% will be from BAME backgrounds. In addition, the provider has offered CV support for those choosing to not start a business and requiring help to find employment.
- 2.14 The Business Start-Up programme will provide new-start and start-up businesses up to 12 months old with a blended package of support covering the key topics required to establish and develop a new enterprise. This includes: - business and financial planning, business structure and tax, sales and marketing (including social media), access to finance and recruiting staff. There are no sector or growth-related restrictions and there are clear targets in place to support new firms that are led by individuals from BAME backgrounds (20%), women (50%) and people with disabilities (3%).
- 2.15 In addition, five Start-Up Managers are currently being recruited by the West Yorkshire Local Authorities to work alongside the existing SME Growth Managers. These posts will coordinate all enterprise support activity at the district level and deliver some direct one-to-one support to early-stage micro firms with growth potential. It is anticipated that these posts will also have a focus on the high street renewal agenda and, as a result, work with a larger number of business-to-consumer operators than existing business support provision allows. Workstream Two also includes a £400k Development Fund to support new and innovative pilot projects focussed on action learning in the enterprise arena. Up to 1,500 pre-start / start-up / early-stage firms will be supported through Workstream Two's various activities.
- 2.16 Workstream Three will be going out to tender in September 2021 for a programme of more intensive support, including access to finance, for a smaller number of new enterprises with significant growth potential. The environment and societal impact of the enterprises to be supported, will be just as important as their economic impact. 'Soft market testing' with a range of key stakeholders in the access to finance marketplace has taken place over the summer of 2021, and this will help to shape and inform the forthcoming invitation to tender documents.

#### Economic Recovery Plan

- 2.17 Long-term planning for the economic recovery of West Yorkshire has been overseen by the West Yorkshire Economic Recovery Board<sup>1</sup>, which is a working group of the Combined Authority and brings together the Mayor, five West Yorkshire Leaders and LEP Chair with partners from the private sector, health, trade unions, business representative organisations, public bodies and the third sector.
- 2.18 In June, the Economic Recovery Board agreed to refresh the Economic Recovery Plan and to provide an updated draft to the Combined Authority in September, to reflect the lifting of COVID-19 restrictions and building on the existing plan's themes of reimagining and resilience. The Board agreed that the West Yorkshire Mayoral Pledges should be put at the heart of the Plan.
- 2.19 The refreshed draft Plan is attached to this paper as Appendix 1. This refreshed version has as its vision to secure a fair, just and lasting recovery for West Yorkshire. It retains the two goals to secure inclusive growth for everyone and to tackle the climate and environmental emergency.
- 2.20 Key points to note in the refreshed version are:
- New action areas that will help deliver economic recovery linked to several of the Mayoral pledges, which are:
    - Creating 1,000 well-paid jobs for young people
    - Supporting local businesses
    - Prioritising skills and training for all
    - Delivering a creative new deal
    - Building thriving communities
    - Connecting people and places
    - Tackling the climate and environment emergency, and
    - Championing great places
  - A new central economic forecast that underpins the plan, outlining key areas of sensitivity to that forecast including on employment, sectoral performance, and further restrictions.
  - The inclusion of specific deliverables from the mayoral pledges across the recovery narrative with proposed outline approaches, where they can make a significant contribution to the plan's ambitions for West Yorkshire.
  - A focus particularly on the work that will be delivered regionally to implement the plan, including where funding has already been committed by the Combined Authority or partners, but with links to how the plan supports the delivery of local recovery plans and interventions in each of the West Yorkshire local authority areas.
  - A smaller, targeted focus on areas where public and private sector co-investment opportunities exist, particularly on infrastructure, but to have this clearly linked to support for quality local jobs and skills.
- 2.21 Further discussions and revisions will continue to the Plan over coming weeks as the impact of ending furlough becomes clearer, and will be linked to wider

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<sup>1</sup> Further details on the full membership and terms of reference: <https://www.westyorks-ca.gov.uk/erb>

development of the specific mayoral pledges contained in the Plan. The Economic Recovery Plan will also be supported by the Business Productivity and Resilience Plan (see agenda item 6), which positions boosting business productivity as a key pillar of delivering an inclusive recovery for the region.

### **3. Tackling the Climate Emergency Implications**

3.1 Tackling the Climate Emergency is identified as one of the overarching goals and golden threads of the Economic Recovery Plan. It also includes a dedicated chapter outlining the Combined Authority's efforts to reach net-zero carbon by 2038 and creating 1,000 green jobs for young people.

3.2 In developing and delivering the future interventions as a result of implementing the plan, schemes will be required to demonstrate how they specifically contribute positively to Tackling the Climate Emergency, whether that be through green skills and jobs, reducing emissions of buildings or contributing to wider climate resilience.

### **4. Inclusive Growth Implications**

4.1 Inclusive Growth is embedded as an overarching goal in the Economic Recovery Plan. The impact of the pandemic on inequalities make the ambitions for inclusive growth around wellbeing, good work and relevant and transferable skills critical to a fair, just and lasting recovery. The plan also includes specific deliverable activity that is shared with the West Yorkshire Inclusive Growth Framework, such as the Fair Work Charter.

4.2 The Economic Recovery Plan recognises that a lasting recovery needs to be felt across both towns and cities, and villages and rural areas. Each of the actions and co-investment propositions identified will need to be designed and delivered in a way that recognises that each and every place presents distinct opportunities in terms of jobs, businesses and infrastructure.

4.3 The plan also identifies the importance of Social Value to inclusive growth, and achieving this in delivery of the plan will include setting out how social value will be enhanced through contracts, including that any businesses that receive grants from the products delivered as part of the plan would be required to contribute to Inclusive Growth actions and outcomes via their funding agreements.

### **5. Equality and Diversity Implications**

5.1 The Economic Recovery Plan recognises the disproportionate impact of COVID-19 on certain groups within West Yorkshire, and in its vision for a fair and just recovery plans to make sure its interventions respond particularly to the needs of those most disadvantaged. By focussing particularly on the role of our response interventions, it is also important to recognise that many of the inequality challenges faced prior to the pandemic remain, and therefore should not be lost when responding to the additional effects of the pandemic.

5.2 Specific interventions delivered in connection to this plan will be expected to set targets about how equality and diversity will be achieved, for example in the entrepreneurship programme, employment hub and adult skills framework outlined in this paper, targets for BAME and female led businesses are being written into delivery criteria.

## **6. Financial Implications**

6.1 There are no financial implications directly arising from this report. However, co-investment opportunities with the public and private sector are outlined within the document, and delivery of the Economic Recovery Plan will require additional financial resources, subject to prioritisation of activities.

## **7. Legal Implications**

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

## **8. Staffing Implications**

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

## **9. External Consultees**

9.1 No specific or official external consultations have been undertaken in relation to this report. However, it has been informed by ongoing dialogue and consultation particularly with the West Yorkshire Economic Recovery Board but also with LEP Panels and a wide range of partners, including universities and colleges, business representative and membership bodies, and direct with some individual businesses.

## **10. Recommendations**

10.1 That the Combined Authority:

- Notes the update on COVID-19 support in West Yorkshire
- Comments on the refreshed draft of the West Yorkshire Economic Recovery Plan and commits to review further at future meetings as the economy develops.

## **11. Background Documents**

11.1 None

## **12. Appendices**

Appendix 1 – Draft West Yorkshire Economic Recovery Plan

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# West Yorkshire Economic Recovery Plan

23 September 2021

Final Draft for Circulation to the West Yorkshire Combined Authority

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## Mayoral Foreword

As we emerge from the unprecedented events of the COVID-19 pandemic, **our plan is to secure a fair, just, and lasting recovery for the people of West Yorkshire.**

I was elected as the first ever Mayor of West Yorkshire in May 2021, more than a year into **a pandemic that has put West Yorkshire through some of its most challenging times in living memory.** Visiting people and places across our region, I have seen up close the impact this has had on our economy and social fabric, widening inequalities of health and wealth.

26 Our region faced restrictions on the economy for significantly longer than in other parts of the UK and has been disproportionately affected. We have seen more than £900m of grant funding administered by the five West Yorkshire local authorities delivering a lifeline for many businesses during this time. More than 300,000 residents were furloughed at the scheme's peak – mostly affecting workers in accommodation, hospitality, and creative industries. Our learning environments, from early years to universities, were severely disrupted and moved swiftly to online spaces, meaning many families needed support to access broadband and devices. And sadly, too many of our citizens have lost their jobs, struggling to pay rents and forced to close their business. Our fair and just recovery must respond to these issues.

People in West Yorkshire have met the challenges with determination, resilience and togetherness. The pandemic has also unlocked new possibilities – people have learnt new skills by

adapting to a growing digital world and many of our businesses adapted by moving online overnight. Other businesses responded innovatively, by adapting to manufacture ventilators or to create film and TV content in their local spaces. We've become a more physically active region and more people are choosing to commute by bike or foot instead of using car. And however challenging, many of us have spent more time than ever at home with our families, building a better work and life balance. Our lasting recovery must build on this.

### Our Economic Recovery Plan

Over the last twelve months our West Yorkshire Economic Recovery Board, consisting of regional leaders from local authorities, the Local Enterprise Partnership, health, businesses, trade unions, third sector bodies, academic institutions, and membership bodies, has worked together to develop Economic Recovery Plans to immediately respond to the economic impact of COVID-19 on West Yorkshire. Now that we are emerging from the pandemic, the time is right to refocus our efforts from rescuing our economy to reimagining it, building resilience, and recognising both the challenges and opportunities we face in doing so.

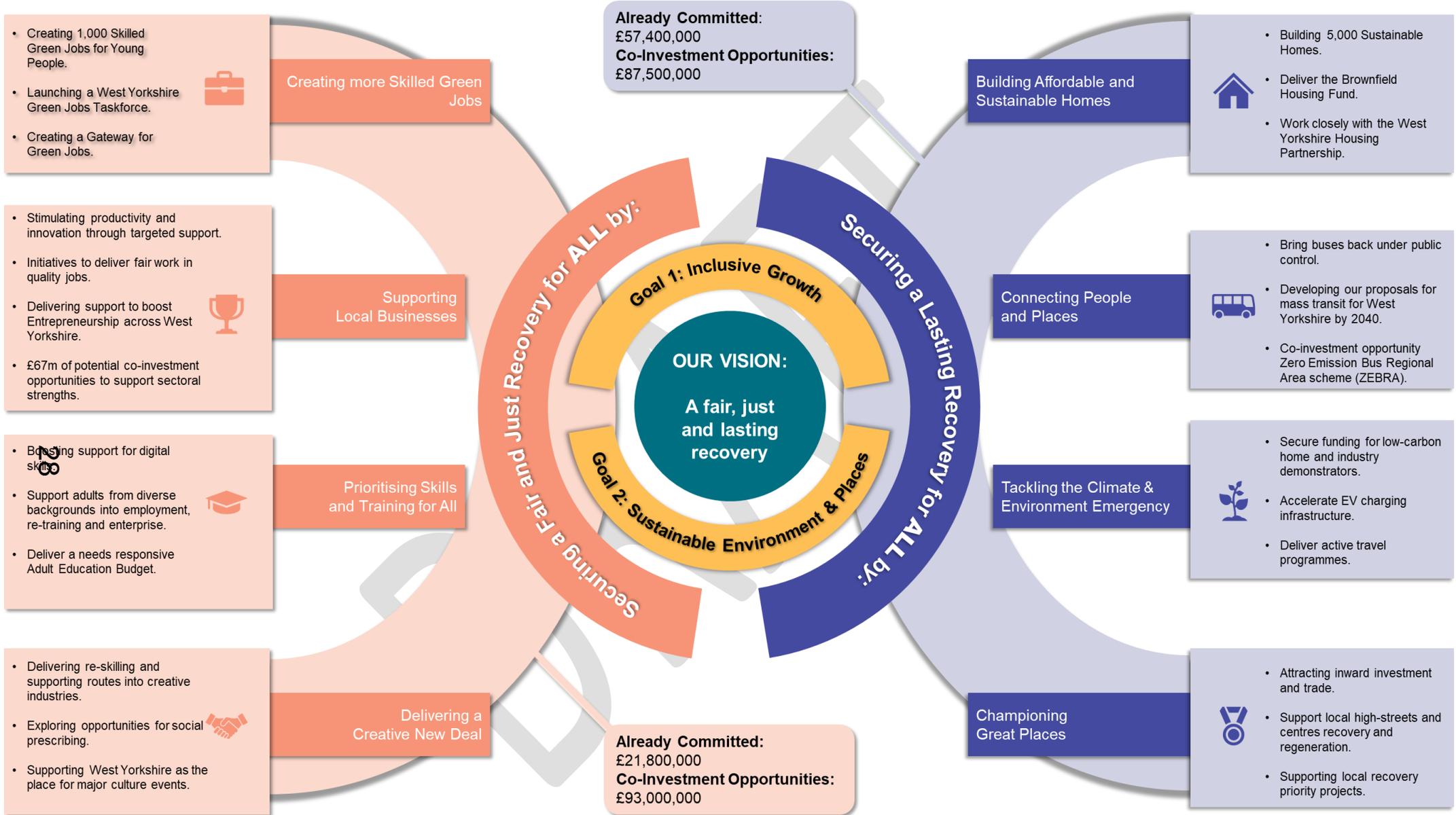
This refreshed, locally led, and locally resourced Economic Recovery Plan has our citizens at the centre of it – utilising our new devolved powers and access to funding secured in our landmark £1.8 billion Devolution Deal. It sits alongside locally led plans across each of the five West Yorkshire local authorities, adding value where collectively we can work best. It has two main areas

of focus: to deliver inclusive growth for everyone across our region and ensuring that our plans tackle the climate and environment emergency.

These golden threads will drive every action of this plan – from creating 1,000 skilled green jobs, providing affordable and sustainable housing, prioritising skills and training for all, connecting people through public transport, to delivering a creative New Deal for our fantastic creative industries. These action pledges, coming from my Mayoral manifesto and embedded within our refreshed Economic Recovery Plan, will help deliver new jobs, new infrastructure needs, meet the demand for skills, and make our region one of the most resilient and thriving places in the UK.

I am fully committed to delivering the actions contained within this plan over the next three years as the Mayor of West Yorkshire. However, to deliver the change we seek, we need to do it collaboratively with our local authorities, partners and with businesses. Genuine Government commitment to levelling up and co-investing in our region, would help us go even further. As we turn the words of fair, just, and lasting in this document into action, we will make big and bold steps in building a more resilient West Yorkshire. A region that is global in ambition, a leader in tackling climate change, committed to tackling inequality and ensuring inclusion, and driven to take on the opportunities that help us build a great place for our people to live, work and learn.





## Introduction – A Vision for a Fair, Just and Lasting Recovery

**This is an Economic Recovery Plan for West Yorkshire.** Our Plan aims to secure a fair, just, and lasting recovery for everyone across our region, ensuring that all can benefit from our recovery from the coronavirus pandemic. This Plan builds on previous iterations of the Economic Recovery Plan by moving us from rescuing our economy, to re-imagining and building resilience.

29 Many of the actions contained within this plan will be delivered by West Yorkshire Combined Authority and Leeds City Region Enterprise Partnership, utilising our own resources. However, successful delivery of this plan rests on partnership and collaboration with partners across the public and private sector, particularly the five West Yorkshire districts, each of whom have their own local recovery plans. The plan also includes opportunities for co-investment that can help the region realise its potential and grow its contribution to the UK economy.

The COVID-19 pandemic is a global public health emergency that has touched every part of the world. Here in West Yorkshire, we felt the full weight of the impact on our health services, businesses, local institutions, and our residents, with some areas in our region facing longer restrictions than most other places in the UK. At the peak, over 300,000 workers across our region were on furlough, with the accommodation and food sector taking the biggest hit, and when the end of temporary measures to reduce insolvencies ended in September 2020, over 1,000 businesses went into liquidation. Unemployment claimant counts have gone up by 84%, affecting especially young people but also those over 50. Apprenticeship starts also dropped by 22% for the start of the 2020

academic year, meaning many of our residents have not secured earn and learn opportunities.

As we emerge from the pandemic, we face a growing series of risks and challenges, as well as new opportunities. The furlough scheme will come to an end in September, meaning that some of our residents could face the possibility of losing their jobs and having to find new ones, whilst vacancies rise in some sectors. The Universal Credit uplift will end at the same time, adding extra strain to those already unemployed. In addition, our businesses and local institutions will face challenges having to adhere to continued international restrictions on trade and movement as other regions across the globe continue to tackle the pandemic, whilst looking to exploit new market opportunities that continue to emerge. We also have the growing importance of leading the way and making progress with our plans to address the climate and environmental emergency by 2038 - with the International Panel on Climate Change recent report giving a stark warning about the implications and reality of a changing climate.

To tackle these risks and challenges, and maximise the opportunities, this Plan will build on our work so far in response to the pandemic and support our efforts to build a resilient region. To tackle the immediate consequences of over a year of restrictions, our local authorities and the LEP, with support from Government, helped already to distribute over £1 billion of support to our businesses.

It will also build on the strong partnership between local and regional recovery plans, recognising that each place will have its own challenges and opportunities. In developing the interventions of this plan we will draw from best practice at the local level, and make sure there is alignment and complementary with local delivery and district work with their anchor institutions.

## LOCAL RECOVERY PLANS

[Bradford District's Economic Recovery Plan](#)

[Inclusive Recovery Plan for Calderdale](#)

[Kirklees Council - Our Council Plan](#)

[Leeds City Council Economic Recovery Framework](#)

[Wakefield Business Support and Inward Investment Strategy](#)

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**Our Plan is about a fair and just recovery for all.** It will create jobs across our economy, prioritise the delivery of skills and training for all, champion and promote our local economy as the best place to do and start a business, and will deliver a Creative New Deal – providing new opportunities for hundreds of creative sector businesses to realise their potential. These actions will support our efforts to accelerate inclusive growth across our region: boosting productivity, increasing innovation adoption and diffusion, and building a skilled and healthy workforce.

**Our Plan is about a lasting recovery for all.** Through the actions in this plan, we will work to build a resilient West Yorkshire by taking steps to tackle our climate emergency, making it easier and

cheaper to travel across our region, working in partnership to build 5,000 sustainable homes, and championing our great places.

We are retaining the **two golden threads** of inclusive growth and tackling the climate emergency from our previous versions of this plan because they are important to everything we do and will support our efforts to build a resilient region.

**Inclusive Growth**, because we want to take everyone across our region on this journey to a fair, just and lasting recovery. The last 18 months have affected us all – but the impact has not been equal and in some cases has exacerbated existing inequalities. This means supporting our young people, and those under 30, who have fallen into unemployment or entered low-paid and low-skilled jobs. It also means addressing challenges faced by individuals with protected characteristics (including BAME groups) in securing good work and making sure our support is accessible to them. And it means responding to the productivity challenges in businesses in sectors like hospitality, creative industries and accommodation that have faced greater restrictions than other sectors.

**Tackling the Climate Emergency**, because we need to drive forward our ambitions to be a net-zero region by 2038 with thriving nature, people and places that are climate ready. This means doubling down on efforts to decarbonise the way we travel, the buildings we work, live, and socialise in, deliver nature recovery that is rich, diverse and improved, and adjust to new behavioural norms needed to support the transition to net-zero. While the transition will be a significant and positive change to the way we live now, it will also drive new cutting-edge innovation, create high-

skilled, quality green jobs, and sustain the planet for future generations.

This Economic Recovery Plan is not about returning to our pre-pandemic way of life; it is a moving plan that marks the start of

shaping a resilient region that can navigate the social, economic and environmental challenges this decade brings and maximise the value we create. By fulfilling the actions within this plan, we will make great progress in building a better and more resilient West Yorkshire.

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# The West Yorkshire Economy & Impact of COVID-19



32 An **internationally significant economy** with output of £55.4 billion – bigger than 9 EU countries - 2.3 million people, 90,000 businesses and a workforce of 1.1 million alongside 7 universities, 91,000 students and 30,000 graduates. But West Yorkshire has been **underinvested in as a region**, meaning recovery begins from a more challenging position than other parts of the UK.

A **mix of distinct places**, with cities, towns, and significant rural areas. These places are essential to the region’s cultural and tourism offer, attracting millions of visitors each year. The core city of Leeds is the largest economic centre, contributing 43.8% of West Yorkshire’s GVA.

A **highly diverse population**, with 18% of people coming from BAME backgrounds (14.5% nationally). One in nine (11%) business owners/directors is from a minority background in West Yorkshire.

This reflects the area’s diversity but also emphasises that people from BAME backgrounds are under-represented in senior positions.

Local sector employment growth, 2015 - 19



Source: BRES 2019, Office for National Statistics 2020.

One of the **most diverse economies in the UK**, making it more resilient to sector-specific shocks but incorporating some key national **economic strengths**:

- UK’s largest regional finance centre, with strengths in professional and digital services

- More manufacturing jobs than anywhere in the north (with specialisms in textiles, furniture, chemicals, and machinery)
- The fastest growing digital sector in the country, with areas of professional services seeing strong growth along with retail, hospitality and transport.

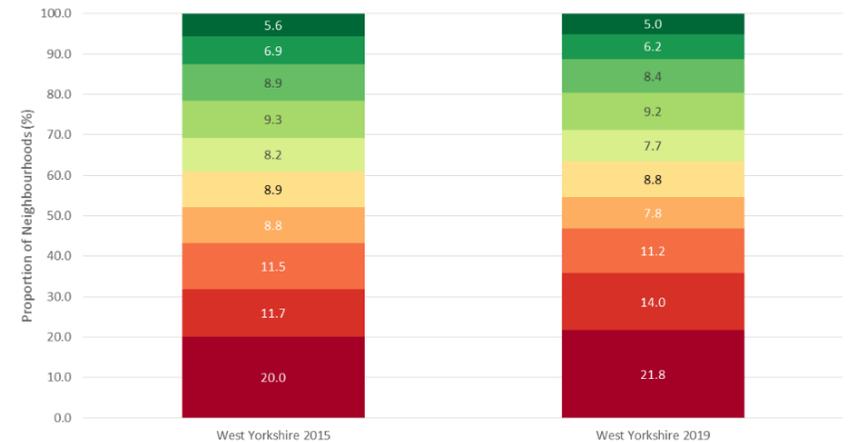
- **Jobs and wages** - Higher level occupations have been the main source of job growth in recent years, but 21% of jobs pay less than the Living Wage Foundation's Living Wage rate and 29% of employees are not in good quality work.
- **Deprivation** - More than 1 in 5 people (517,000 people) live in areas defined as being amongst the most deprived 10% in England. Relative levels of deprivation in West Yorkshire have got worse between 2015 & 2019.

**Employment by sector (WY, 2019 BRES)**

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Proportion of Neighbourhoods in each Deprivation Decile - West Yorkshire



While the region's economy is resilient through its diversity, it also has **challenges**:

- Although increasing in absolute terms, productivity is persistently below national levels at around 86% of the UK average, with implications for earnings and prosperity.

## Impact of COVID-19

As the pandemic has progressed the impact on the economy over the course of 2020 and 2021 has become clearer. Whilst it will be some time before official data is available to provide an assessment of impact on the measures taken across the course of 2020, data is available to provide insight on how the pandemic has affected the economy, labour market and household finances.

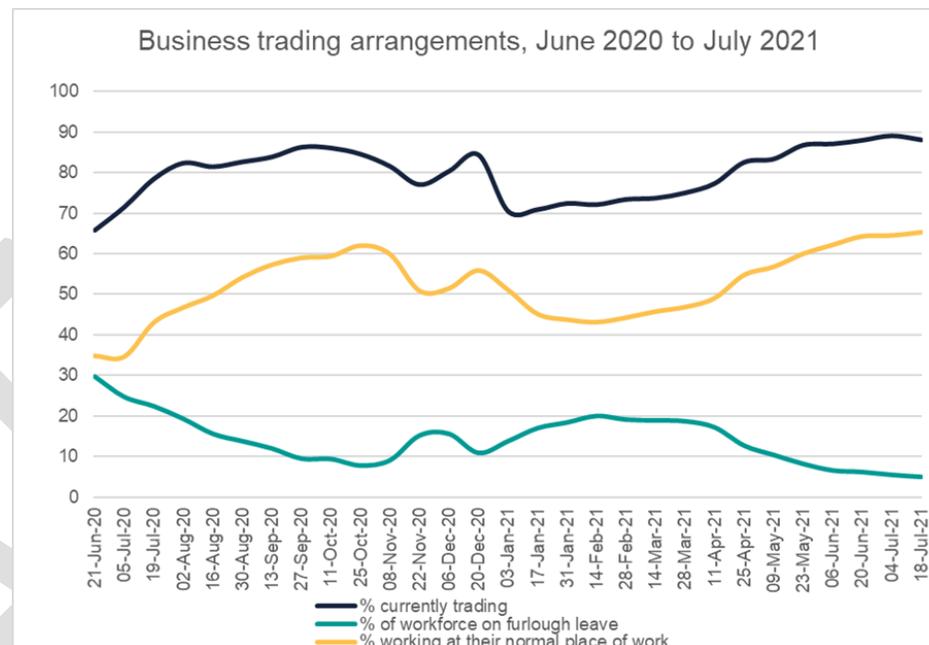
### Economy and Business

Data from ONS suggests the UK economy contracted by 9.9% over the course of 2020. The majority of this fall came in the early months of the pandemic, followed by a recovery over summer and early autumn before a decline through subsequent lockdowns. The level of support available to businesses, and the time period for which this has been sustained, is longer than the scenarios initially anticipated.

34 Growth has again recovered since lockdown began to ease in spring 2021, with GDP increasing by 4.8% in Q2 2021. Despite this, output in Q2 2021 remained 4.4% lower than prior to the pandemic in Q4 2019, though many analysts expect output to reach pre-pandemic levels towards the end of 2021.

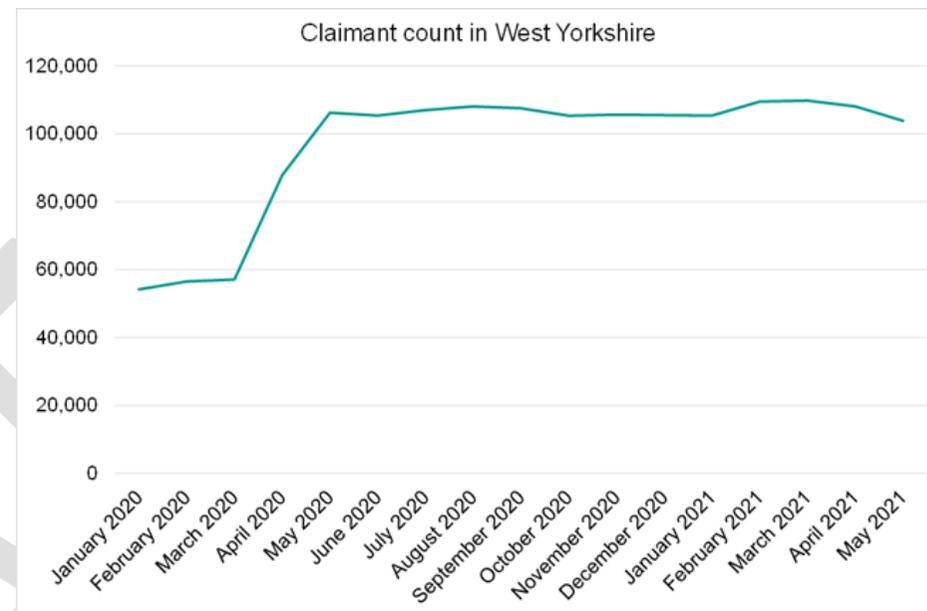
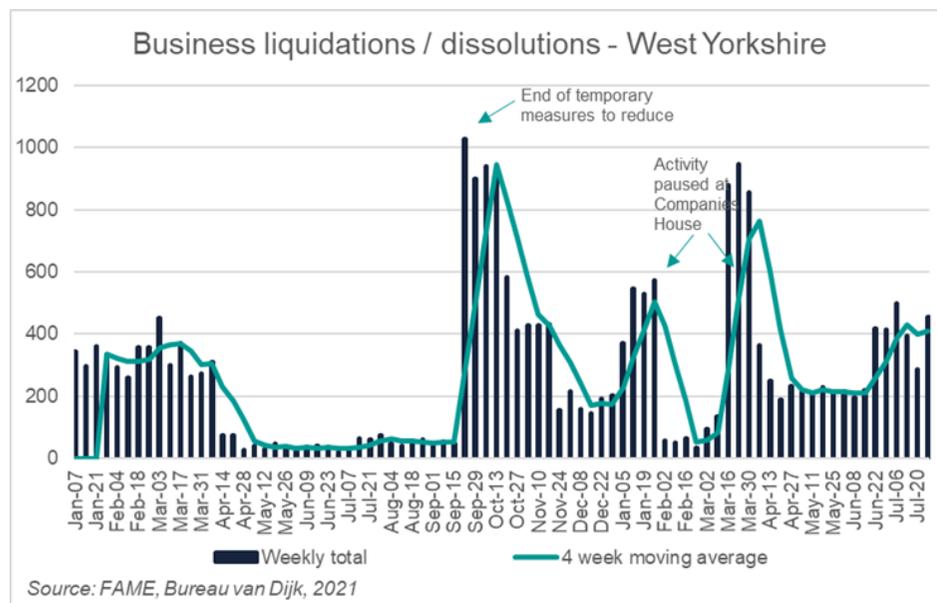
Business trading statuses since June 2020 also reflect how both business trading and the location of activity have changed since the initial pandemic lockdown restrictions have lifted. Whilst 89% of businesses are reporting as trading in July 2021, there still remains a significant level of non-trading in the economy, with furlough still being utilised for some staff.

There is some evidence that the levels of public intervention has helped to mitigate business failures. Data from Bureau van Dijk's Fame business database shows 12,800 businesses were dissolved



or liquidated in West Yorkshire in 2020. This is actually lower than the 15,300 seen in 2019, but this also partly reflects the moratorium on liquidations in place over the summer, as well as potentially the impact of support measures in place.

However, business failures in early 2021 did increase, with failures in January and March particularly pronounced. A third of West Yorkshire businesses said they had less than three months cash in reserve in January, a figure that had been fairly consistent since November, but which still suggests significant challenges. Meanwhile separate data from the Office for National Statistics on business births and deaths, which is more limited in that it focuses more narrowly on businesses registered for VAT or PAYE, and has different conditions for removing businesses from the register (such



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as for reasons of inactivity), suggests business deaths were around 10% higher in Yorkshire & Humber and 13% higher nationally in 2020 when compared to 2019. This shows 24,670 business deaths in the Yorkshire & Humber region in 2020.

**Labour Market**

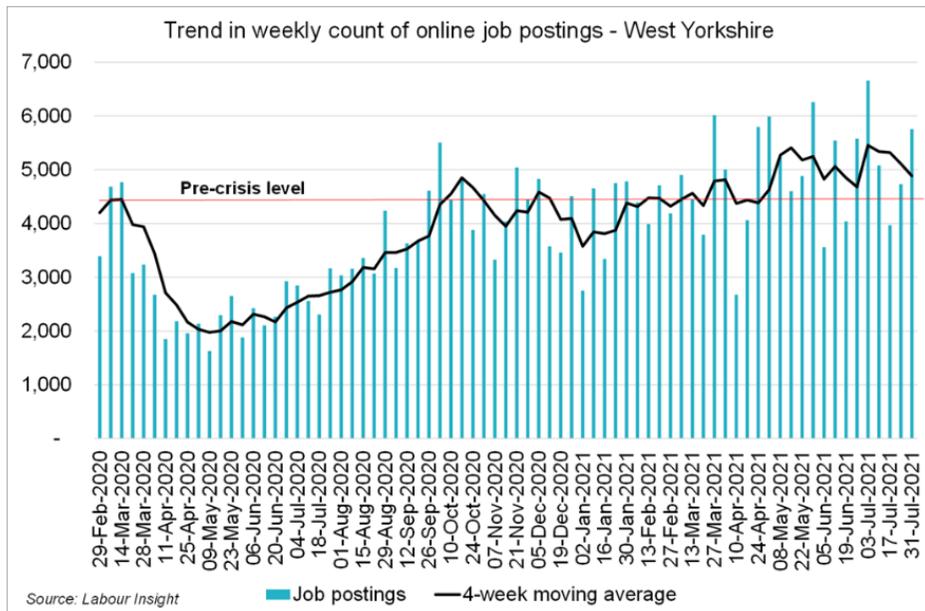
The unemployment rate has remained lower than many forecasters anticipated, reaching 5.2% nationally in December 2020 before beginning to fall gradually, reaching 4.8% in July 2021. However, the labour market impacts remain more significant for certain groups, with unemployment and economic inactivity disproportionately high amount 16–24-year-olds when compared to other groups. The proportion of people out of work for more than six months has also continued to increase in the first half of 2021, despite shorter-term unemployment falling.

The Coronavirus Job Retention Scheme is likely to have substantially reduced levels of unemployment, with around 31% of eligible roles being furloughed at some point in the pandemic in West Yorkshire, with 320,000 jobs furloughed up to August 2020. As of end of June 2021 the trend is now down to 6% of eligible roles (52,700), although there are still significant percentages within sectors such as Arts, Entertainment and Recreation and Transportation and Storage.

Although official unemployment figures are relatively low compared to historic economic crises, the current West Yorkshire claimant count is 103,845, still 84% higher (+47,370) than its pre-crisis level (in February 2020). Some people claiming such benefits are likely to be in work but experienced a reduction in income during the pandemic. According to ONS data, the region has recovered 56% of the net loss of jobs seen between Feb and Nov

2020, with a further increase in employee jobs of around 6,000 between April and May 2021.

Job vacancies posted online also fell sharply during the spring and summer of 2020 before recovering to now be above pre-crisis levels since April 2021. Whilst some sectors have seen a return to



strong pre-pandemic recruitment needs (such as in health and care and ICT), there has been a pronounced increase in demand in other sectors such as hospitality and leisure. This may reflect significant turnover of employees during the forced restrictions on these sectors and the demand for new staff during recent reopening. A trend that has also increased across sectors is the increased demand for digital skills, as evidenced by survey work by the Learning and Work Institute.

### Household Incomes

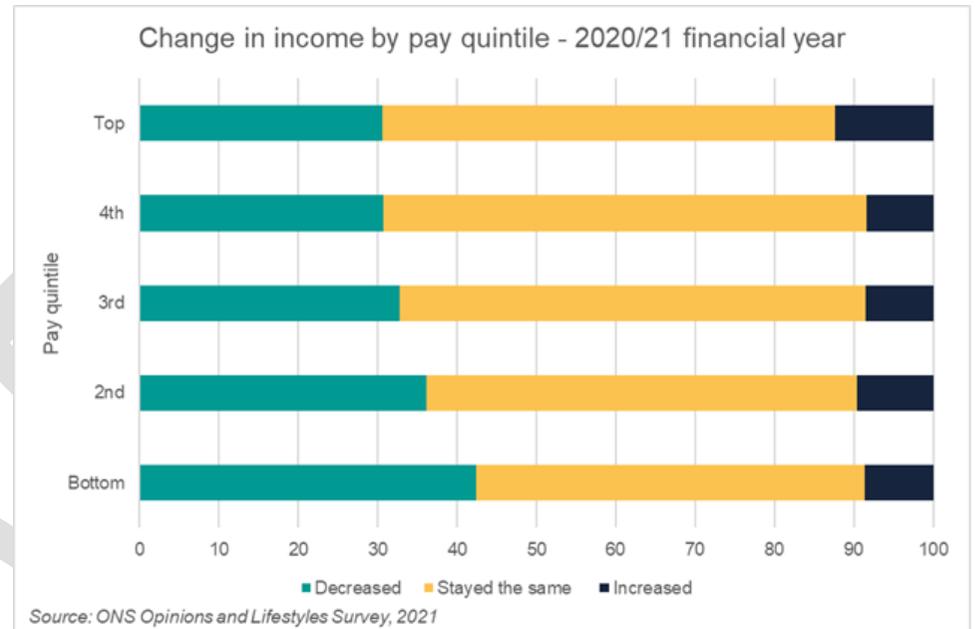
Data from the ONS Opinions and Lifestyle Survey suggests that the impact of the pandemic on household incomes has varied across different cohorts and demographics. 42% of those in the bottom quintile of the income distribution prior to the pandemic reported reduced income between April 2020 and April 2021, compared to just over 30% in the two highest earning quintiles.

The most recent analysis from ONS suggests that the groups that were financially impacted at the start of the pandemic were still worse off up to mid-April 2021. This includes the self-employed being three times as likely to report reduced income and twice as likely to use savings to cover living costs compared with employees.

Those in the lowest income bracket (up to £10,000 per annum) were also still three times more likely to report reduced income in mid-April 2021 than those in the highest income group (£40,000+) – 4.5% compared to 13.4%. As such, those in lower income groups were also more likely to report negative impacts to personal well-being in

comparison with higher brackets, such as the coronavirus pandemic making their mental health worse and feeling stressed or anxious. However, there has been a gradual reduction in those experiencing negative financial impacts in recent months.

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## Economic Recovery Forecast

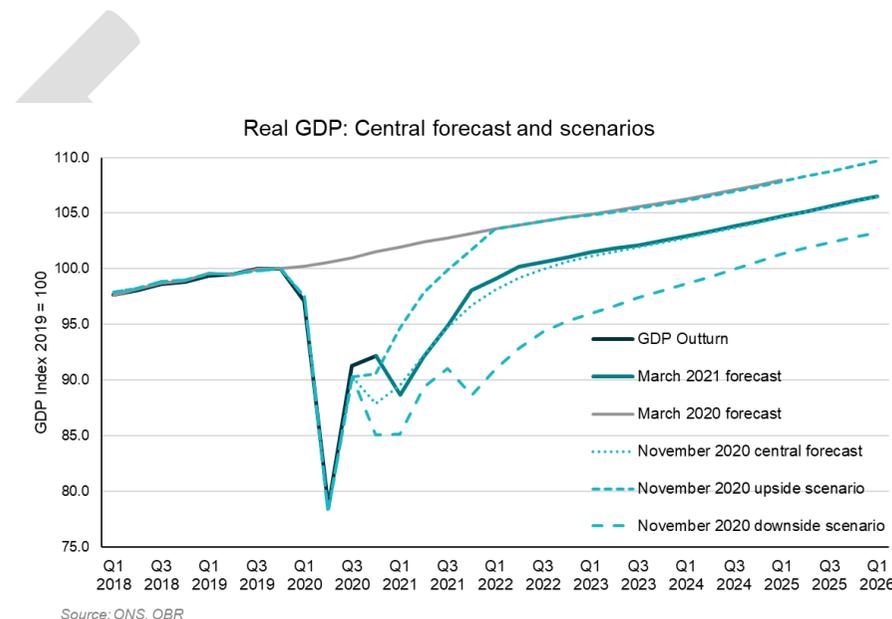
At the outset of the pandemic, the West Yorkshire Combined Authority commissioned scenarios to predict the potential direction of the region’s economy as a result of COVID-19. **It was expected that the contraction in the West Yorkshire economy across the 3 scenarios would be significant**, with total GVA in 2020 contracting by between 10% (£5.3bn) in scenario 1 and 22% (£12.1bn) in scenario 3, with potentially between **30,000 and 58,000 jobs lost in 2020**, and with the length of time for recovery varying from a year to six years to pre-pandemic levels.

Our forecasting for this updated Recovery Plan is based on publications from the National Institute of Economic and Social Research (NIESR) and the Office for Budget Responsibility (OBR).

38 The exact numbers predicted in each forecast vary, the medium and long term predicted pathways specifically for national GDP and unemployment are very similar between the two forecasts. The difference between the two forecasts might be accounted by different methodologies and the time gap between publication.

### National Recovery

Nationally, our economy was hit particularly hard with our GDP falling by 9.9% in 2020. This was the largest decline of any G7 country. For 2021, the UK economy is expected to grow with the NIESR expecting growth of 6.8% and the OBR 4% respectively. NIESR forecasts that by late 2021, or early 2022 the economic will return to level of overall activity recorded at end of 2019. While the OBR forecast suggests that it will take until Q2 2022. The graph below outlines the scenarios for GDP growth until 2026:

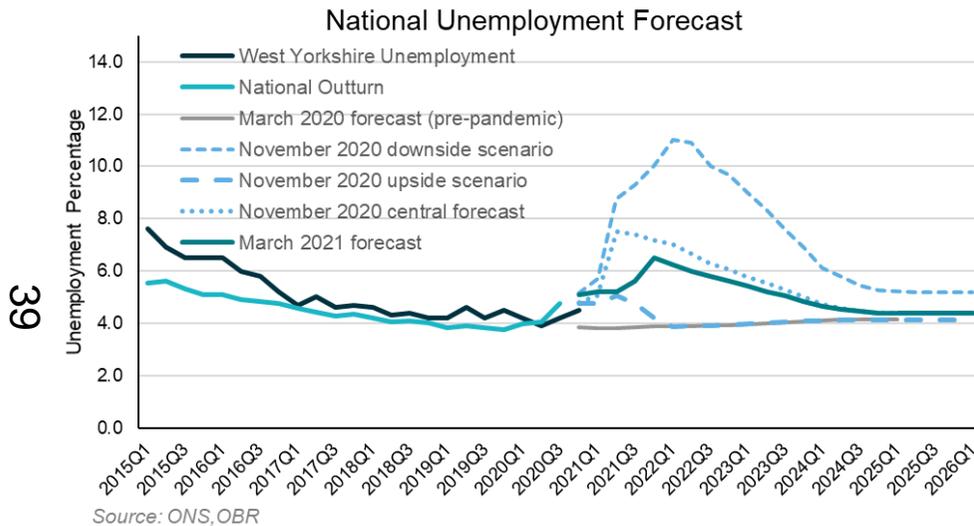


Forecasting is expected to vary considerably between sectors of the economy. While the construction sector is anticipated to grow by 14%, private non-traded services such as hospitality, retail, arts and recreation (which fell by 15% in 2020) are expected to grow by 9% between 2021 and 2022. The manufacturing sector, which witnessed a 10% fall in 2020, is estimated to grow by 6%.

Unemployment levels have remained considerably lower than those predicted last year. Newer forecasts are predicting more optimistic unemployment trends. The NIESR expects the unemployment to peak at 5.4% in Q4 of 2021, and the OBR expected a peak of 6.1% in the same quarter. Supply side constraints are hindering recovery pathways. Supply chain bottlenecks, relating to imports from the

European Union and a shortage of labour are exacerbated by compulsory Covid-related isolation and concentrated in sectors which previously relied on European workers and those in age-groups not yet fully vaccinated.

### Regional Forecasts



Economic growth across the devolved administrations and regions of England will vary widely. Some parts of the country are projected not to return to their pre-pandemic levels of economic output, as measured by Gross Value Added (GVA), even by the end of 2024, including the Northeast, Yorkshire & the Humber, Wales and Northern Ireland.

By the end of 2024 only the West Midlands and London are projected to have output levels some 4-5% higher than the pre-pandemic level at the end of 2019. Other parts of the UK are also thought to fall short

of their pre-pandemic levels, including English regions such as Yorkshire and the Humber, as well as the devolved nations of Wales and Northern Ireland – with the Northeast still about 3% below its pre-pandemic level.

By Q4 2024 Yorkshire and the Humber’s GVA will be 1.2% less than the GVA of Q4 2021. In comparison the whole of the UK is predicted to grow (by NIESR) by 2.1%. Most of this growth is driven by London and the West Midlands, which is predict a growth of 4.9% and 4.3% respectively.

### Public and Private Sector Borrowing

The deficit was lower in 2020-21 than previously expected, at 14.2% of GDP, compared to the 15.6% of GDP predicted by NIESR. In NIESR’s latest publication for public sector borrowing, forecasts have been revised down to £194 billion or 8.2% of GDP in 2021-22 - down from 9.6% predicted previously.

Public sector net debt stood at £2.2 trillion in May and is still increasing due to the relatively high level of borrowing. The debt stock has risen from around 80 per cent of GDP before the pandemic to close to 100%. NIESR expect the recovery in GDP and the reduction in public spending to slow this rise to 96.4% at the end of 2021-22 and 98.6% in 2022-23. Debt is forecast to decline as a share of GDP thereafter, partly thanks to the assumed end of the Term Funding Scheme.

Many firms are carrying increased debt, around a third of loans were issued to firms in retail and construction. These are among those to have already recovered relatively strongly. For many firms increased input costs in the medium-term future will include the servicing of

debt acquired over the past 18 months. Government-guaranteed loan schemes have been used by one in four businesses. Businesses in the sectors which were worst affected by Covid-19 – hospitality, arts were more likely to have used the CJRS.

### Factors Affecting Recovery

National, and thus regional recovery may be hindered by a number of issues that may emerge in the months ahead:

- Cannot rule out **the need for further restrictions** on social interactions. There is a need to move forward with caution and gradual manner with policy interventions. In current context the policy intervention will be in terms of easing of restrictions, while being cautious of public health implications.
- The **change in employment levels as furlough scheme winds down** remains highly uncertain. The scheme has helped to minimise job losses to date but there is a risk this could

change as the scheme winds down. As well the support for workers entering the labour market.

- The **birth and death rate of new firms**. So far there hasn't been mass firm closures, with a good rate of new start-ups. This is a good indication of future employment and productivity. However, these start-ups tend to be in sectors that can withstand social distancing measures. Meaning they may not provide wide ranging employment opportunities. And we will also need to track the impact of business debt, which has reached high levels during the pandemic and may impact long term viability.
- Lastly the UK remains **sensitive to world trade conditions** and the implications of moving to be an independent trading nation outside the European Union. While COVID-19 remains a global pandemic there will be a negative impact on tourism, international trade, and labour mobility, which may act to constrain UK activity.

# Inclusive Growth & Sustainable Environment

## Inclusive Growth – for a fair and just recovery that benefits all

The impact of COVID-19 has demonstrated starkly the range of inequalities and injustices that permeate our region, as well as nationally and globally. We are determined that the interventions contained in this Plan make a positive impact for everyone of every age in not just reducing, but eliminating, the unfairness individuals and communities in our region face in relation to the following Inclusive Growth goals:

- Wellbeing - including good physical and mental health.
- Connectivity and Accessibility – including to economic opportunities.
- Relevant and transferable skills - to enable social mobility; and
- Good work - which offers sustainable, high-quality employment

Our proposed measures of success will be critical in demonstrating what impact we have had. And the fulfilment of these goals is central to the achievement of our related Inclusive Growth ambitions, such that:

- Our Individuals and communities become Socially Mobile because they are inspired, confident, and engaged.
- Our Employers provide Good Work because they: value and benefit from diversity (at all levels); actively promote employee welfare; and invest in their workforce.

- The region delivers an Inclusive Economic Recovery, for both regional and national benefit because delivery of our Goals ensures that economic and social disparities are not just reduced but eliminated.



It is recognised that all sectors will play an important role in terms of delivering an inclusive economic recovery and ongoing resilience. For example, the crucial role played by the Voluntary, Community and Social Enterprise (VCSE) sector during the pandemic has been recognised in terms of connecting with the people and communities that have needed the most assistance. It is therefore proposed that

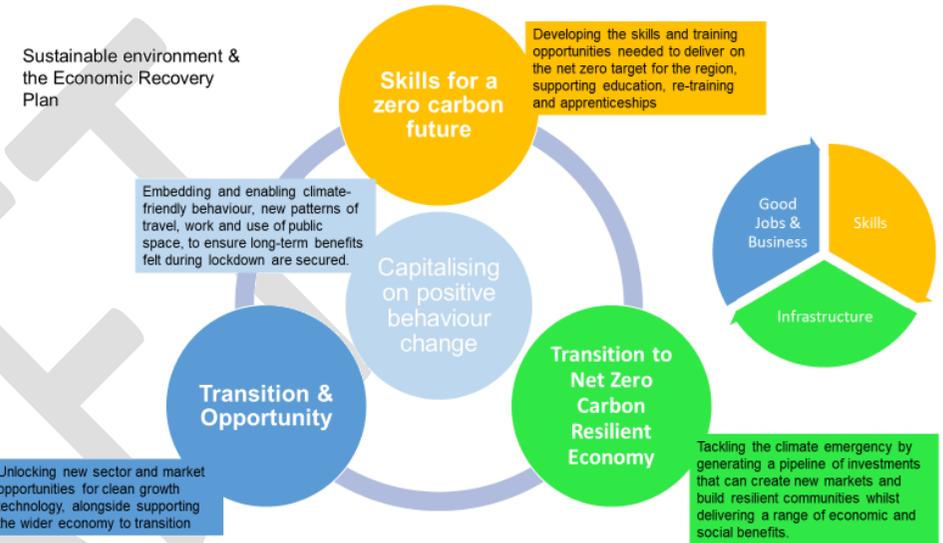
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the role of the third sector should be further enabled<sup>1</sup>, to ensure (including by working with the private and public sector) that our most excluded individuals and communities benefit fully from recovery. This model is within proposed activities across our interventions, including in employment and apprenticeship brokerage, in delivering entrepreneurship, and through intervention directly linked to our inclusive growth framework such as the fair work charter. We will also work across all activities to deliver social value for all of our communities, supported by frameworks for procurement and conditions on grant funding.

Culture and sports will also play a vital role to play in delivering an inclusive economic recovery. As recognised in our regional cultural framework, experiencing arts and culture and actively taking part can transform the quality of life for individuals and communities. Cultural and sports-based organisations can assist in delivering inclusive growth through their ability to reach and benefit disadvantaged areas and to bring communities together. Community-led cultural and sports-based activity promotes a sense of belonging and social cohesion, which helps to inspire people and build a collective sense of identity and endeavour.

### Sustainable Environment and Places – for a recovery that lasts

Even before COVID-19, we were facing a climate and environment emergency. Whilst lockdowns have temporarily made a positive contribution to reduced emissions, long term the impacts of Covid-



19 may adversely affect achieving our net zero carbon target by 2038 with carbon emissions (and wider emissions) not declining at a pace and scale to meet our target. Therefore, it is essential that all elements of our recovery plan make positive long-term contributions to tackling the climate emergency and wider environmental sustainability.

The transition will unlock significant economic benefits, new jobs, new training and upskilling opportunities and a range of new business opportunities. It will also reduce harmful emissions, help nature to recover and improve our region’s longer-term climate resilience. Up to 70,000 new jobs in West Yorkshire could be created through climate investments by 2050 (LGA 2020).

<sup>1</sup> Supporting the approach described by Andy Haldane in [The Third Sector and the Fourth Industrial Revolution](#)

Our Planned Measures

- Create new business, jobs and training opportunities through accelerating a range of energy and transport capital projects
- Development of a net zero, nature and climate ready projects pipeline and finance and funding proposition including energy, transport, flooding and nature recovery projects.
- This pipeline will support 1) new green skills programmes led by a new Green Skills Taskforce 2) business support programmes

- Setting up a Better Homes Yorkshire Hub for to support whole house retrofits with data, information, advice, assessments, and promotion

These planned actions are part of the Mayor’s Climate and Environment Action Plan for tackling the climate and environment emergency and putting the region on a transition pathway to net zero by 2038 and are critical to our recovery plan’s delivery.

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## A Fair & Just Recovery

Our plan for economic recovery in West Yorkshire begins from the determination to deliver meaningful interventions at a West Yorkshire level from within our own collective resources, to support our own communities. It is based on understanding of our people, businesses and places, the impacts that COVID-19 have had on them, and on the opportunities that there are for their success into the future.

Good jobs in resilient local businesses, and improved skills and training opportunities will be the foundation for a fairer and more just economic recovery. It will also be the gateway to tackling our long-term productivity puzzle - closing the £8.5bn gap in productivity that has resulted predominantly from the slower recovery of the region from the recession of 2008. Then, our recovery was dominated by an increase in low paid, insecure employment growth, rising inequality and a tightening of investments. In the interventions that follow in this section, we demonstrate how we intend to make a different, more ambitious fair and just route out of the pandemic for West Yorkshire, boosting productivity and living standards. We have grouped these into four subsections, each of which are headed by one of our West Yorkshire Mayoral pledges:

44				
	<b>Create</b> 1,000 well paid jobs for young people	<b>Support</b> and champion local businesses	<b>Prioritise</b> skills and training for all	<b>Deliver</b> a Creative New Deal
	<b>By:</b>			
<ul style="list-style-type: none"> <li>• Creating a Jobs Taskforce</li> <li>• Identifying new opportunity for employment and skills</li> <li>• Mapping Green Job opportunities</li> <li>• Creating a gateway for green jobs</li> </ul>	<ul style="list-style-type: none"> <li>• Launch our Entrepreneurship Programme</li> <li>• Establishing a Manufacturing Task Force</li> <li>• Delivering a Fair Work Charter</li> <li>• Establish a Mayoral Challenge Competition</li> <li>• Develop Innovation Corridors</li> <li>• Support cooperatives, social enterprises, and other worker-owned businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Creating a West Yorkshire Digital Skills Partnership</li> <li>• Develop a Digital Academy</li> <li>• Deliver the Adult Education Budget</li> <li>• Support adults from diverse background into employment, re-training and starting a business</li> </ul>	<ul style="list-style-type: none"> <li>• Reskilling for creative and cultural sector</li> <li>• Develop plans for a Town of Culture Award</li> <li>• Supporting recovery of the night-time economy of West Yorkshire.</li> <li>• Exploring the opportunities for culture led social prescribing</li> </ul>	

## Creating 1,000 Skilled, Well-Paid, Green Jobs for Young People

### Key Headlines

- Young People are disproportionately affected by the pandemic and youth unemployment (16-24) is twice the overall average.
- A climate emergency has been declared and we have committed to be carbon neutral by 2038.
- There is a need to cohere action at the West Yorkshire level.

Young people are among our greatest assets in West Yorkshire. We have over 30,000 graduates, 91,000 students, and a strong base of level 2 and level 3 skills across the region which are a key requirement for inward investors. Despite this, our young people have been disproportionately affected by the COVID-19 pandemic – with many losing out on employment or apprenticeship opportunities.

To create a fair and just transition we need to provide opportunities that will inspire and capture the imaginations of our young people to avoid the unjust economic scarring that this group have experienced in previous economically turbulent times. We need to pivot our efforts towards young people who are more likely to be working in sectors that have shut down or been affected by the pandemic. These sectors are traditionally characterised by low pay and fewer opportunities for in-work progression although they can provide good opportunities for young people to gain valuable work experience and skills. We have seen that disadvantaged young people, in particular, are likely to be NEET (not in education, employment, or training) than their peers. NEET outcomes for those in ethnic minorities are even worse still.

The Combined Authority has already taken swift action during the early stages of the pandemic to support this cohort by adapting Employment Hub offer and ensuring an integrated local youth offer through working with DWP local, and local partners to ensure seamless transitions for young people to access support through the expanded Youth Offer, Kickstart, Youth Hubs, and Restart.

The future demand for skilled and quality [‘green jobs’](#) across all sectors as industry and business moves towards ‘greening the economy’ are huge in West Yorkshire, with a wide range of estimates forecasting the actual numbers and timescales of delivery. To create well paid, skilled work there is an opportunity to address the skills needs now so that young people have the pathways to securing these skilled jobs in the future.

To achieve this, we need a clear national strategy that outlines priorities for investment that will create the green jobs of the future. Regionally, we need to coordinate and cohere action between employers, education, training providers, unions, community organisations and the public sector to set out a roadmap to deliver the skills and jobs needed to meet our ambitious net zero climate challenge by 2038 for people of all ages, including supporting those in currently high carbon industries through a just transition. The Combined Authority has committed an initial £0.5m to develop a Green Jobs Taskforce that will oversee this roadmap.

**CREATING 1,000 SKILLED, WELL-PAID, GREEN JOBS FOR YOUNG PEOPLE**

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WE ARE:	WE ARE DOING THIS BECAUSE:	WE WILL ACHIEVE THIS BY:
<ul style="list-style-type: none"> <li>• Creating a <b>West Yorkshire Jobs Taskforce</b>.</li> </ul>	<ul style="list-style-type: none"> <li>• We need to bring key stakeholders together to plan for the skills needed, and to identify the green jobs that are available as well as the pathways to them.</li> </ul>	<p>Creating a taskforce who will:</p> <ul style="list-style-type: none"> <li>• Review the current landscape for green jobs through commissioned research, including those that support ‘greening of the economy’, for current and future demand.</li> <li>• Define and articulate the risks and opportunities to a range of stakeholders.</li> <li>• Coordinate change and action amongst stakeholders to raise awareness and influence demand for green skills and jobs.</li> <li>• Create a development plan containing actions that are needed now for West Yorkshire to capitalise on the opportunities that ‘greening of the economy’ will bring for residents, organisations, and workforce.</li> <li>• Oversee the development of the Green Jobs Gateway and supporting activity to ensure a pipeline of talent into new jobs needed for greening of the economy and in the sector.</li> <li>• Ensure that all of West Yorkshire’s organisations, residents and workforce have the skills necessary to make West Yorkshire a net zero carbon economy by 2038.</li> </ul>
<ul style="list-style-type: none"> <li>• Adapting existing and identifying new opportunities for employment and skills programmes.</li> </ul>	<ul style="list-style-type: none"> <li>• Individuals need employment and careers support to gain the right skills to secure employment.</li> <li>• Business needs support to find the people with the right skills to fill vacancies.</li> </ul>	<ul style="list-style-type: none"> <li>• Utilising the gainshare investments in skills economic recovery products to support individuals to access training, re-training and employment, including Employment Hub 2 and Adult Skills Funding.</li> </ul>

**CREATING 1,000 SKILLED, WELL-PAID, GREEN JOBS FOR YOUNG PEOPLE**

WE ARE:	WE ARE DOING THIS BECAUSE:	WE WILL ACHIEVE THIS BY:
		<ul style="list-style-type: none"> <li>Supporting individuals to fulfil their personal ambitions through the careers information and inspirations materials offered through FutureGoals resources.</li> <li>Maximising the opportunities for Apprenticeship Levy to be spent in our Region in areas of skills priorities.</li> <li>Encouraging use of the Fair Work Charter to recognise good business behaviour.</li> <li>Gainshare funded activities including adult skills/bootcamp and delivery to support progression towards good green jobs.</li> <li>Implementing the actions in the Employment and Skills Framework.</li> </ul>
<ul style="list-style-type: none"> <li><b>Mapping existing Green Job Opportunities</b> and identifying skills gaps in our Region.</li> </ul>	<ul style="list-style-type: none"> <li>There are a range of forecasts for the actual numbers of ‘green jobs’ available in our region, most of these focus at a point in the future rather than the here and now.</li> </ul>	<ul style="list-style-type: none"> <li>Undertaking a desktop review of existing studies and commissioning research where there is a gap.</li> </ul>
<ul style="list-style-type: none"> <li>Creating a <b>Gateway for Green Jobs</b>.</li> </ul>	<ul style="list-style-type: none"> <li>To support young people with their careers through skills development and job matching.</li> <li>To support employers to get the skills they need.</li> </ul>	<ul style="list-style-type: none"> <li>Collaborating with key partners through the Green Jobs Taskforce.</li> </ul>

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## Supporting Local Businesses

### Key Headlines:

- The COVID-19 impacts on jobs and businesses in West Yorkshire have been severe, and could have a long-term impact on productivity and living standards
- In recovery we will support diverse new businesses to access the help they need to succeed through entrepreneurship support
- We will work with existing SME businesses to access the most relevant support to boost their productivity, increasing provision where we can add new value
- We will deliver innovation corridors that can drive our strengths in advanced manufacturing and health technology.

48 A fair and just recovery needs resilient and thriving businesses across all our local communities. The impact of the pandemic has been seen all parts of our regional economy suffering, but it has been particularly hard for those reliant on face-to-face contact (such as retail, hospitality, culture) and those connected to supply chains (across the region's specialisms in advanced manufacturing, engineering and food and drink). The start of our recovery will be built on what we are doing collectively in the region to help these businesses to get back trading, manage and reduce accumulated debt, and have access to restart funding.

However, to support businesses of all sectors and sizes to long term resilience and success we need to look to a long-term investment in productivity. That is why we have worked in West Yorkshire to develop a Business Productivity and Resilience Plan that looks at

what we can do to support businesses to boost innovation, grow high and diverse skills and entrepreneurialism, tackle the long tail of productivity, and take advantage of the untapped opportunities decarbonisation of our economy can offer. This will drive the kind of recovery that can deliver sustained improvements in living standards for people in West Yorkshire and create new quality jobs and social value, building on areas of strength like in health tech, manufacturing, creative industries and professional services.

During the pandemic the LEP and West Yorkshire local authorities have worked to support thousands of businesses face the immediate challenges caused by restrictions, closures and ill health of employees. Over £1bn of grants have been provided, peer to peer networks established, cyber security and resilience support delivered and business membership schemes funded to allow access to HR, finance, legal and wellbeing support. This was a crisis response, but we know that businesses used the opportunity to also innovate, invest in digital technology and plan for future resilience. As we come out of COVID-19 we want to support more businesses to do this.

To achieve this will require significant alignment of national intervention, leadership from the private sector, maximising opportunities for social value across the economy, and working closely across West Yorkshire with local authorities, trade unions and the LEP. The interventions outlined below are part of this wider collaboration and focus on where regional resources can add value beyond existing Growth Hub initiatives.

**SUPPORTING LOCAL BUSINESS**

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WE ARE:	WE ARE DOING THIS BECAUSE:	WE WILL ACHIEVE THIS BY:
<ul style="list-style-type: none"> <li>Enhancing our regional business support offer in recovery to streamline more help with a <b>“No Wrong Door”</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Feedback from business is that the landscape is fragmented.</li> <li>Some of the businesses most impacted by COVID-19 restrictions (retail, hospitality, leisure, and their suppliers), have been excluded from past support.</li> <li>The pandemic has brought more businesses into contact with public support.</li> </ul>	<ul style="list-style-type: none"> <li>Creating a single regional brand for business support that can also work across partners.</li> <li>Providing long term sustainable funding to ensure continued support to recovering businesses on business planning, investment readiness, investment in technology and equipment, skills and training, international trade, reducing emissions and waste and good work.</li> </ul>
<ul style="list-style-type: none"> <li>Continuing to support those sectors that are still re-opening.</li> </ul>	<ul style="list-style-type: none"> <li>Businesses with close personal contact have been closed or restricted for much of the pandemic – with events and entertainment the last areas to reopen.</li> </ul>	<ul style="list-style-type: none"> <li>Working collaboratively across West Yorkshire local authorities through Additional Restriction Grants.</li> <li>Utilising the investments in Employment Hubs to ensure vacancies for good jobs can be filled.</li> </ul>
<ul style="list-style-type: none"> <li><b>Developing a pipeline of new support</b> that will help businesses to increase productivity and resilience through a focus on key positive behaviours – leading to sustainable jobs.</li> </ul>	<ul style="list-style-type: none"> <li>Poor productivity out of the last recession hampered our recovery. Between 2007-12, productivity increased by 4% in West Yorkshire, compared to 9.1% nationally. The gap to the UK average is now worth £8.5bn.</li> <li>Respondents to our 2021 Business Survey identified improving productivity as their number one target for their business this year.</li> </ul>	<ul style="list-style-type: none"> <li>Publishing a Business Productivity and Resilience Plan.</li> <li>Delivering accessible support for SMEs on planning, investment readiness, innovation, energy efficiency, international trade, and workforce skills.</li> <li>Investing immediately from £500,000 of devolution funding to develop a pipeline of new support schemes.</li> </ul>
<ul style="list-style-type: none"> <li><b>Launching our Entrepreneurship programme</b> to help anyone ready to set up a business.</li> </ul>	<ul style="list-style-type: none"> <li>Entrepreneurialism can be a critical driver of economic growth out of difficult times and there is increased demand for support.</li> <li>Annually the region generates more than 10,000 start-ups.</li> </ul>	<ul style="list-style-type: none"> <li>Delivering three interconnected opportunities funded through £6m of devolution funding for:                             <ul style="list-style-type: none"> <li>Young people and working age individuals wanting to explore what starting a business might mean.</li> </ul> </li> </ul>

**SUPPORTING LOCAL BUSINESS**

**WE ARE:**

**WE ARE DOING THIS BECAUSE:**

**WE WILL ACHIEVE THIS BY:**

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	<ul style="list-style-type: none"> <li>We want an entrepreneurial culture that matches our diverse population – including increasing the numbers of female founder businesses and start-ups from BAME backgrounds.</li> </ul>	<ul style="list-style-type: none"> <li>Entrepreneurs of any kind and any business type to access advice and support in getting established.</li> <li>High-growth potential start-ups to receive the critical early support to realise their ambitions.</li> <li>Aligning work on empty premises to ensure entrepreneurs can lead recovery of town and city high streets, working with local leads and initiatives.</li> </ul>
<ul style="list-style-type: none"> <li><b>Establishing a Manufacturing Task Force</b> for our region to drive improvements to business productivity and innovation adoption and diffusion.</li> </ul>	<ul style="list-style-type: none"> <li>West Yorkshire employers more than 115,000 people in manufacturing, making it our third largest sector and the highest in the north.</li> <li>Some of our districts, such as Kirklees have strong concentrations of manufacturing jobs (16% of total employment compared to the 8% UK average).</li> <li>The sector has been impacted by both COVID-19 and Brexit – impacting supply chains, prices and the availability of skills.</li> </ul>	<ul style="list-style-type: none"> <li>Bringing together the manufacturing sector to discuss the key challenges and opportunities around productivity, skills, transition to net zero, digital adoption, post Brexit trading and innovation &amp; R&amp;D.</li> <li>Publish findings and recommendations of the Taskforce by <b>Summer 2022</b> and bring forward relevant investment proposals.</li> <li>Link into the wider Yorkshire and Humber Made Smarter pilot and shape its delivery in 2021-22</li> </ul>
<ul style="list-style-type: none"> <li><b>Delivering a Fair Work Charter</b>, championing the role of better pay and working conditions for both employers and workers.</li> </ul>	<ul style="list-style-type: none"> <li>Around two-thirds of resident employees are in quality work across our region, meaning more is still needed to stimulate good work.</li> <li>Good work is an important ingredient in the productivity performance of a business.</li> </ul>	<ul style="list-style-type: none"> <li>Learning from best practice in other regions in developing our Charter to be <b>launched by early 2022</b>.</li> <li>Helping businesses meet the standards required.</li> <li>Working with local authorities and anchor institutions to realise benefits across other initiatives.</li> </ul>
<ul style="list-style-type: none"> <li>Galvanising our <b>West Yorkshire Innovation</b></li> </ul>	<ul style="list-style-type: none"> <li>A better-connected ecosystem will provide better support to businesses and help to identify and fill gaps in provision.</li> </ul>	<ul style="list-style-type: none"> <li>Identifying opportunities to collaborate in delivering innovation support across the IF priorities.</li> </ul>

SUPPORTING LOCAL BUSINESS		
WE ARE:	WE ARE DOING THIS BECAUSE:	WE WILL ACHIEVE THIS BY:
<p><b>Network</b> to drive business improvement.</p>	<ul style="list-style-type: none"> <li>Collectively delivering the ambitions of the Innovation Framework (IF) will drive increased innovation activity, improved R&amp;D investment and increased diversity.</li> </ul>	<ul style="list-style-type: none"> <li>Delivering as a partnership the second WYIF to support business needs.</li> <li>Developing a blueprint for Innovation West Yorkshire to seek devolved innovation funding.</li> </ul>
<ul style="list-style-type: none"> <li>Launching a <b>Mayoral Challenge Competition</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Challenge competitions can stimulate innovation and innovative activity across businesses and individuals whilst also helping to address regional/local challenges.</li> </ul>	<ul style="list-style-type: none"> <li>Establishing a Mayoral Challenge Competition to stimulate business innovation and solve societal challenges, based on best practice.</li> </ul>
<p>51</p> <ul style="list-style-type: none"> <li>Developing <b>Innovation Corridors</b> – building on our regional Advanced Manufacturing and Healthtech strengths.</li> </ul>	<ul style="list-style-type: none"> <li>We can capitalise on the collective strengths of the Yorkshire region – focusing on our strengths across advanced manufacturing (red triangle across to Manchester and down to Sheffield) and healthtech (into SCR).</li> <li>Developing an Innovation Corridor can be a catalyst for developing green-skilled jobs across our region.</li> </ul>	<ul style="list-style-type: none"> <li>Establishing strong partnerships and identifying opportunities to collaborate to better support our innovation – including through the Act Early Institute, Leeds Academic Health Partnership, and Yorkshire Health4Growth work.</li> <li>Developing a health tech strategy together with regional partners across health, business and innovation assets</li> </ul>
<ul style="list-style-type: none"> <li>Ensuring the right finance is in place to support innovators from a range of backgrounds.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring the right finance is available to address the gaps in provision and support a range of budding entrepreneurs from diverse and underrepresented backgrounds.</li> </ul>	<ul style="list-style-type: none"> <li>Exploring the gaps and feasibility of interventions in early-stage finance to support diversity in innovation.</li> </ul>
<ul style="list-style-type: none"> <li><b>Supporting cooperatives, social enterprises, and worker-owned businesses.</b></li> </ul>	<ul style="list-style-type: none"> <li>Evidence suggests that cooperatives have been more resilient to COVID restrictions and economic impacts.</li> <li>Social infrastructure, including social enterprises can drive employment and wealth creation in left- behind communities.</li> </ul>	<ul style="list-style-type: none"> <li>Creating proposals for how best to support co-operatives and other alternative and social models of business ownership in West Yorkshire.</li> </ul>

SUPPORTING LOCAL BUSINESS		
WE ARE:	WE ARE DOING THIS BECAUSE:	WE WILL ACHIEVE THIS BY:
	<ul style="list-style-type: none"> <li>Social enterprises have created 30% of jobs across the poorest communities in the UK – becoming a central part to the economy of ‘left behind’ places (Kruger, 2020).</li> </ul>	

OPPORTUNITIES FOR CO-INVESTMENT			
Opportunity	(£) Ask	Who are the Potential Co-Investors?	Alignment to Government Ambitions
<b>Mission-Led Innovation:</b> tackling societal challenges by investing in innovative activity and social impact, working across the region’s innovation ecosystem.	£2,000,000	UKRI / Innovate UK Private Sector Businesses Angel Investors	Innovation Strategy
<b>Early-Stage Innovative Entrepreneurship:</b> investment and infrastructure to support a greater diversity of entrepreneurs to access the social and financial capital to succeed.	£10,000,000	UKRI / Innovate UK Local Authorities Venture Capital	Innovation Strategy
<b>SME Capacity Building:</b> the diffusion of ideas and technology into the business base to further drive-up innovation and productivity.	£25,000,000	Department for Business, Energy & Industrial Strategy	Innovation Strategy
<b>Implementing the Yorkshire Space Hub Strategy:</b> through investment in R&D and innovation diffusion to better utilise space technologies in the existing business base.	£5,000,000	Department for Business, Energy & Industrial Strategy Innovate UK	Innovation Strategy UK Space Strategy
<b>Healthtech:</b> capitalising on our extensive strengths to invest in a developed pipeline across discovery, development and deployment to support economic and health and wellbeing outcomes.	£25,000,000	Department for Business, Energy & Industrial Strategy Innovate UK	Innovation Strategy

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## Skills and Training for All

### Key Headlines:

- Regional digital accessibility across West Yorkshire is very variable, with approximately 95% of households having access to the internet in Leeds, but only 91% in Bradford. 398,000 people within the region currently rely upon pay as you go mobiles and devices. 80% of jobs require digital connectivity.
- The national careers system requires significant investment to provide a 1:1 career guidance, and specialist provision for underserved groups.
- A new national digital skills strategy that tackles basic digital skills is needed to raise awareness of the importance for everyday life

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The pandemic has highlighted deepening inequalities across all age levels and backgrounds in access to training and the outcomes that lead to fulfilling and quality work.

The youngest in our society have borne witness to disrupted education over the last year. Those in compulsory education have missed a significant part of a year's education and may need to 'catch-up', resit and stay in formal education for longer.

School leavers witnessed apprenticeship numbers collapse during the pandemic, with overall start numbers down by a fifth. This has adversely affected under 19s and there are further issues with inclusiveness in relation to gender, ethnicity, and level of disadvantage.

However, this disruption is not exclusively affecting our young people. Our workers over the age of 50+ are more likely to have been furloughed and slip into long-term worklessness. Over 50s who are unemployed are twice as likely to be out of work for 12 months or more as younger workers and almost 50% more likely as workers aged 25 to 49. The pandemic has also seen a downturn in adult education, particularly in community learning signalling that there is a need for training where adults can quickly re-train and upskill. Support for shorter training courses is echoed by the business community who have urgent needs to recruit into their sectors such as in digital, health and social care.

Undoubtedly, digital access and digital skills have been critical during the pandemic to participate in work, training, and education. There has been a shift towards blended models of learning and how people will work in the future and the need for digital skills to engage with everyday life has been accelerated by the pandemic and remains a priority to be addressed.

To tackle the issues during the pandemic, the Combined Authority has taken early and swift action by investing £13.5m to support 10,000 individuals, who are unemployed, furloughed or need to update their skills, back towards employment in the local labour market. This investment is complementary and coheres the national Plan for Jobs interventions and was put in place ahead of the nationally funded Skills Bootcamps. We will continue to ensure that adults skills are responsive to local need through the c.£65m adult

education budget, c.£4.5m adult level 3 funding and continuing to invest our own funds into bootcamp style training.

With a lower-than-average level of skills, over a quarter of the adult population having level 2 or lower as their highest qualification and only 33% having level 4+ qualifications, we will continue to ensure good progression outcomes for adults by promoting the need for high quality careers education and inspiration for all ages, as well as

progression opportunities into next stages of learning, training, or work.

At a time of significant post-16 skills reform, we would like to see greater flexibilities to deliver what is needed in distinct local labour markets so that we can design and deliver services closer to the diverse needs of the communities that need them the most.

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**PRIORITISING SKILLS AND TRAINING FOR ALL**

**WE ARE:**

**WE ARE DOING THIS BECAUSE:**

**WE WILL ACHIEVE THIS BY:**

Convening a **West Yorkshire Digital Skills Partnership** - bringing together education, industry and the third sector to accelerate improvement and create a West Yorkshire Digital Skills Plan

- There is a cluttered and confused landscape of skills provision which provides disjointed delivery to residents.
- There is a need to provide clear ambitions and delivery plans for improved digital skills in next two years.

- Publishing a **Digital Skills Plan** in Q4 2021.
- Working with partners to shape digital skills offers for business and individuals.
- Preventing digital exclusion through the growth/provision of digital skills, supporting the resolution of data poverty and the ongoing challenge of accessibility and connectivity.
- Supporting SME and charity digital growth-improving essential digital skills and increasing resilience and sustainability of organisations.
- Increasing the supply of skills needed for the growth of the digital sector.
- Supporting educators and students to grow digital skills.
- Developing a **Regional Skills Prospectus** and mapping of funding opportunities.

Developing a **‘Digital Skills Academy’** to support under-served sectors and provide opportunities to grow digital skills, develop career pathways and grow employment and entrepreneurial opportunities.

- 23% of West Yorkshire residents lack digital skills for modern society.
- 52% of SMEs lack digital skills to support resilience and growth.

- Creating provision and partnerships for an academy that meets the skills needs for people of all ages, aligning to existing work.

**Raising aspiration of school aged people.** By supporting teachers and educators through effective employer engagement.

- Students taking STEM learning are falling, there is a sharp decrease in the numbers of

- Developing a programme of interventions to raise aspirations and engagement.

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**PRIORITISING SKILLS AND TRAINING FOR ALL**

**WE ARE:**

**WE ARE DOING THIS BECAUSE:**

**WE WILL ACHIEVE THIS BY:**

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	<p>female students, and disadvantaged groups in particular.</p> <ul style="list-style-type: none"> <li>• Apprenticeship numbers have fallen sharply, for digital it fell by 40% for 16-18, and 23% for 19-24.</li> <li>• Employer's report students lack work-ready skills.</li> </ul>	<ul style="list-style-type: none"> <li>• Building on our track record of delivering high quality careers campaigns and support young people to engage with employers, to improve achievement, attainment and positive destinations.</li> </ul>
<p><b>Working in partnership across West Yorkshire</b> to ensure a fair and just recovery for our young people who are at risk of becoming NEET and unemployed.</p>	<ul style="list-style-type: none"> <li>• NEET figures vary across the region.</li> <li>• It disproportionately affects disadvantaged, Looked After Children, and those with EHCP.</li> <li>• There are documented long-term scarring effects for unemployed young people.</li> <li>• There is poor quality investment in careers provision for young people in schools.</li> </ul>	<ul style="list-style-type: none"> <li>• Working with local authorities and careers partners to share best practice, establish a data dashboard and appraising options that can contribute to tackling the issues at a WY level.</li> <li>• Targeting Careers Hub and other school engagement activities towards disadvantaged groups</li> </ul>
<p>Working in partnership across West Yorkshire to deliver a strategy and action plan to <b>support over 50s to have fulfilling work.</b></p>	<ul style="list-style-type: none"> <li>• Over 50s are likely to work longer.</li> <li>• Those over 50 with low skills are at higher risk of redundancy and need support to retrain / upskill.</li> </ul>	<ul style="list-style-type: none"> <li>• Adapting existing programmes to develop provision aimed at this group, via support for individuals to access training, re-training and employment through Employment Hub 2 and adult skills provision.</li> <li>• Further mapping and research into regional strategies to support this group.</li> </ul>
<p><b>Delivering the Adult Education Budget</b> and Level 3 adults skills offer.</p>	<ul style="list-style-type: none"> <li>• Support the unemployed to gain and sustain employment.</li> </ul>	<ul style="list-style-type: none"> <li>• Deliver a c.£65m Adult Education Budget and c.£4.5m level 3 budget that is aligned to the needs of our local labour market.</li> </ul>

**PRIORITISING SKILLS AND TRAINING FOR ALL**

**WE ARE:**

**WE ARE DOING THIS BECAUSE:**

**WE WILL ACHIEVE THIS BY:**

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	<ul style="list-style-type: none"> <li>• Unlock progression opportunities and career adaptability through skills, particularly for those on low wages and with insecure work.</li> <li>• Make learning more inclusive to support disadvantaged residents.</li> <li>• Increase the supply of skills to support key sectors in West Yorkshire.</li> <li>• Improve West Yorkshire’s resilience by identifying and delivering the skills needed for the future.</li> </ul>	<ul style="list-style-type: none"> <li>• Support unemployed to gain and sustain employment.</li> <li>• Unlock progression opportunities and career adaptability through skills, particularly for those on low wages and with insecure work.</li> <li>• Make learning more inclusive to support disadvantaged residents.</li> <li>• Increase skill supply to support key sectors.</li> <li>• Improve West Yorkshire’s resilience by identifying and delivering future skills.</li> <li>• An Adult Education Budget responsiveness pot will build on the local and regional priorities for skills.</li> </ul>
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Work closely with partners to **tackle health inequalities** and support the health and social care workforce.

<ul style="list-style-type: none"> <li>• The sector has been acutely affected by both the pandemic and Brexit.</li> <li>• Healthier people are more likely to contribute towards productivity.</li> </ul>	<ul style="list-style-type: none"> <li>• Embed the finding of the skills commission to design services around the individual to address complex and interrelated health, employment, and skills issues.</li> <li>• Maintain strong focus of AEB provision on health and care disciplines.</li> <li>• Raising graduate retention in STEM disciplines to support the upgrading of the region’s innovative capability, particularly in key sectors like health and innovation.</li> <li>• Develop innovative, co-designed training, working with employers and providers.</li> </ul>
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**PRIORITISING SKILLS AND TRAINING FOR ALL**

WE ARE:	WE ARE DOING THIS BECAUSE:	WE WILL ACHIEVE THIS BY:
<p>Working with employers and employer representative bodies to deliver the skills needed for the labour market.</p>	<ul style="list-style-type: none"> <li>• Address skills gap and recruitment issues faced by employers and industry sectors.</li> <li>• Only 36% of businesses have training plan and 29% a training budget.</li> <li>• Access to training in the workplace is unequal: workers who are already qualified to a high level (level 4+) are almost twice as likely to receive training than their less qualified colleagues.</li> <li>• To address diversity in the workforce experienced by some industries.</li> </ul>	<ul style="list-style-type: none"> <li>• Work with NHS key strategic organisations to support regional workforce strategies.</li> <li>• Support the Manufacturing Task Force.</li> <li>• Investing in the development of a future employment and skills project pipeline.</li> <li>• Engage business with design of adult skills training for all ages and communities.</li> <li>• Increase the number of employers, particularly SMEs, in engaging with education and careers programmes.</li> <li>• Help employers obtain the skills needed to grow their business through employment brokerage and graduate internships.</li> </ul>

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**OPPORTUNITIES FOR CO-INVESTMENT**

Opportunity	(£) Ask	Who are the Potential Co-Investors?	Alignment to Government Ambitions
<p><b>Skills Support for Business:</b> tackling low investment in skills in the workplace and strengthening local skills offer through supporting business develop a skills plan and identify the training needed to support their business to grow.</p>	<p>£1,000,000</p>	<p>Private business</p>	<p>Skills for jobs</p>

## Delivering a Creative New Deal

### Key Headlines:

- COVID-19 and restrictions have been particularly challenging for culture and creative industries in West Yorkshire with 82% of organisations having lost out financially within the first few months
- Our plan for a creative new deal is about re-energising this growing sector, and opening up opportunities for creativity
- Devolved funding is being committed to develop key regional interventions including a Town of Culture Award, Creative Catalyst Programme and upskilling within creative industries.

COVID-19 has reinforced the vital role of creativity and culture to the quality of life of people in West Yorkshire. Whilst lockdown restrictions have limited the opportunities to experience the **high-quality and diverse cultural offer of the region** in person, organisations, creative industries and individuals across West Yorkshire have created new and innovative ways to bring culture to our communities. As we look to recovery, our Creative New Deal will ensure that creativity can continue to enable, engage and empower our citizens, and showcase our potential to the wider world.

To do so will require the right support to our culture and creative industries. With 7,000 businesses and 47,000 jobs across West Yorkshire within the creative & cultural sectors, there is already significant scale in the region. The sector was growing strongly prior to COVID-19 with West Yorkshire recording an increase in cultural employment between 2015 and 2019 of around 50% (compared to 16% nationally), and has been enhanced by key investments including the arrival of Channel 4 to Leeds and devolution funding for British Library North in Leeds.

The sector was hit hard by the impact of Covid-19, with closures, high rates of furlough, limited operating opportunities, and exclusion from some forms of Government support, and is one of the last to return to capacity. Emergency funds and the national £1.57 billion sector recovery schemes have been very welcome, but have been short term measures for larger institutions. At a local level, we have pivoted delivery of our Creative Catalyst programme to deliver a TV and Development Fund supporting freelancers and small businesses to develop content whilst other work has dried up. And as part of working together across five local authority areas, we have committed £5m of our devolved funding to support key culture recovery projects in local areas.

The opportunity in recovery is to go further to support the role of culture in delivering a stronger economy and more inclusive communities. In June 2021, the Combined Authority also approved £500,000 of funding to support capacity building and development for the delivery of a Creative New Deal to realise the potential of the creative and cultural industries in West Yorkshire, which will focus on upskilling the creative industries, providing placement opportunities for young people, supporting our night-time economy and developing a Town of Culture Award. We will also work across partners, including local authorities and health to look at how culture can be harnessed for social prescribing, building on pilots in the region.

Together with Leeds 2023, bids for city of culture in 2025 for Bradford and Wakefield, and further cultural festivals in the region across the next 4 years, we have great opportunities to stimulate the economy of our areas as well as inspire especially our young population.

To make sure we succeed in delivering this new deal, an Arts, Culture and Creative Industries Committee has been established to provide strategic oversight and direction for this work.

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DELIVERING A CREATIVE NEW DEAL		
WE ARE:	WE ARE DOING THIS BECAUSE:	WE WILL ACHIEVE THIS BY:
Piloting <b>Creative New Deal</b> activities.	<ul style="list-style-type: none"> <li>We need to boost internal capacity to reach more businesses in the sector to ensure the necessary bespoke support is available.</li> <li>Ensure we have the necessary expertise to leverage additional funding to meet the scale of ambition.</li> </ul>	<ul style="list-style-type: none"> <li>Boosting delivery through the existing Creative Catalyst Programme.</li> <li>Exploring the possibilities to further enhance the programme based on evidence of best practice.</li> </ul>
<b>Supporting routes into screen industries</b> for young people.	<ul style="list-style-type: none"> <li>We want to promote and diversify the sector.</li> <li>We want to ensure young people from disadvantaged backgrounds have access to creative and cultural opportunities.</li> </ul>	<ul style="list-style-type: none"> <li><b>Supporting delivery of the Beyond Brontes Programme:</b> offering a bespoke training package tailored to their interests, to prepare them for a wide range of industry jobs through funding for 2021/22.</li> <li>Championing other initiatives that build pathways for good jobs in creative industries</li> </ul>
Reskilling for <b>creative and cultural sector</b> .	<ul style="list-style-type: none"> <li>We need an evidence base to ensure support for the sector is meeting identified needs post-pandemic.</li> <li>We need to tailor support appropriately and make links to wider skills development schemes.</li> </ul>	<ul style="list-style-type: none"> <li>Undertaking a <b>Skills Need Audit</b> for the sector and identifying areas for growth for post-COVID-19 creative industries.</li> <li>Develop future interventions which utilise the evidence of the audit to target at most needed skills.</li> </ul>
Exploring the possibilities of <b>social prescribing</b> .	<ul style="list-style-type: none"> <li>Successful pilots (including in Calderdale) have demonstrated the positive impact on wellbeing of social prescribing.</li> <li>Health inequality is a West Yorkshire challenge and impacts on the economy as well as on wellbeing.</li> </ul>	<ul style="list-style-type: none"> <li>Exploring regional collaboration between culture as well as other non-clinical services with the NHS and regional primary care infrastructures to promote good health.</li> </ul>
Undertake a Development Plan for a <b>Town of Culture Award</b> .	<ul style="list-style-type: none"> <li>We want to promote the places in West Yorkshire and boost the visitor economy.</li> </ul>	<ul style="list-style-type: none"> <li>Looking at best practice such as the London Borough of Culture Award.</li> </ul>

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		<ul style="list-style-type: none"> <li>• Launch Town of Culture Award from 2023 to complement existing cultural festivals across West Yorkshire.</li> </ul>
<p>Supporting the recovery of the <b>night-time economy</b> of West Yorkshire.</p>	<ul style="list-style-type: none"> <li>• Our night-time economy has suffered over the last 18 months from restrictions.</li> </ul>	<ul style="list-style-type: none"> <li>• Exploring the role and remit of a potential West Yorkshire Night Czar.</li> <li>• Undertake an assessment of the night-time economy across West Yorkshire to identify areas of support.</li> </ul>

**OPPORTUNITIES FOR CO-INVESTMENT**

Opportunity	(£) Ask	Who are the Potential Co-Investors?	Alignment to Government Ambitions
<p><b>Unlocking places of Culture through festivals:</b> maximising opportunities to link Leeds 2023, Kirklees Year of Music 2023, Calderdale Year of Culture 2024 and Bradford or Wakefield UK City of Culture in 2025</p>	<p>£20-25,000,000</p>	<p>Government – supporting City of Culture bids and through DCMS funding Private sector – through sponsorship of events and activity</p>	<p>Culture Recovery Fund DCMS Tourism Recovery Plan</p>
<p><b>Developing a film studio creative cluster:</b> unlocking a key employment site to support state of the art film and TV production linked to the region’s growing strengths</p>		<p>Private sector – though site developments.</p>	

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# Building a Lasting Recovery for West Yorkshire

Our economic recovery cannot only be just and fair; it also needs to be lasting. Building a lasting economic recovery in West Yorkshire means building long-term and sustained opportunities for our region that benefit our residents in the long run.

A lasting recovery needs to be felt across all parts of our region, from our towns and cities to our villages and rural conurbations. It is crucial that our investments at a regional level deliver in collaboration with local projects to maximise their social value. This means tackling areas with poor air quality by tackling the climate emergency, improving living standards and quality of life by working with partners to ensure new affordable and green homes, and revitalising our left-behind communities which have suffered from closure and restriction during the pandemic. To secure a lasting recovery for West Yorkshire, we will work to the four action areas below that can help restore our social fabric:

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<b>Build</b> 5,000 sustainable homes	<b>Connect</b> people and places	<b>Tackle</b> the climate emergency	<b>Champion</b> great places
<b>By:</b>			
<ul style="list-style-type: none"> <li>Working with our partners to build affordable and sustainable housing options for our residents.</li> <li>Delivering the Brownfield Housing Fund</li> </ul>	<ul style="list-style-type: none"> <li>Bringing buses back under public control.</li> <li>Developing our proposals for mass transit for West Yorkshire by 2040</li> <li>Delivering active travel programmes.</li> <li>Develop a resilient transport system that connects people to places.</li> </ul>	<ul style="list-style-type: none"> <li>Focusing on green skills, infrastructure, and business to reach our ambitions to become a net-zero region by 2038.</li> <li>Secure funding for low-carbon home and industry demonstrators</li> <li>Accelerate EV charging infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Showcase our regional offer and attract inward investment.</li> <li>Supporting the revitalisation and renewal of our town and city centres.</li> <li>Support local recovery plans across the region.</li> </ul>

## Build 5,000 Sustainable Homes

COVID-19 restrictions meant many of us have spent more time in our homes. Whether schooling our children, working from home, accessing greenspaces, or walking around our local communities, the need for good, affordable housing with adequate space is growing.

The Mayor's primary ambition is to deliver 5000 **affordable** homes over the next three years. As a region we have over the last three years have delivered 3,997 additional affordable homes, but this has fallen short of the 4,720 homes we needed. In addition, we have existing homes that are poor quality and poorly insulated.

**Sustainability** of homes is a key part of the pledge to respond to the challenge of tackling the climate emergency and achieving a net zero region by 2038. By addressing issues of fuel poverty in homes we also contribute to better health and increased disposable income for our residents.

Delivery of the pledge can only be achieved in partnership with districts, the affordable housing sector (Housing Associations,

Community-led housing providers) and Homes England as the key agency providing housing delivery investment.

The majority of the land supply is privately owned so partnership with private sector is critical to successful delivery of the pledge, With partners' engagement we aim to find the right tools to bring development forward with partners ready to work with public sector. Covid has demonstrated the need for focussed investment in some of the most deprived parts of the region and in those parts of the housing market which are weakest in terms of low value, low investment levels with continuing issues with poor quality housing.

Supply of new housing and the high cost of housing in some areas remains a challenge. As the economy opens back up, we need to monitor the impact of expansion on supply chain pressures and existing skills in the construction sector which can respond to the increased demand. This can lead to a constraint to increased activity but also an opportunity to strengthen supply chains in the region and accelerate to skills needed to respond.

**BUILDING 5,000 SUSTAINABLE HOMES**

**WE ARE:**

**WE ARE DOING THIS BECAUSE:**

**WE WILL ACHIEVE THIS BY:**

Developing the **housing pipeline** for future investment readiness.

- Through the devolution discussion it was recognised that lack of revenue funding was impeding the development of a housing pipeline which was investment ready. The devolution deal has brought forward £3.2m revenue funding to increase capacity both at local and regional level, and to provide specialist technical advice to determine constraints and the costs required to unlock development.
- Increased intelligence and knowledge will provide clarity on capability of sites to deliver affordable housing over the next three years.

- The **Housing Pipeline Revenue Fund programme (HPRF)** allocated to districts to add capacity, commission specific work packages such as business case development through a procured consultancy framework and to access additional regional support with the aim of increasing delivery of affordable sustainable quality places.

Delivering the **Brownfield Housing Fund** programme

- Regional allocation of £67m to unlock brownfield sites and bring forward development by 2025.

- Call for projects has produced a **BHF pipeline of sites to be delivered in 4 waves by 2025**. Within the next three years 1947 affordable homes will be on site or delivered.
- BHF has supported unlocking of difficult brownfield sites with housing providers producing affordable and sustainable housing options.

Developing **closer strategic relationships with West Yorkshire Housing Partnership**, the housing providers sector

- The Combined Authority has supported and championed housing providers in West Yorkshire to develop a strategic body through which the MCA can partner with and commission work across the housing agenda including homelessness, designing dementia friendly places and building

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BUILDING 5,000 SUSTAINABLE HOMES		
WE ARE:	WE ARE DOING THIS BECAUSE:	WE WILL ACHIEVE THIS BY:
Developing a shared West Yorkshire action plan, pipeline and strategic place partnership with Homes England	<p>healthy and energy efficient homes where housing providers are community anchors.</p> <ul style="list-style-type: none"> <li>Homes England has large investment programmes for affordable housing and new homes supply. Homes England also supports development of community led and supported housing initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>A shared action plan has been developed which includes a shared pipeline of prospective sites.</li> <li>The Mayor to meet Homes England Chair and newly appointed Chief Executive in the autumn to explore shared working arrangements and agree priorities for investment.</li> </ul>

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OPPORTUNITIES FOR CO-INVESTMENT			
Opportunity	(£) Ask	Who are the Potential Co-Investors?	Alignment to Government Ambitions
<p><b>Housing Land and Investment Fund:</b> Majority of pipeline sites are in private ownerships with some sites despite having had planning approval have not moved forward into development. The ability to acquire land directly either by agreement or through a CPO process would activate development in some challenging markets.</p>	£10,000,000	<p>Ministry of Housing, Communities &amp; Local Government Homes England Engaged private sector including HA's where equity and risk shared.</p>	<p>Increased supply, levelling up agenda aligned to green jobs, increased productivity, bringing brownfield development forward faster.</p>

## Connecting People and Places

### Key Headlines:

- Transport is our highest emitting sector, contributing to 44% of total regional CO2 emissions.
- 55% of our residents have access to only one bus service or less per hour, outside of peak periods.

Going forward, our plans to connect our people and places needs to be sustainable, affordable, efficient and get people to the places they need to be at.

They need to be sustainable because we need to reduce our transport emissions –investing in green transport or even switching to active travel where possible. They need to be affordable because we are a long way away from what London offers its residents. And they need to be efficient to connect people to places in a simple way.

Throughout the pandemic the Combined Authority has continued to pay approximately £2.5 million a month to cover the cost of concessionary pass journeys that are not being made. As travel restrictions have eased, bus use has been steady - with demand around 65% of that in 2019.

As the biggest public transport mode in West Yorkshire, it is vital to ensure the sustainability of the bus network to maintain connectivity. A sustainable recovery will ensure that customers have the continued ability to make the journeys they want connecting them to key employment and education centres, whilst bus reform offers an improved bus offer to help encourage bus users back and grow bus patronage in the future.

The Bus Services Act allows Mayoral Combined Authorities opportunities for bus reform including Enhanced Partnerships and Franchising. Through the recently announced National Bus Strategy, Local Transport Authorities must develop Enhanced Partnerships in order to continue to receive financial support from government.

The Mayor has pledged to bring buses back under public control. A process determined by Government and the Bus Strategy is being followed which has triggered the process of Enhanced Partnership and Franchise Assessment through issuing notices of intent.

In addition to our ambitions for taking buses back under public control, we also have ambitions to increase the opportunities for active travel routes across our region by providing new cycling and walking infrastructure and links across the region. These actions will not only make us a more active region but will also support our efforts to tackle the climate emergency by reducing road-traffic emissions.

As we look to the future, there are a multitude of opportunities for strategic rail and mass transit. We secured funding in our devolution deal to progress plans for a mass transit system for West Yorkshire by 2040 – providing new ways to travel across our region and get residents off the roads. There is also an opportunity to bring in new inward investment and demand for jobs through national and regional rail priorities such as Northern Powerhouse Rail, Trans Pennine Route Upgrade and the eastern leg of HS2.

CONNECTING PEOPLE AND PLACES		
WE ARE:	WE ARE DOING THIS BECAUSE:	WE WILL ACHIEVE THIS BY:
<ul style="list-style-type: none"> <li>Developing a <b>Bus Service Improvement Plan</b> to set out West Yorkshire’s ambition for future bus services.</li> </ul>	<ul style="list-style-type: none"> <li>The Bus Service Improvement Plan will set the ambition and aspiration of the Combined Authority for bus services in West Yorkshire and their customers; irrespective of the regulatory framework used to deliver it.</li> <li>Bus patronage is declining.</li> </ul>	<p>The Bus Service Improvement Plan is required to be submitted to DfT by 31 October 2021, it will set out how the Combined Authority will:</p> <ul style="list-style-type: none"> <li>Establish bus as a key mode of choice for travel in West Yorkshire.</li> <li>Establish a financially sustainable bus service.</li> <li>Improve operational delivery to provide the passenger with a service they can feel confident in using.</li> <li>Improve connectivity for communities facing deprivation, inequality, and exclusion.</li> <li>Ensure the bus service is integrated to deliver sustainable connectivity</li> </ul>
<ul style="list-style-type: none"> <li>Developing an <b>Enhanced Partnership</b> to support and deliver our Bus Service Improvement Plan</li> </ul>	<ul style="list-style-type: none"> <li>An Enhanced Partnership (or franchising scheme) is required for continuation of Government funding.</li> <li>A formal Enhanced Partnership will build on the successes of the West Yorkshire Bus Alliance to drive improvements in bus services across West Yorkshire.</li> <li>The Enhanced Partnership will set clear targets and standards to ensure it furthers the overall bus strategy aims increasing patronage and through that securing the</li> </ul>	<ul style="list-style-type: none"> <li>Develop and Enhanced Partnership Plan that will deliver the ambition of the Bus Service Improvement Plan alongside the mayoral pledge</li> <li>Developing schemes that will:                             <ul style="list-style-type: none"> <li>Introduce simpler fares</li> <li>Provide flexible ticketing options</li> <li>Improve the environmental impact of bus</li> </ul> </li> </ul>

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**CONNECTING PEOPLE AND PLACES**

WE ARE:	WE ARE DOING THIS BECAUSE:	WE WILL ACHIEVE THIS BY:
	wider goals of inclusivity and carbon reduction.	<ul style="list-style-type: none"> <li>Assessing the Enhanced Partnership scheme to ensure it is delivering for customers through regular monitoring.</li> </ul>
<ul style="list-style-type: none"> <li>Launching a <b>Franchising Assessment</b> to better understand future opportunities for improving bus services for customers</li> </ul>	<ul style="list-style-type: none"> <li>To assess and analyse opportunities to deliver an enhanced offer for customers across West Yorkshire.</li> </ul>	<ul style="list-style-type: none"> <li>Assessing the Enhanced Partnership scheme to ensure it is delivering for customers.</li> <li>Understanding opportunities to go beyond the Enhanced Partnership scheme to deliver better bus services for customers.</li> </ul>
<ul style="list-style-type: none"> <li>Exploring the opportunities for a mass transit system, outlined in our <b>2040 Mass Transit Vision</b>.</li> </ul>	<ul style="list-style-type: none"> <li>A mass transit system will provide a sustainable public transport system that provides an alternative to the private car.</li> <li>It will drive a demand for additional skills and jobs across the region from design, construction, maintenance and project management.</li> </ul>	<ul style="list-style-type: none"> <li>Developing proposals to deliver the first steps in a mass transit system through the City Region Sustainable Transport Settlement.</li> </ul>

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**OPPORTUNITIES FOR CO-INVESTMENT**

Opportunity	(£) Ask	Who are the Potential Co-Investors?	Alignment to Government Ambitions
<p><b>ZEBRA Bus Bid:</b> the Combined Authority has progressed to the second stage of the Zero Emission Bus Regional Area scheme which will support the introduction of zero-emission buses and the necessary infrastructure to support them.</p>	<p>£57,516,155 (£24.5m ask from Government)</p>	<p>Department for Transport Bus Operators</p>	<p>National Bus Strategy Transport Decarbonisation Strategy</p>

## Tackling the Climate & Environment Emergency

### Key Headlines:

- Our economic recovery needs to be green to tackle the climate and environmental emergency.
- Our Plan can remove up to 2.1 million tonnes of CO<sub>2e</sub> by 2024.

The Mayor of West Yorkshire has declared a climate emergency, going further and faster than national Government, and set an ambitious science-based target for the region to be net-zero carbon by 2038, with significant progress by 2030. Our strong partnerships are critical to deliver the ambition and scale of her Climate and Environment Action Plan, backed up by local and national investment and funding.

70 The pandemic had a temporary impact on reducing global emissions due to reduced travel, and industry restrictions. The Climate Change Committee estimated that global emissions fell by 6% in 2020.

Reducing harmful carbon and air quality emissions, helping nature to recover, via schemes such as the White Rose Forest project, and improving long-term climate resilience is critical and action across all parts of the economy and society is required.

The Mayor and West Yorkshire Combined Authority will ensure this Plan and transition to a net zero carbon economy is fair, just and reduces inequality in West Yorkshire. It cannot be the cause of further inequality for our most excluded and deprived groups and communities. Inclusive growth, equality and diversity goals and outcomes will be delivered through the Plan.

Delivering a green recovery will ensure the region takes advantage of the transition to a sustainable and net-zero carbon economy, boosting good, green jobs, training, research and development capabilities, and upskilling opportunities across West Yorkshire. The construction industry, manufacturing, and transport, are the sectors where most focus is needed both to seize the employment boost of the green economy and in terms of skills and retraining (LSE, University of Leeds, 2019, 2020).

Across West Yorkshire, 235,000 jobs could be affected by the transition to a net-zero carbon economy, with around 119,000 workers in high demand because of their skills and experience, and 116,000 workers requiring upskilling and support. However, 828,000 jobs will not be significantly affected by the transition (LSE, University of Leeds, 2019).

Progress to date to deliver at the pace and scale necessary has been hampered by a lack of resources to develop and deliver actions and have the right opportunities in place to secure the investment and funding we need. These obstacles must be overcome to tackle the climate and environment emergency.

The Plan puts the region on a path to deliver carbon dioxide emission reductions of up to 2.1 million tonnes by 2024. This equates to a potential 4.7% year-on-year reduction of carbon dioxide and up to 19% of the region's net-zero carbon target, laying the groundwork to allow significant carbon dioxide emission reductions to be made later this decade and in the 2030s.

**TACKLING THE CLIMATE AND ENVIRONMENT EMERGENCY**

**WE ARE:**

Committing the Combined Authority to **net zero emissions by 2038**

Supporting **business and industry in transition**, including appropriate finance.

**WE ARE DOING THIS BECAUSE:**

- The Climate Change Committee’s recent progress report outlines that we are at risk of breaching the 1.5°C of warming by the early 2030s.
- Our Emission Reduction Pathways Report showed that non-domestic and industry buildings accounted for 2.6MtCO<sub>2</sub>e/yr.
- Businesses need to adapt and be encouraged to make low-carbon and climate-resilient choices.
- Many businesses, particularly SMEs, may not have the dedicated time or resources to adopt low carbon working practices or behaviours.

**WE WILL ACHIEVE THIS BY:**

- Delivering **our Climate and Environment Action Plan**.
- Building on existing support programmes for businesses to help them make their operations more sustainable.
- Consider the most appropriate ways of increasing the uptake of energy efficiency, low carbon technologies, waste and material efficiency, and circular economy measures by businesses through financial incentives.
- Consider the provision of financial support for industrial sites to undertake audits, feasibility studies and demonstrators that assist with the decarbonisation of their operations.
- Build on the success of our ReBiz scheme to provide further advice, funding, and access to finance for energy efficiency improvements across SMEs in the region.
- Undertake research and coordinate schemes to increase the circular economy, work with West Yorkshire local authorities to understand the case for developing additional capacity in waste services and investigate opportunities to develop place-based and sector-focused approaches to circularity and delivering maximum social value.

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**TACKLING THE CLIMATE AND ENVIRONMENT EMERGENCY**

**WE ARE:**

We will bring together existing net-zero, nature recovery and climate ready funding, release new green finance, and leverage partner and private capital, to accelerate delivery.

**WE ARE DOING THIS BECAUSE:**

- A net-zero, nature rich and climate ready West Yorkshire requires significant public and private investment. Mobilising the finance is a collaborative effort by the Combined Authority, Government, local authorities, lenders, investors, and consumers.

**WE WILL ACHIEVE THIS BY:**

- Capitalising on the concentration of financial institutions located in the region, including the new National Infrastructure Bank, to develop partnerships around a net zero region investment and funding prospectus that increases finance and financial products for net-zero, nature recovery and being climate ready projects.
- Considering the case for providing financial incentives for low emission transport technologies and encouraging behaviour change which supplements funding available at the national level where this is insufficient to accelerate the uptake of these measures.
- Bring forward the finance and funding for energy efficiency measures and low carbon technologies by households and measures, technologies, waste and material efficiency, and circular economy solutions by businesses through financial incentives and products.
- Considering the financial mechanisms which enable new homes being built in the region to nearly zero from the point of construction.
- Considering the case for providing low-cost loans to developers of small and medium scale low carbon energy generation and flexibility technologies.

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**TACKLING THE CLIMATE AND ENVIRONMENT EMERGENCY**

**WE ARE:**

**WE ARE DOING THIS BECAUSE:**

**WE WILL ACHIEVE THIS BY:**

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Accelerate the deployment of electric vehicle (EV) charging infrastructure

- The phase—out of new diesel and petrol cars has been brought forward to 2030 – with many car manufacturers making the transition to stock electric vehicles and driving consumer behavioural shift.

- Establishing a **Climate Ready Financing Task Force** that can work together to investigate the development of financial products for climate readiness.
- Establishing an EV charging point framework to facilitate the procurement of electric vehicle charging points for public sector organisations.
- Considering allocating funding, possibly through the City Region Sustainable Transport Settlement, to support roll-out of EV charging points for the public sector and communities.
- Investigating the need and business case for using the mayor’s devolved powers to mandate the installation of EV charging points and/or hydrogen fuel at large refuelling stations.
- Collaborating with Northern PowerGrid to ensure grid capacity, their investments and smart network management can support EV charging points in the areas proposed for installation.

Continue to deliver programmes of walking and cycling schemes

- Providing infrastructure and supporting behaviour change activities will encourage people make journeys by walking and cycling, reducing the impact of transport on the environment.
- The need for active travel infrastructure will also create a number of new jobs

- Delivering the package of schemes included as part of:
  - The Transforming Cities Fund
  - Active Travel Capability funding, and
  - Active Travel Fund 3 programmes by 2023.

**TACKLING THE CLIMATE AND ENVIRONMENT EMERGENCY**

WE ARE:	WE ARE DOING THIS BECAUSE:	WE WILL ACHIEVE THIS BY:
	and skills needs and can support our supply chains.	<ul style="list-style-type: none"> <li>Delivering a further package of schemes, which is to be developed through the City Region Sustainable Transport Settlement</li> </ul>

**OPPORTUNITIES FOR CO-INVESTMENT**

Opportunity	(£) Ask	Who are the Potential Co-Investors?	Alignment to Government Ambitions
<b>Low Carbon New Build Homes Demonstrators:</b> work with housing partners to deliver exemplar and demonstrator projects of new build homes.	£15,000,000	Housing Developers, Homes England, Ministry of Housing Communities & Local Government	Net Zero Strategy
<b>Low Carbon Retrofit Homes Demonstrators:</b> work with housing partners to deliver exemplar and demonstrator projects of whole house retrofits.	£1,000,000	Housing Developers, Homes England, Ministry of Housing Communities & Local Government	Net Zero Strategy
<b>Industrial Decarbonisation Demonstrators:</b> we want to support the delivery of two demonstration projects with technologies that can reduce or eliminate emissions.	£4,000,000	Department for Business, Energy & Industrial Strategy	Industrial Decarbonisation Strategy

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## Champion Great Places

West Yorkshire is a great place to grow up and old in, work and do business in, and learn and train for jobs across many different sectors. We have great cities, towns, and villages, emerging high-opportunity sectors which can secure lasting productivity such as health tech, space and clean tech, and a buzzing cultural offer to be proud of. Championing Great Places across our region means putting ourselves on the map.

75 In the reopening of the economy, we need to showcase our regional offer across the country and beyond. Our tourism, hospitality and leisure businesses, which employ over 136,000 residents in Leeds City Region, were hit hard by the restrictions put in place to manage the COVID-19 pandemic. As we emerge from the pandemic, we need to harness the opportunities to support businesses to re-imagine some of the ways they operate – showcasing our region as a place to visit and enjoy for all.

We also need to support and repurpose our town and city centres by taking advanced of place-based policies. The pandemic has accelerated the digital revolution with more of us shopping and working online. This shift has affected many businesses, both large

and small, bringing positive gains for some and challenges for others. Footfall in many of our centres has seen a return to 2019 levels whilst others have remained well below pre-pandemic levels. To build resilience in our town and city centres, they need the right interventions, for revitalising and repurposing where necessary to thrive as high streets of the 21<sup>st</sup> century. We should also look to maximise social value across these interventions. Local recovery plans and government funding programmes which will be critical to this process.

And we must equally look to West Yorkshire's place in the world. The UK's departure from the European Union during the pandemic has caused significant challenges for some businesses, but a new international trading relationship also enables us to forge new opportunities with countries and partnerships across the world. West Yorkshire has untapped potential to support a genuine global Britain but will mean we need to increase the export potential of our businesses, open up new markets and increase the opportunities for inward investment, wherever those possibilities can be found, and building on links that the region has already forged with places like China, India and the United States.

**CHAMPION GREAT PLACES**

**WE ARE:**

**WE ARE DOING THIS BECAUSE:**

**WE WILL ACHIEVE THIS BY:**

Placing our region on the **international map**.

- Access to new markets via future trade agreements and partnerships opens up long-term opportunities for attracting inward investment to the region and exporting products and services made here in West Yorkshire.
- International trade is proven to deliver high quality jobs in West Yorkshire.

- Developing a Trade Strategy for West Yorkshire.
- Working with the Department for International Trade, including through the devolution deal commitment.
- Working through the LEP's inward investment team to attract new business ventures into our region.

Supporting our local authorities to **re-think and re-imagine their town and city centres** through support for master-planning, development of significant regeneration initiatives, or via government regeneration schemes such as successful applications to Towns Fund and Future High Street Fund funding.

- These funds will help our towns such as Brighouse or Wakefield transform and repurpose their urban centres.
- COVID-19 has had diverse impacts on footfall and business closures across West Yorkshire, meaning that locally led solutions are required.

- Working in collaboration with the local authority staff, boards, and stakeholders to support the programmes of Future High Streets Fund, Towns Fund and Levelling-Up fund bids.
- Supporting our local authorities on master planning and building resilient urban centres, particularly where there is regional transport investment.

Backing the **Welcome to Yorkshire 'Reopen, Recover and Rebuild' plan**, and our local authority work to support our visitor economy.

- Tourism and hospitality have faced unprecedented challenges over the last year.
- We want to grow the £9bn tourism economy in Yorkshire.

- Supporting the actions outlined in the [Welcome to Yorkshire Recovery Plan](#).
- Attracting inward investment into our region – bringing employment and skills opportunities for our residents.
- Delivering our Creative New Deal.
- Support Bradford and Wakefield's 2025 City of Culture proposals.

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		<ul style="list-style-type: none"> <li>• Support Leeds’s 2023 European Capital of Culture plans.</li> <li>• Support Kirklees Year of Music 2023 &amp; Calderdale’s 2024 Year of Culture</li> </ul>
<p>Supporting our local authorities to <b>unlock post pandemic economic growth.</b></p>	<ul style="list-style-type: none"> <li>• Every district in West Yorkshire has been impacted by the COVID-19 pandemic in different ways.</li> </ul>	<ul style="list-style-type: none"> <li>• Supporting the delivery of local authority Economic Recovery Plans – including through £5m of committed funding unlocked from our devolution deal.</li> </ul>

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## Measuring Success

The overall success of our approach to economic recovery will be seen through the indicators of our wider Strategic Economic Framework, for example relating to productivity and economic growth, incomes, quality of life, resident satisfaction and carbon emissions.

Indicators are also being developed for each of the Mayoral pledges contained within this plan, to which the success of our interventions will be measured. Additional indicators will be adopted for specific interventions not covered by those already below.

Boosting Productivity	
Productivity	Nominal gross value per hour worked
Employment rate	% of 16-64 resident population in employment
Businesses engaging in innovation activity	% of businesses in the area that have engaged in innovation, including new / improved products or services, new technologies, knowledge transfer etc
Goods/services exports as % of GVA	Value of i) goods and ii) services exports expressed as a proportion of total GVA
% qualified at Level 4 or above	% of population aged 16-64 with highest qualification at Level 4 and above
Cultural sector contribution to employment	% of jobs that fall within cultural activities sector
Economic output (GVA)	Gross value added (balanced) at current basic prices
Economic output (GVA) per head	Gross value added (balanced) per head of population at current basic prices
Private sector businesses	Number of private sector workplaces per 1,000 resident population
Business birth rate	Proportion of active businesses that began trading in reporting year

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Inclusive Growth	
% of households in fuel poverty	Proportion of households in fuel poverty required fuel costs are above average and would take household below poverty line were that amount to be spent.
% qualified below level 2	% of population aged 16-64 with highest qualification below level 2 or no formal qualifications
Unemployment rate	Proportion of labour force who are unemployed and actively seeking and available for work
Housing affordability	Ratio of lower quartile house price to lower quartile earnings
Rented housing costs	Median monthly rents for private sector two-bedroom properties
% of employees in quality work	% of employees who have good hours, a desired contract type, and are not in low pay
Apprenticeship starts	Number of people starting an apprenticeship each academic year
Life expectancy	Inequality in healthy life expectancy at birth
Premises at risk of flooding	Number of homes and commercial units by likelihood of flooding
Jobs paying below Real Living Wage	% of local jobs that pay below the Living Wage Foundation's Real Living Wage threshold
Gross disposable household income	Gross disposable household income per head
Net additional dwellings	Net gain in dwellings based on local authority estimates of gains and losses of dwellings during each year

Inclusive Growth	
Employment rate gap for disadvantaged groups	Proportion of people in employment in disadvantaged groups (disabled, BAME, aged over-50) versus overall employment rate
Employment rate gaps for disadvantaged groups	Proportion of people who lack digital skills needed to operate in society and / or the workplace
NEETs	Percentage of 16–17-year-olds NEET or activity not known

Tackling the Climate Emergency	
CO2 emission (ktCO2)	Carbon dioxide emissions estimates at local authority level
CO2 emissions (ktCO2) by sector: <ul style="list-style-type: none"> <li>- Domestic</li> <li>- Industry &amp; Commercial</li> <li>- Transport</li> </ul>	Contribution of different sectors of local economy to total carbon emissions
Emissions intensity ratio	Ratio of carbon emissions to gross value added (indicator of carbon-intensity of economy)
Access to green and blue infrastructure	% of population within easy reach of network of green and blue infrastructure
Building energy efficiency	Average Energy Performance Certificate rating of domestic properties
Net contributor of local area to exchequer	Balance between taxes and public spending attributable to West Yorkshire. Ambition is to make area a net contributor to national economy

08



**Report to:** West Yorkshire Combined Authority

**Date:** 9 September 2021

**Subject:** **Business Productivity and Resilience Plan**

**Director:** Liz Hunter, Director of Policy and Development

**Author:** Alex Clarke, Business Growth and Resilience Policy Manager

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

## 1. Purpose of this report

- 1.1 To update the Combined Authority on the work to develop a Business Productivity and Resilience Plan.
- 1.2 To seek the Combined Authority’s endorsement to publish the priorities and indicative actions of the plan as part of the region’s Strategic Economic Framework. This paper summarises the key components, and a full slide pack laying out the plan is included at Appendix 1.

## 2. Information

### Background

- 2.1 The Business Productivity and Resilience Plan is result of the joint Combined Authority and Local Enterprise Partnership work to develop a Local Industrial Strategy prior to the COVID-19 pandemic. However, in the context of West Yorkshire emerging from the pandemic, the plan now forms a critical part of our strategic approach to supporting businesses and economic recovery. The plan is therefore directly linked to the West Yorkshire Economic Recovery Plan (item 5 on the agenda). A lasting recovery depends on West Yorkshire avoiding the widening gap in productivity that followed the 2008 recession, which was characterised by a recovery that delivered positive outputs in terms

of job creation, but which did not emphasise the quality of jobs or the need for underlying investments in skills, infrastructure and innovation.

- 2.2 Productivity is a concern because it is directly linked to living standards. At a macro level, a country's ability to improve its standard of living over time is almost entirely dependent on productivity growth. Whilst that is an end in itself, for economic growth to be inclusive increased productivity needs to be achieved in a way that enables as many people as possible to contribute to it, as well as benefit from it. This means that physical infrastructure, education and health are all important determinants of productivity, and need to be addressed through appropriate interventions. However, it is businesses that will directly deliver increased productivity in the economy, as we look to **close an £8.5bn productivity gap to the UK average**, and therefore as a region we need a specific plan to support them to achieve it.
- 2.3 Within this context, officers of the Combined Authority and LEP have been working with the Business, Innovation and Growth Panel on the development of the Plan, setting out draft priorities and outlining actionable next steps. This work draws heavily on the evidence, consultation and development work on the Local Industrial Strategy, where productivity was a key theme (see the first section of Appendix 1), and updated to also reflect the important changes to the economy as a result of COVID-19 and EU exit, and the adoption of the Inclusive Growth Framework. The Plan will be part of the Strategic Economic Framework<sup>1</sup>, providing a key pillar for the Boosting Productivity priority.

### **Consultation and engagement**

- 2.4 As outlined above, the work to develop the plan has built significantly on the consultation work for the local industrial strategy. Directed primarily by the Business Innovation and Growth Panel, the plan has been consulted on with a wide range of stakeholders since September 2020, including:
- Local Authority Heads of Economic Policy and Economic Development
  - A roundtable with regional and national academics organised with the Place-based Economic Recovery Network and Yorkshire Universities
  - Engagement with the Leeds City Region Professional Perspectives Network and Made Smarter Board.
  - Deep dive discussions with stakeholders including from universities, voluntary and the private sector.
  - A Your Voice survey<sup>2</sup> open to the general public and to business, promoted through the LEP's networks, social media and the Small and Medium Enterprise (SME) Newsletter. Engagement results:
    - 22 news story views and 8 website click throughs
    - 2,267 newsletter reach and 278 click throughs
    - 7,234 social media impressions and 155 engagements

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<sup>1</sup> <https://www.westyorks-ca.gov.uk/growing-the-economy/strategic-economic-framework/>

<sup>2</sup> <https://www.yourvoice.westyorks-ca.gov.uk/business-productivity>

- 18 full surveys completed

**Overview of the Plan**

2.5 The next paragraphs outline some of the key features of the plan.

Vision

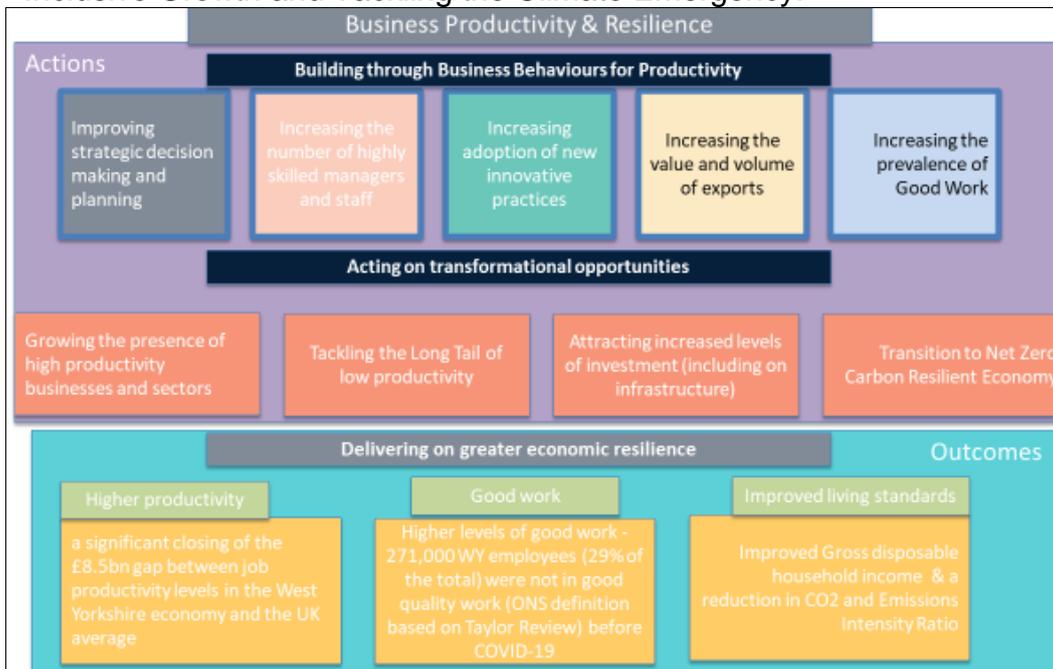
2.6 **Our vision for action on business productivity and resilience in the Leeds City Region is:**

“Supporting businesses to become more productive, focussing on the behaviours and good work that also make a positive long-term contribution to living standards and the environment in West Yorkshire.

Over time, this should contribute to a significant closing of the £8.5bn gap between job productivity levels in the West Yorkshire economy and the UK average”.

Priorities

2.7 The draft priorities for the Plan are built on nine action areas (five behavioural and four transformational opportunities), contributing to three high level outcomes related to our regional priorities of Boosting Productivity, Enabling Inclusive Growth and Tackling the Climate Emergency.



**Diagram 1: Plan on a page for Business Productivity and Resilience**

2.8 As well as setting out the rationale for each of the priorities, the plan also outlines proposed actions to support each of the 5 business behaviours (see p18-22 in appendix 1) and four transformational opportunities. This has been underpinned by a mapping exercise of existing business support in the region, focussed on which behaviour/behaviours are addressed, and whether it is

aimed at start-ups, productivity growth, or high growth and scale-ups.

2.9 Key proposals for each of the five behaviours are summarised below:

- **Improving strategic decision making and planning** - developing an effective model for “productivity plans”, identifying best practice benchmarking, delivering peer to peer network programmes, funding a ladder of entrepreneurship support for pre-start businesses.
- **Increasing the number of highly skilled managers and staff** – supporting delivery of the Employment and Skills framework, encourage better take up of management training, delivering a high performing workplace programme.
- **Increasing adoption of new innovative practices** – supporting delivery of the Innovation Framework, maximising the benefits from the Yorkshire Made Smarter pilot, drawing lessons from the SMARTY EU Interreg programme.
- **Increasing the value and volume of exports** – help businesses to navigate the trade support landscape, understand the sector and market opportunities for the region based on new trade deals, look to appropriate interventions to overcome barriers faced by SMEs to trading internationally.
- **Increasing the prevalence of Good Work** – implement the good work standard in the region, facilitate the sharing of best practice, explore ways to promote alternative business models, utilise the levers of conditions attached to business support grants to drive behaviours.

2.10 For each business behaviour the plan provides a framework for measuring success at the firm level, as well as identifying a series of indicators, with further work taking place to identify for each appropriate measures for Occurrence (validating if it is taking place) and Quality (whether it mirrors best practice). The quality element also allows us to look at important factors such as diversity, which we know can positively contribute to productivity. This builds on learning from the productivity pilot work and evaluation.



**Diagram 2: Draft Measuring success framework for business behaviours**

2.11 The second element of the plan relates to structural transformational opportunities that can support increased business productivity and resilience. Like for the business behaviours, for each of these opportunities the plan outlines proposed actions:

- **Grow the presence of high productivity businesses and sectors** - attracting new companies through inward investment, developing sector plans for key opportunities, aligning the talent pipeline, building on regional expertise in supply chains.
- **Tackle the Long Tail of low productivity** - building on best practice of what works in boosting low productivity, which is especially important for inclusive growth, identifying businesses and sectors important for local area resilience (including learning from work on the effects of COVID-19 on retail in West Yorkshire).
- **Attract increased levels of investment** - identifying means to fill the business investment gap for £100k-1m, attracting additional Venture Capital investment, ensuring physical infrastructure supports business productivity and resilience.
- **Transition to Net Zero Carbon Resilient Economy** - align with the region’s carbon emissions pathways work for industry, understanding best practice in supporting business carbon/material use resilience, identifying ways to support businesses in their own transition and on circular economy.

**Next steps**

2.12 It is proposed that the Business Productivity and Resilience priorities are published as part of the region’s Strategic Economic Framework.

- 2.13 A prioritisation plan will also then be developed to outline implementation of the plan, and specific proposals for intervention be brought to future meetings of the Business, Economy and Innovation Committee for discussion.

### **3. Tackling the Climate Emergency Implications**

- 3.1 Business behaviours play a key role in tackling the climate emergency, and are recognised within the draft outcomes of the plan. In particular the transformational opportunity of the transition to a net zero carbon resilient economy is considered as one of the four structural opportunities to increase business productivity and resilience, recognising numerous studies that have linked business carbon policies to driving innovation, higher skills and increased resource efficiency.

### **4. Inclusive Growth Implications**

- 4.1 The plan is aligned to the inclusive growth framework, particularly on the draft outcomes of good work and improved living standards.
- 4.2 The Good Work business behaviour is recognised as being critical in growing productivity. It is recognised in the proposed actions under this behaviour that greater business support provision is needed in this area, which includes the Fair Work Charter, being developed as part of the Inclusive Growth Framework and recently approved for funding by the Combined Authority.
- 4.3 The plan also highlights tackling the long tail of low productivity as a key transformational opportunity. As businesses in these sectors are often characterised by low pay and limited progression, a focus on making improvements in this area will have potentially significant implications for inclusive growth.
- 4.3 A focus on promoting productive and resilient businesses at all stages of the business lifecycle will provide opportunities to develop and prioritise interventions that target increasing engagement and support for both established and potential entrepreneurs in under-represented groups and communities, and potential support for different models of enterprises including social enterprises, cooperatives and other employee led models.

### **5. Equality and Diversity Implications**

- 5.1 There is a risk that business productivity and resilience is achieved in ways that exacerbates inequalities, and in the development of the priorities of the Plan, attention has been given to designing a plan that can play a positive role in improving inequalities. The role of business is recognised as being particularly important, linked to the region's inclusive growth commitments. In particular, part of the suggested outcomes to be measured will include the employment rate gap for disadvantaged groups and measurements of workforce diversity (at all levels).

5.2 The Business Productivity and Resilience Plan also creates proposals for future interventions that will be subject to equality and diversity assessments. There will also be scope for future interventions to focus on increasing diversity, such as the work on the entrepreneurship programme reported in item 5. To ensure this is followed through on in delivery, programmes resulting from the plan will target and monitor delivery to under-represented groups to ensure everyone is able to access the appropriate support. Specific proposals are also included to explore support for cooperatives and other alternative models of business ownership, recognising the barriers faced by BAME social entrepreneurs in particular in accessing investment (based on evidence from the Commission on Social Investment).

5.3 As part of the consultation and engagement process through the Your Voice page, respondents to the survey are asked a number of questions that capture the diversity of respondents, in line with the privacy notice accompanying the survey in relation to the use of that data.

## **6. Financial Implications**

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

## **7. Legal Implications**

7.1 There are no direct legal implications contained within this report.

## **8. Staffing Implications**

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

## **9. External Consultees**

9.1 No external consultations have been undertaken specifically on this report, however a wide range of stakeholders have been consulted as part of the development of the plan as outlined at 2.4 and will continue to be engaged as actions are brought forward from the plan.

## **10. Recommendations**

10.1 That the Combined Authority endorses publication of the priorities and indicative actions of the Business Productivity and Resilience Plan as part of the region's Strategic Economic Framework

## **11. Background Documents**

11.1 There are no background documents referenced in this report.

## **12. Appendices**

Appendix 1 – FINAL DRAFT Business Productivity and Resilience Plan

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# Business Productivity and Resilience Plan

August 2021

# Introduction and purpose

The **Business Productivity and Resilience Plan** fills a current gap in our Strategic Economic Framework. It has close connections to policies and strategies particularly on Economic Recovery, Innovation and Employment and Skills, and draws from the evidence of the Local Industrial Strategy. It provides a significant contribution to the priority of **Boosting Productivity**, but will also contribute to **Enabling inclusive growth** and **Tackling the climate emergency**.

## Our Vision

To be recognised globally as a place with a strong, successful economy where everyone can build great businesses, careers and lives supported by a superb environment and world-class infrastructure.

## Our Priorities



Boosting productivity



Enabling inclusive growth



Tackling the climate emergency



Delivering 21st century transport



Securing money and powers

## Our Partnerships

### Our Policies and Strategies

Bus	Connectivity	Culture
Digital	Economic and Transport Recovery	Employment and Skills
Energy	Flood Risk Management	Future Mobility
Green and Blue Infrastructure	Housing, Heritage and Regeneration	Innovation
Local Industrial Strategy	Spatial Planning	Business Productivity and Resilience

## Evidence Base

# Aligning our plan

## Strategic Economic Framework

The Business Productivity and Resilience Plan will sit within the West Yorkshire [Strategic Economic Framework](#). The framework sets out our ambitious vision for the ongoing transformation of West Yorkshire and establishes our investment and decision making priorities for how we will achieve this.

### Strategic Economic Framework

The Strategic Economic Framework sets out our ambitious vision for the ongoing transformation of West Yorkshire and establishes our investment and decision-making priorities for how we will achieve this.

## Regional priorities



Boosting productivity



Enabling inclusive growth



Tackling the climate emergency

Business Productivity and Resilience is at the heart of the West Yorkshire Combined Authority priority of boosting productivity. However, our plan also aims to make significant positive contribution to two further priorities of tackling the climate emergency and enabling inclusive growth

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## Connected business facing policy & strategies

Innovation Framework

Employment and skills Framework

The plan shares key objectives with other areas of business facing policy, particularly the Innovation Framework and Employment and Skills Framework. Our business behaviours focus for innovation and skills directly read across to the actions in these partner strategies.

## Immediate issues

COVID-19 Economic Recovery Plan

Immediate actions to support post-EU transition

Our Business Productivity and Resilience Plan is aligned to our immediate strategic priorities for the economy – recovering from COVID-19 and supporting the transition of the economy as the UK has left the European Union single market.

# What do we mean by productivity and why does it matter?

Productivity, in economics terms, generally refers to how efficiently inputs (labour and capital) are used to produce outputs (goods and services). This can be partial factor, total factor, or multi-factor productivity.

$$\text{Productivity} = \frac{\text{Turnover} (- \text{Intermediate consumption})}{\text{Number of workers}}$$

[ONS definition](#)

But productivity isn't an end in itself, and it is generally accepted that it has greater importance than just measuring outputs.

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**In Leeds City Region we are concerned about productivity because it is directly linked to living standards.** At a macro level, a country's ability to improve its standard of living over time is almost entirely dependent on productivity growth. At a micro level, business behaviours and good work can improve productivity, but also be made possible as a result of productivity.

It is also **crucial in determining long-term growth rates** of an economy. It leads to stronger Gross Domestic Product (GDP) growth and, in turn, increases tax revenues and lowers government budget deficits. If inclusive growth matters, productivity matters.

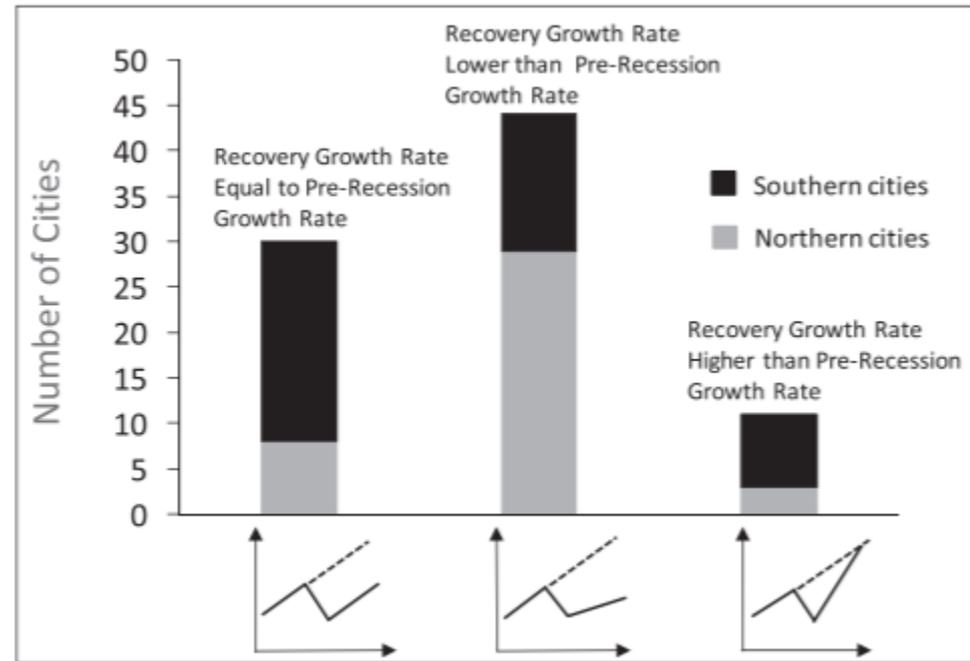
The West Yorkshire economy would be £8.5bn larger if job productivity levels equalled the UK average

# How do productivity and resilience work together?

**Business resilience** has been brought into closer focus by the impacts of COVID-19, which has had disproportionate impacts on certain sectors and locations of the economy. But unlike productivity, there are no universally agreed definitions of resilience, and most businesses don't measure it ([HBR](#), 2020).

What does seem to be accepted about both productivity and resilience, is the central role played by **business behaviours** ([WCPPP](#), 2020) in determining the productivity or resilience of the wider economy. This is why we have placed behaviours at the heart of our plan.

The resilience of business to adapt, pivot and survive through changes, to support their workforces and contribute to their local places, will also be critical to realising our regional ambitions for **inclusive growth**.



City recovery from the great recession of 2008–2010. Source: [Martin and Gardener](#) (2019)

## Lenses for business resilience:

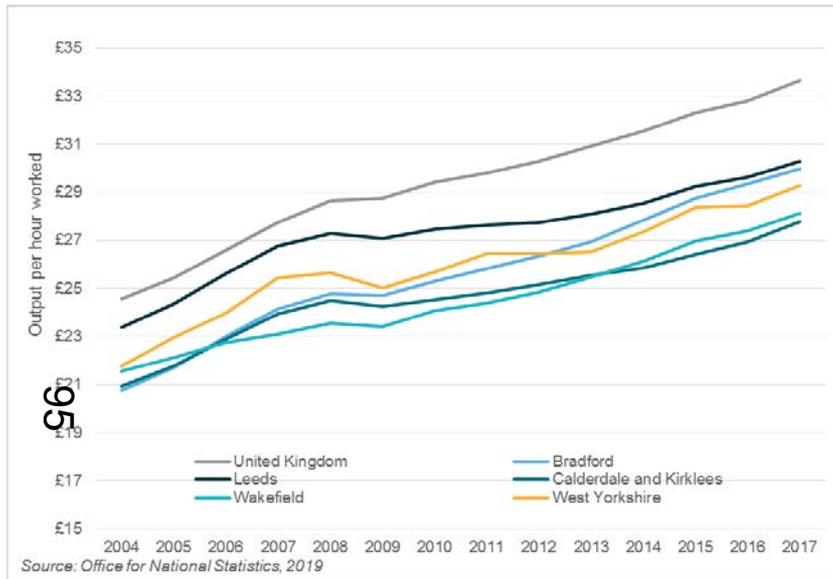
- Financial
- Supply chains
- Workforce
- Environmental
- Technological

# **The supporting evidence base – drawing from the Local Industrial Strategy Economic Assessment**

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# Mixed productivity growth across the area

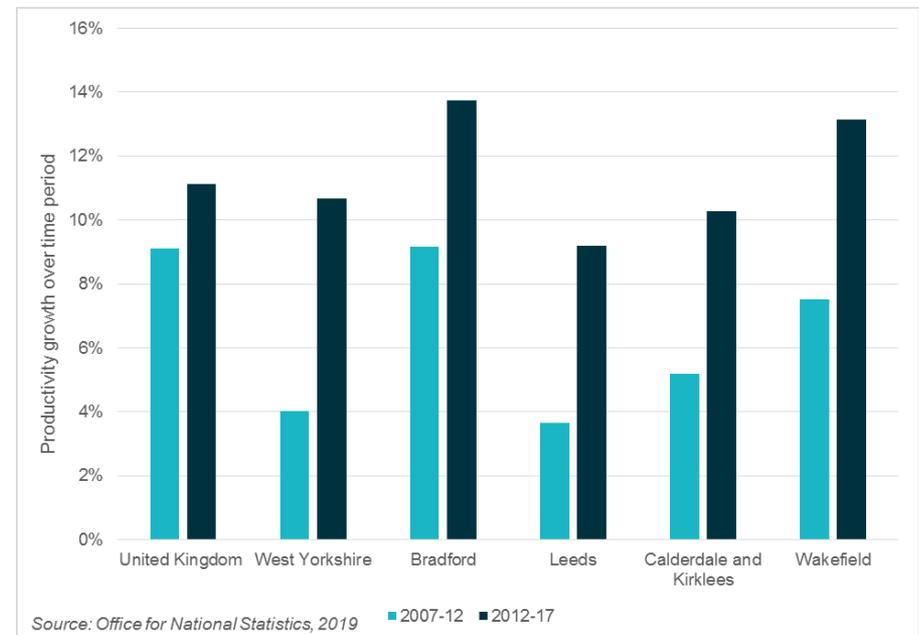
Chart: NUTS3 productivity growth, 2004-17



Whilst all constituent parts of the area follow a similar pattern, the scale of variation between areas is substantial. Productivity growth has continued to lag UK levels since 2012 in Leeds, Calderdale and Kirklees. More positively, Bradford (13.7%) and Wakefield (13.2%) have grown faster than the UK over the past five years.

As with total GVA, weaker productivity growth locally was more pronounced during the last recession and immediately after- **offering a potential warning for post-COVID recovery.** Between 2007-12, productivity increased by 4% in West Yorkshire, compared to 9.1% nationally. However, since then the gap has been much less pronounced, with local productivity increasing by 10.7% locally and 11.1% nationally between 2012-17.

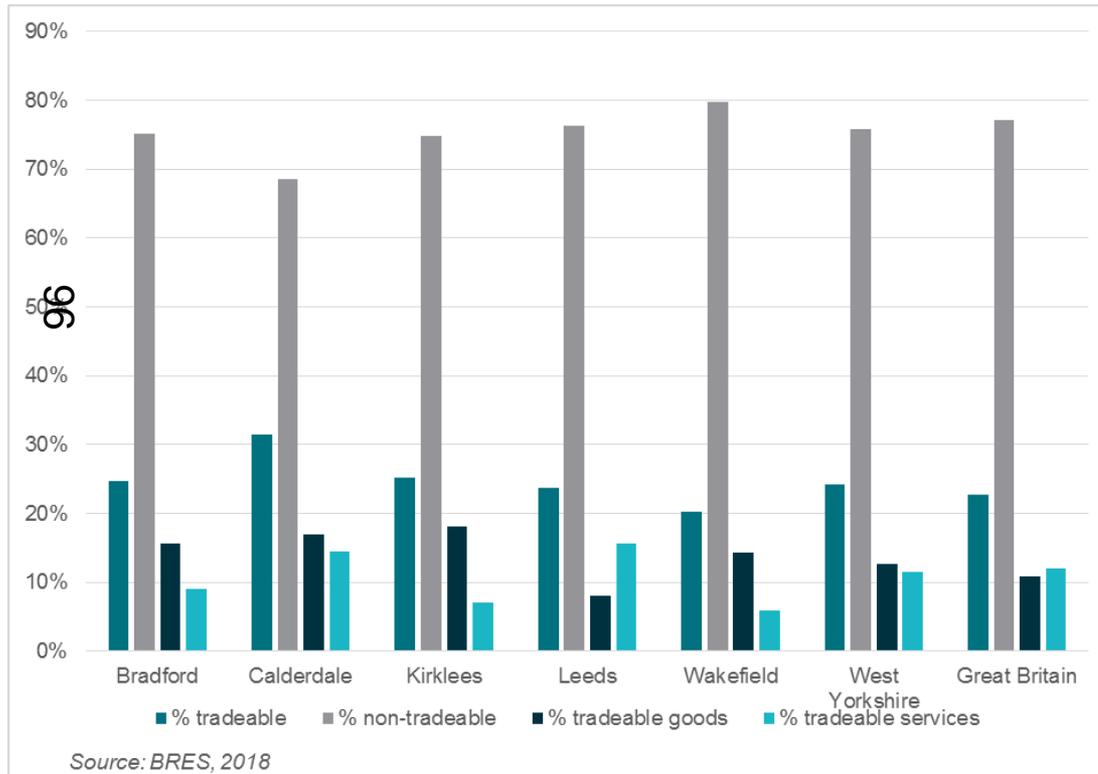
Chart: Productivity growth in West Yorks NUTS3 areas



# Potential to increase the share of and dividends from jobs in tradeable sectors

There is research\* to suggest that areas with more prevalent jobs in traded sectors support the narrowing of disparities in productivity performance. Growing the share of jobs in tradeable sectors is therefore one potential route to higher competitiveness and productivity growth.

## Chart: Jobs in tradeable and non-tradeable sectors



Whilst the share of jobs that could be considered in tradeable sectors (based on OECD definitions) is in line with the national average in West Yorkshire at 24%, in most parts of the geography this is largely attributable to the area's strong manufacturing base. This emphasises the potential to increase international trade in these sectors.

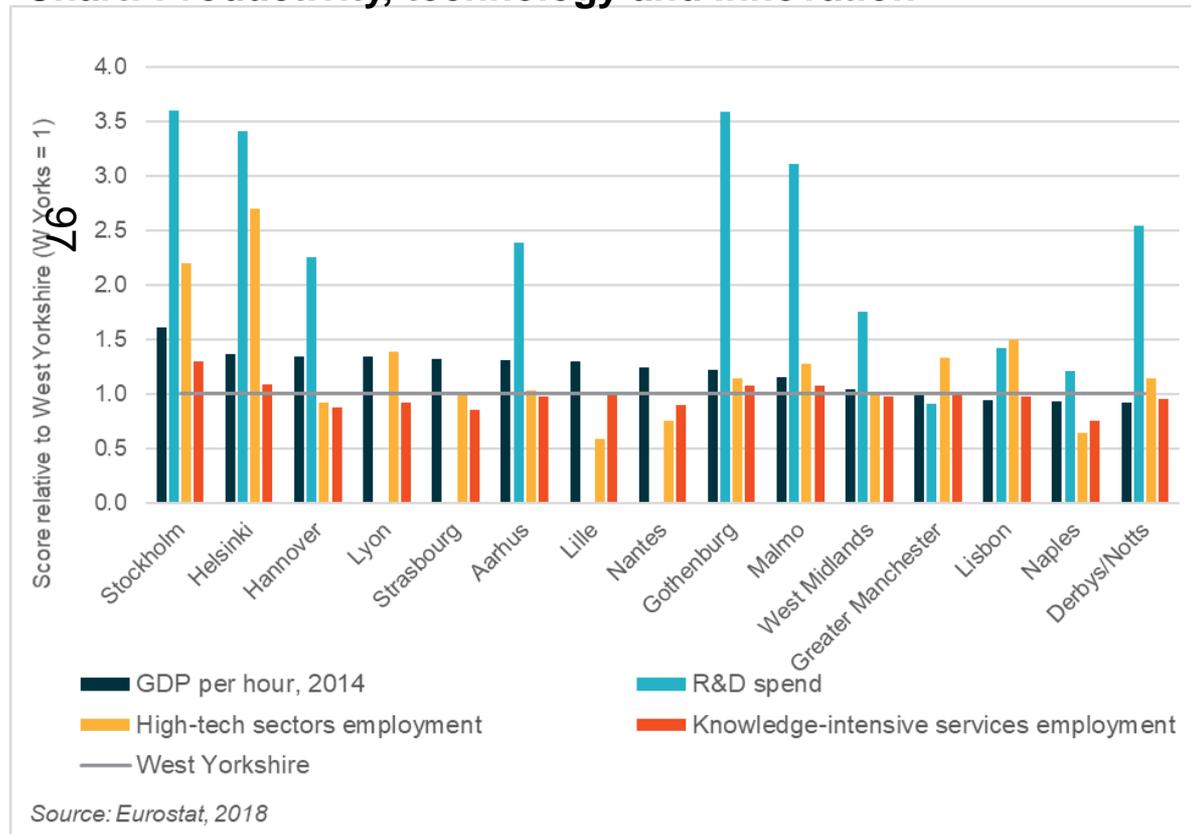
However, only Leeds and Calderdale has in excess of 10% of jobs in tradeable services, significantly below the 12% nationally reflecting a an opportunity to grow the share of jobs in knowledge intensive service sectors.

\* E.g. *Productivity and Jobs in Globalised World*, OECD, 2018; *Trading Places*, Centre for Cities, 2016

# More productive areas tend to have more technology and innovation

The most productive comparator areas internationally, Stockholm and Helsinki, also have substantially higher concentrations of high tech employment, as does Lyon to a lesser extent.

**Chart: Productivity, technology and innovation**



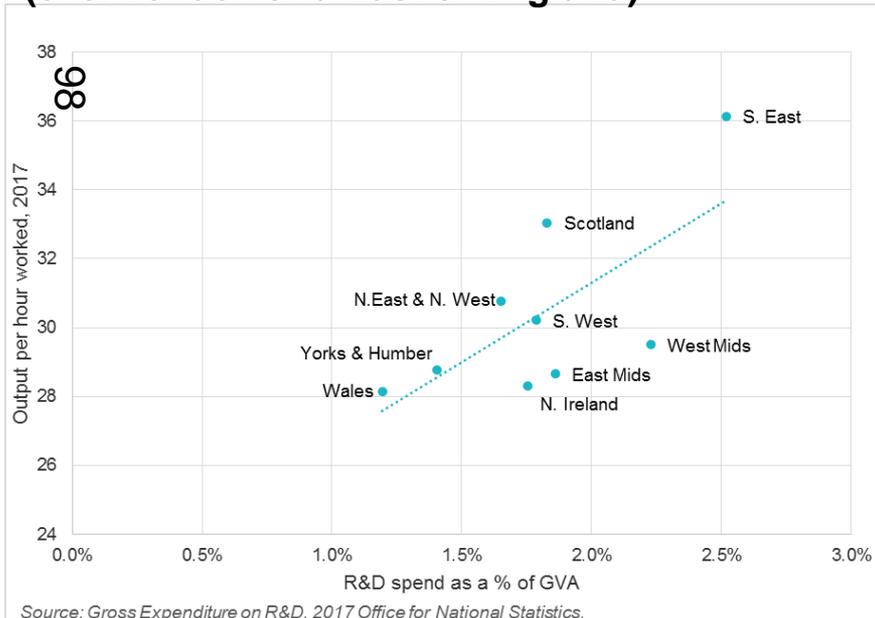
Whilst Leeds City Region has significant strengths in research and world leading firms, R&D spend is substantially higher in most overseas areas in this analysis (though comparable data is not available for French regions on this measure). Investment in R&D in West Yorkshire was 2-3 times lower than in Scandinavian and German cities analysed here.

# Innovation and R&D is correlated with productivity

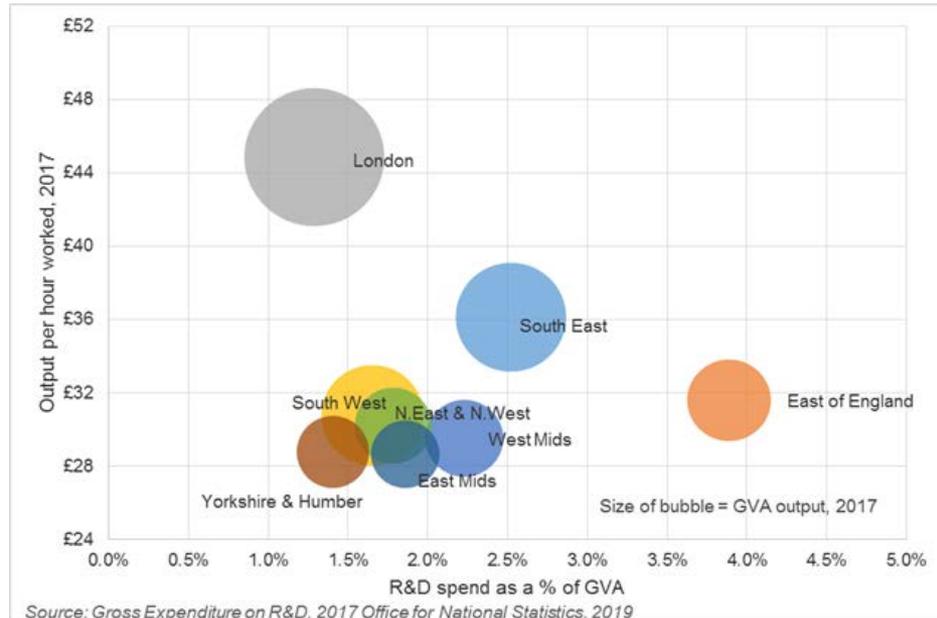
The national industrial strategy sets out the ambition for the UK to spend 2.4% of GDP on research & development.

Currently, Yorkshire & Humber spends 1.4% of GVA on R&D – less than any other English region. The below charts show the correlation between R&D spend and productivity, particularly when outlying regions are removed (left hand chart). The fact that public R&D is currently imbalanced, and this has a direct impact on lower private investment, further hinders productivity in the region.

**Chart: R&D spend and productivity, 2017 (exc. London and East of England)**

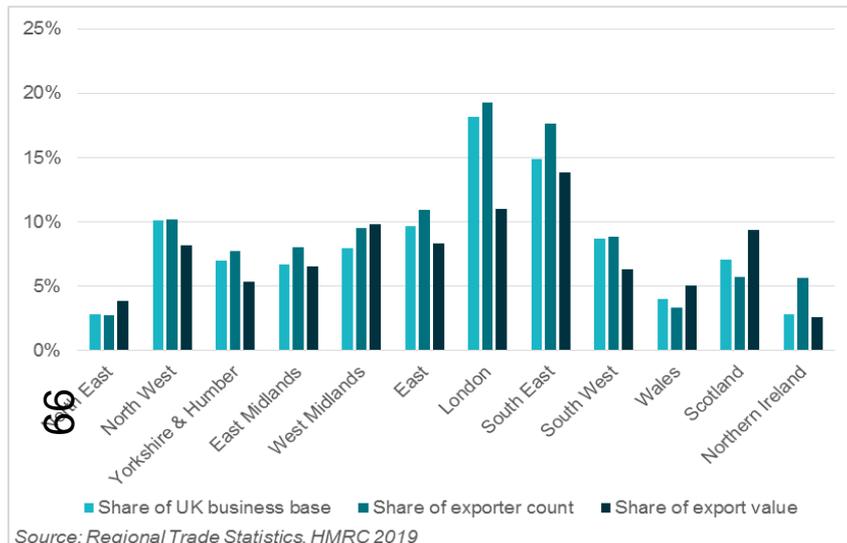


**Chart: R&D intensity by region, 2017**



# The region's exporters export less than their counterparts elsewhere

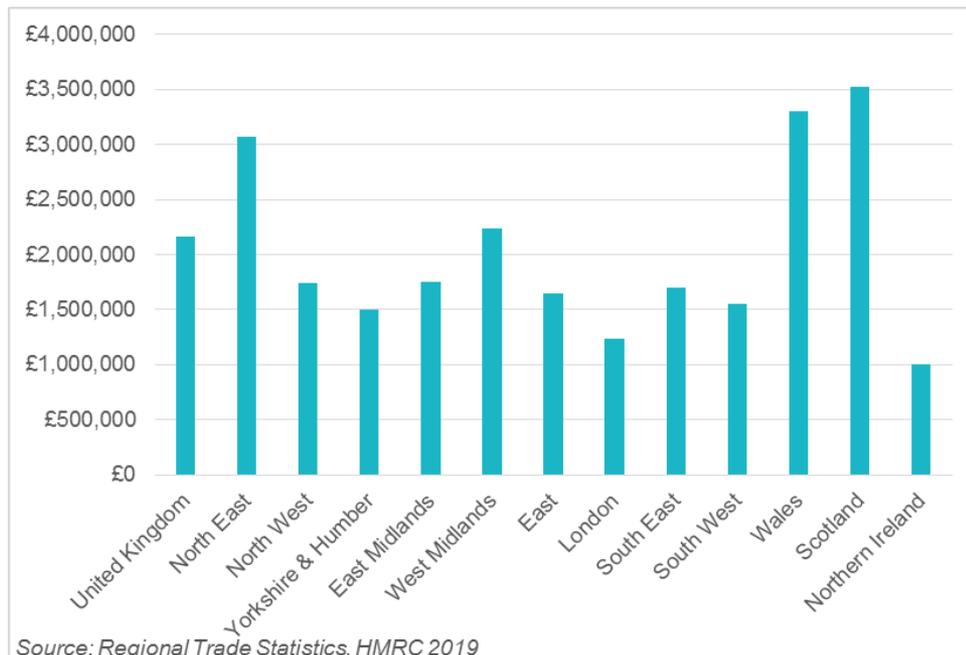
Chart: Share of export activity by region, 2018



The Yorkshire & Humber region accounts for 7.7% of UK goods exporters in 2018, broadly in line with its 7% share of UK businesses. However, whilst the number of exporters has increased by 25% since 2013, it has remained relatively stable since 2016. Data is not available yet to understand what the potential impacts of Brexit have been on these numbers.

On average, Yorkshire & Humber goods exporters exported goods worth £1.49m in 2018, up from 1.25m in 2016. However, the value of goods exports per exporter remains lower in Yorkshire & Humber than other English regions other than London.

Chart: Value of exports per exporter, 2018



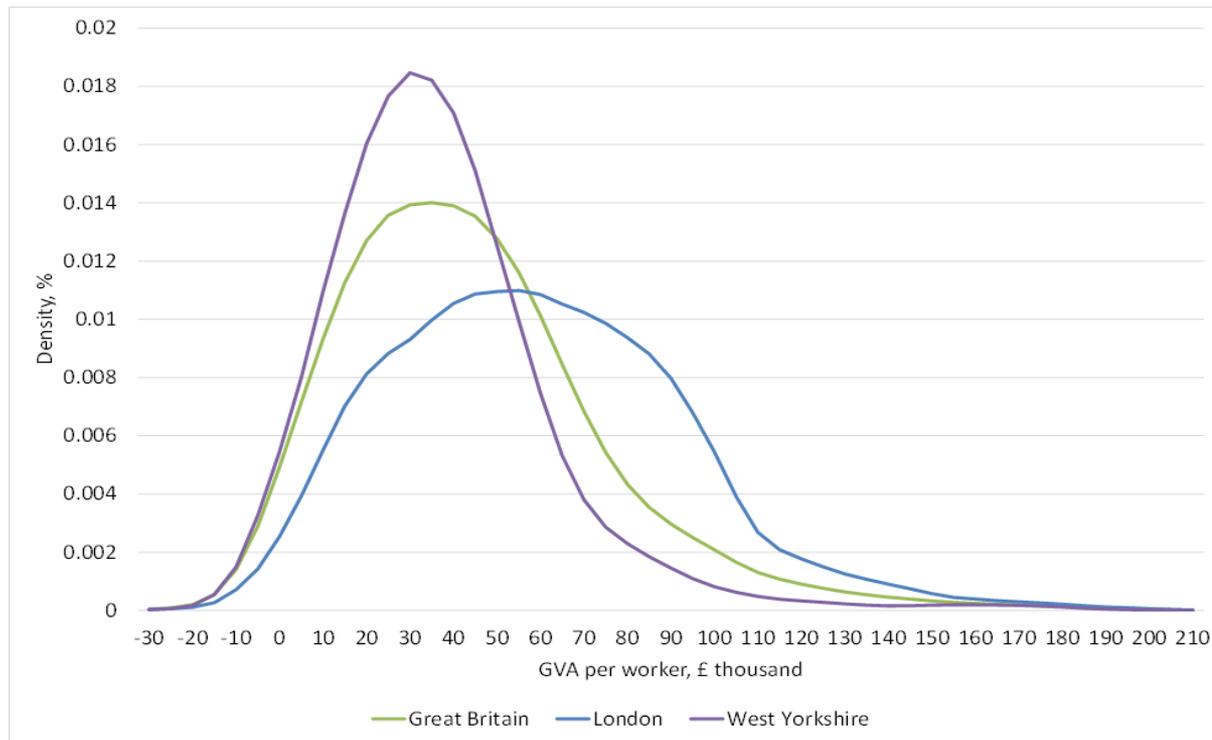
# The region has a longer “long tail” of underproductive firms

A range of factors influence relative productivity underperformance. ONS research suggests that West Yorkshire has a higher proportion of firms with relatively low productivity compared to the country as a whole, and London in particular. This creates a “long tail” of underproductive firms (see Haldane, 2017 [“Productivity Puzzles”](#)).

This is true to varying extents in other regions, though in most cases a region’s industrial structure only plays a small role in determining productivity performance.

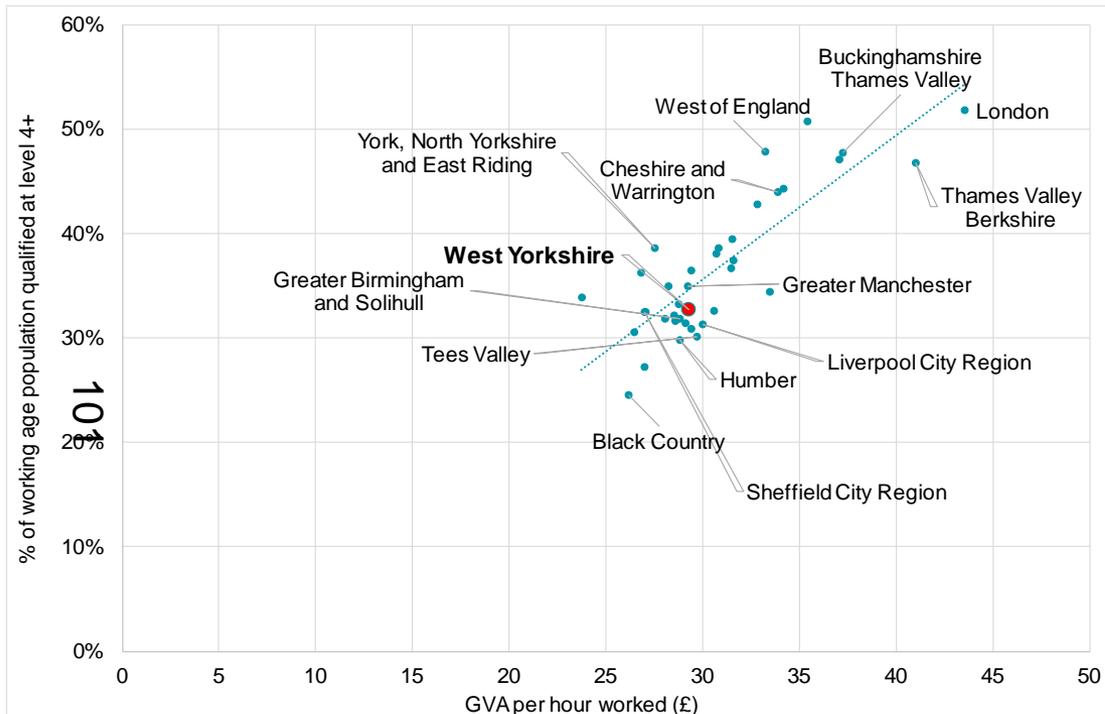
**Chart: Distribution of firm level productivity, West Yorkshire, UK and London**

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# There is a strong correlation between skills and productivity performance at local level

Figure: High level qualifications and productivity by LEP area



Source: Annual Population Survey; ONS LEP level estimates of productivity

National research has also suggested a strong link between **leadership and management** and increased productivity (see [HM Government Productivity review](#), 2019), suggesting this as a particularly important skill set for productivity.

A simple **illustration** of the link between productivity performance and skills is this scatter chart which plots performance of LEP areas against the two variables – output per hour and % qualified at level 4 and above.

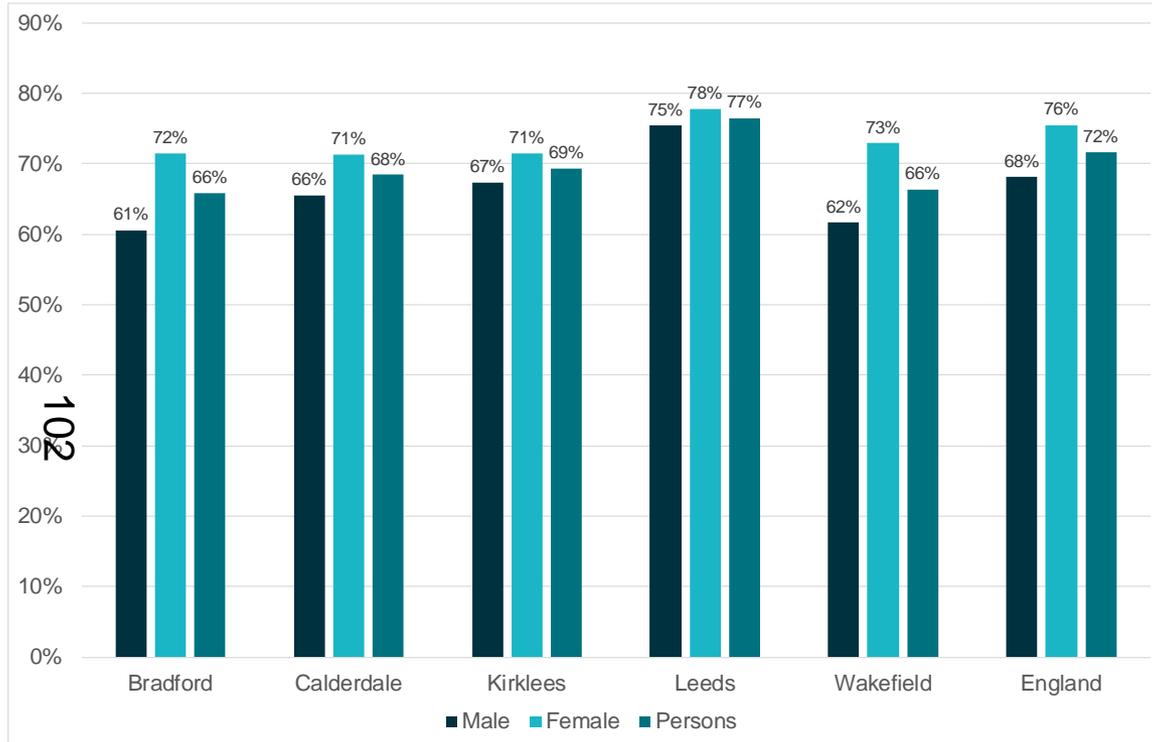
This shows **strong relationship** between the two, although there are a range of other factors aside from skills that determine local productivity.

West Yorkshire is towards the **bottom left** of chart – low productivity and low skills – London is top right – high productivity, high skills.

A strong supply of high level skills supports the effective use of technology within firms and an increased focus on innovation.

# Below national average on people in quality work

**Figure: Proportion of residents who are employees in quality work by sex, 2018**



*Note: Employees in high quality work have satisfactory hours, are not in low pay and have desired contractual status. Source: Office for National Statistics, Quality Work publication*

Research has confirmed the correlation between good work and productivity (although more evidence is still needed) – and that it is particularly important for improvements in the poorest quality work (see Bosworth and Warhurst in RSA [‘Can good work solve the productivity puzzle’](#)), 2020.

ONS has developed a composite measure of good work in response to recommendations in the Taylor Review of modern working practices.

According to this measure a person in quality work has all of the following characteristics: not in low pay, working satisfactory hours, having desired contractual status.

Around two-thirds of resident employees are in quality work across the majority of West Yorkshire districts, somewhat below the national average.

Women are more likely to be in quality work, reflecting the fact that they are more likely to be working a satisfactory number of hours than men.

Leeds has a considerably higher proportion of quality jobs than elsewhere in West Yorkshire and also outperforms the national average by 5 points. It performs consistently strongly on pay, hours and contractual status

# **Our productivity and resilience focus and priorities (draft)**

# Our productivity and resilience focus

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Based on the evidence, our focus is twofold.

- We must look at the positive **business behaviours** that can increase productivity and build greater resilience in local businesses
- At the same time we also need to act on the structural **transformation opportunities** that can impact on our overall business productivity performance, including through investment, attraction of new enterprises and reshaping our economy to be net zero carbon resilient.

And across these, we need to ensure that our actions contribute positively to **inclusive growth**, with higher levels of good work and improved environmental sustainability that will contribute to the wider resilience of our people and places, as well as a closing of the £8.5bn gap in productivity.

# Our productivity and resilience focus

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For both of these.

- We have to work on both the supply and demand side, so that the right assistance is there to support businesses to increase their productivity and resilience, and that there is demand from businesses, existing and new, to take action.
- ~~9~~ We need to get practical, and agree on where regional level intervention is best placed and targeted, and how this works together in partnership with businesses, other public support (local and national) and intermediaries.

The draft priorities that follow are based on the evidence, and are aimed at tackling some long standing structural issues as well as addressing the immediate needs of economic recovery from COVID-19. These will only be realised by joining up strategic investment and interventions across a range of partners.

This plan is therefore the beginning of a journey towards greater business productivity and resilience.

# Focus Part 1: Business behaviours

5 sets of behaviours that make a difference to business productivity performance, provide our framework for how as a city region we will build the potential of our business base and wider economy towards our overall objective - to a significant closing of the £8.5bn gap between job productivity levels in the West Yorkshire economy and the UK average contributing to improved living standards for inclusive growth.



*n.b. these are based on evidence from the [BEIS business productivity review call for evidence](#) (2018)*

# Focus Part 2: Transformation opportunities

Alongside the firm level business behaviours, our plan will look to how we can make better use of the structural transformation opportunities for improved productivity and resilience. Each of these opportunities are directly connected to the role of individual businesses in the Leeds City Region in achieving our vision, and in both reducing inequalities of opportunity whilst increasing the diversity of our entrepreneurs and the businesses they lead.

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Growing the presence of high productivity businesses and sectors

Tackling the Long Tail of low productivity

Attracting increased levels of investment (including on infrastructure)

Transition to Net Zero Carbon Resilient Economy

# Focus 3: Targeting to business cohorts

We want to be targeted with our plan to reflect the opportunities that exist at different stages of a business' journey, recognising that not all of our businesses will necessarily want or be able to grow exponentially and that there are other positive contributions they can make to our economy. In measuring success, we will look at what can work best for businesses depending on the stage of their journey, based on what we know about successful West Yorkshire businesses.

	Pre starts and start-ups	Productivity Growth	High growth and scale-up
Definition	Pre-starts, entrepreneurs, freelancers and those entering self-employment on the first steps of a productivity journey	Established businesses with low productivity, who may have only limited ambition to grow	Established businesses and entrepreneurs with high potential productivity and substantial growth potential

# Our DRAFT vision

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## **Our vision for action on business productivity and resilience in the Leeds City Region is:**

“Supporting businesses to become more productive, focussing on the behaviours and good work that also make a positive long-term contribution to living standards and the environment in West Yorkshire.

Over time, this should contribute to a significant closing of the £8.5bn gap between job productivity levels in the West Yorkshire economy and the UK average”.

# Our Business Productivity and Resilience priorities – plan on a page DRAFT

## Business Productivity & Resilience

Actions

### Building through Business Behaviours for Productivity

Improving strategic decision making and planning

Increasing the number of highly skilled managers and staff

Increasing adoption of new innovative practices

Increasing the value and volume of exports

Increasing the prevalence of Good Work

### Acting on transformational opportunities

Growing the presence of high productivity businesses and sectors

Tackling the Long Tail of low productivity

Attracting increased levels of investment (including on infrastructure)

Transition to Net Zero Carbon Resilient Economy

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## Delivering on greater economic resilience

Outcomes

Higher productivity

a significant closing of the £8.5bn gap between job productivity levels in the West Yorkshire economy and the UK average

Good work

Higher levels of good work - 271,000 WY employees (29% of the total) were not in good quality work (ONS definition based on Taylor Review) before COVID-19

Improved living standards

Improved Gross disposable household income & a reduction in CO2 and Emissions Intensity Ratio

# 1. Building through Business Behaviours for Productivity

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**We will:** prioritise support to businesses that builds behaviours for productivity, taking a holistic business change cycle approach made relevant to businesses from Pre starts and start-ups, to Productivity Growth to High growth and scale-up.

**By:**

- Focussing on 5 broad areas of behaviours that we know are linked to improved productivity and resilience in a business:
  - Improving strategic decision making and planning
  - Increasing the number of highly skilled managers and staff
  - Increasing adoption of new innovative practices
  - Increasing the value and volume of exports
  - Increasing the prevalence of Good Work
- Joining up on the provision that exists to support individual behaviours (building on experience from the Leeds City Region [productivity pilot](#)), to make sure businesses have straight forward access to the support they need within the ecosystem
- Taking an approach focussed on the [business change cycle](#) – Realisation, Assessment, Navigation, Embedding that is relevant to businesses at different stages of development.

**Which will result in:** A clear framework for supporting businesses to improve productivity and long-term resilience, more businesses adopting business behaviours for productivity, leading to improved productivity performance of the region's economy.

# Measuring business behaviours – what does success look like?



## Measuring success



# 1a. Business Behaviours - Improving strategic decision making and planning

**We will:** promote and prioritise support that helps businesses to successfully plan for future productivity and greater resilience.

**By:**

- Utilise experience from the Leeds City Region [productivity pilot](#) in developing an effective model for “productivity plans”, particularly in relation to capital investments
- Build on the principles of a “No Wrong Door” approach to business support to make navigating the ecosystem more straightforward, through close collaboration between the Growth Hub, representative groups and intermediaries, and local delivery partners.
- Build on learning from existing pilots with regards to benchmarking and diagnostic tools, to identify best practices to follow across our measures of success
- Deliver Peer to Peer networks as a proven route to improve decision making by learning from other businesses
- Delivering increased levels of investment readiness support and promotion of available finance
- Deliver a package of support for entrepreneurship, focussed on increasing the diversity of entrepreneurs

**Which will result in:** More businesses with plans in place for improved productivity, engaged with strategic support programmes and successfully accessing funding to deliver those plans.

# 1b. Business Behaviours - highly skilled managers and staff

**We will:** promote and prioritise support that increases the numbers of highly skilled managers and staff.

**By:**

- Supporting the objectives of the [Employment and Skills framework](#) around:
  - Creating a culture of investment in workforce skills at all levels
  - Driving innovation and productivity through high level skills
  - Encouraging more business to have a skills plan and training budgets
- $\frac{1}{14}$  Encouraging greater take up of available support for management training – such as through the Chartered Management Institute
- Drawing learning from other areas on how to encourage greater meaningful employee engagement in flexible training and decision making.
- Supporting those exploring establishing an enterprise to access skills and training required to be successful, with a focus on increased diversity.

**Which will result in:** An increase in the number of highly skilled managers and staff, and increased investment in workforce skills at all levels.

# 1c. Business Behaviours - Increasing adoption of new innovative practices

**We will:** support all businesses to benefit from the diffusion of ideas, as well as promote frontier businesses investing in radical innovation

**By:**

- Supporting the objectives of the [Innovation Framework](#) around:
  - Innovation for all, embedding inclusivity in our approaches to innovation and promoting the role of innovation in tackling societal challenges
  - Innovation diffusion, strengthening the evidence base on what works and then supporting the implement appropriate interventions
  - Better understanding the overall investment landscape, and in particular the needs for innovation finance – with the intention to develop potential solutions for key gaps in provision.
- Maximising the benefits from the delivery of the Made Smarter Pilot for manufacturers, and secure future funding
- Drawing lessons from participation in the [European Interreg SMARTY project](#), focussed on SMEs adopting Industry 4.0 technologies and practices.
- Increasing the availability of accelerator support for innovation driven enterprises, building on the success of the BUILD pilot programme

**Which will result in:** Greater take up of innovative practices (digital technologies and leadership and management practices etc) which will result in more productive, innovative businesses. Increased appetite from industry to explore increased use of digital tech and opportunities to de-risk investment through demonstrator hubs.

# 1d. Business Behaviours - Increasing the value and volume of exports

**We will:** work with the trade support ecosystem to increase export activity from the region

**By:**

- Developing clear priorities for international trade for West Yorkshire based on evidence of strengths and opportunities for exporting – markets and sectors.
- Working with the network of trade partners to share intelligence and ensure join up of the provision of appropriate support for those seeking to export or reach new markets
- $\rightarrow$  Analysing gaps and barriers to exporting and looking to best practice from elsewhere on  $\rightarrow$  how to influence change, including increasing the diversity of exporters.
- Delivering support to business to navigate advice and services related to international trade, and analysing the long-term implications for trade support
- Promote the Leeds City Region at trade fairs, events and through communications – shouting about the existing export strengths of the region.

**Which will result in:** More businesses exporting more, with West Yorkshire business owners supported to adapt to the changing trade regime of the UK.

# 1e. Business Behaviours - Increasing the prevalence of Good Work

**We will:** promote the benefits of Good Work to businesses and embed it as a core value of doing business in West Yorkshire, linked to our regional [Inclusive Growth Framework](#)

**By:**

- Developing a Fair Work Charter for West Yorkshire which encourages our employers to adopt best in class employment practices, including on: pay and benefits, work-life balance, employee voice, and health and wellbeing
- Actively promoting the value of Good Work to businesses through communications, recognising its role both in reducing inequalities and improved physical and mental health but also improving productivity and business performance
- Facilitating the sharing of local best practice of workforce approaches to improved productivity and resilience
- Drawing lessons from elsewhere on how to promote successful alternative models of employee investment and business ownership, including cooperatives
- Utilise the conditionality attached to business support programmes in the city region and through procurement to drive up key good work behaviours – including paying the Real Living Wage, flexible working arrangements, employee engagement and supporting physical and mental health.

**Which will result in:** an increase in the number of people in West Yorkshire in “good work” (ONS definition) above the UK average and increased knowledge of the benefits of good work in increasing business productivity.

# Acting on transformational opportunities

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Acting on transformational opportunities means how we can effect structural changes in the West Yorkshire economy that will lead to long-term business productivity and resilience

# 2a. Growing the presence of high productivity businesses and sectors

**We will:** prioritise opportunities to attract, retain and grow businesses with high productivity, focussing in particular on those sectors that have some of the greatest potential

**By:**

- Focusing interventions and efforts on growing our industry base of high productivity businesses, attracting new companies and realising the potential of businesses with high growth ambition already within the region, including in creating high quality employment opportunities.
- Developing clear sector plans for supporting the attraction and retention of high productivity sectors –  
→ (including on Healthtech, zero carbon)
- Supporting inward investment opportunities that land new businesses across the city region;
- Aligning to employment and skills to ensure a talent pipeline of individuals with the necessary skills and qualifications needed for those sectors from across our communities
- Aligning to the innovation framework to ensure industry led clusters are developed
- Developing supply chain perspectives that add greater resilience to the economy

**Which will result in:**

- Leeds City Region positioned as a leading place to grow a high productivity business, bringing high quality jobs and opportunities for the region.
- Attracting further inward investment opportunities to the region with a clear offer and vision based on productivity
- The development of strong regional clusters of industry, including, but not restricted to, Healthtech and zero carbon

# 2b. Tackling the Long Tail of low productivity

**We will:** action interventions with partners that can make a meaningful difference to current low productivity businesses, focussing especially on the role of good work in non-tradable parts of the economy, including social enterprises. As the majority of people work in these sectors, making improvements here is essential to reducing inequalities.

**By:**

- Building on best practice of what works in boosting low productivity, especially in sectors of the West Yorkshire economy currently characterised by large scale, low pay employment.
- Linked to the business behaviour on good work, look to promote the Fair Work Charter as a key action in boosting low productivity and achieving inclusive growth
- 120 • Collective work to identify businesses that might currently have low productivity but have the potential to improve [or even become high growth], and to provide relevant support linked to the business behaviours.
- Designing specific interventions that target low productivity particularly in areas of inequality that do not normally access mainstream business support - (including learning from work on the effects of COVID-19 on retail in West Yorkshire)

**Which will result in:**

- Supporting businesses to adopt best practice, including on Good Work, that will also benefit their productivity and bottom line
- More support available targeted at communities that might currently be excluded
- Building greater resilience into our long tail and the jobs that they provide

## 2c. Attracting increased levels of investment (including on infrastructure)

**We will:** focus on overcoming the barriers to investment in the city region's economy, joining up the offer we have with the available sources of finance, whether that comes from public or private sources.

**By:**

- Better understanding the overall investment landscape and connecting the offer for businesses at all stages and productivity potential, but with a particular focus on those who may face additional barriers and those with the biggest potential to grow.
- <sup>121</sup> Aligning here to the innovation framework - Identifying means to fill the investment gap of between £100k-1m for business investment
- Putting in place mechanisms to attract additional Venture Capital investment into Leeds City Region by building the profile of place and showcasing the offer.
- Working across disciplines to make sure physical infrastructure supports business productivity and resilience – particularly digital connectivity and the low carbon pipeline.

**Which will result in:**

- More of the right finance being available and accessible for a range of businesses at the right stage of their business journey.
- Greater connections between investment in physical infrastructure and improved productivity and resilience for businesses

# 2d. Transition to Net Zero Carbon Resilient Economy

**We will:** focus on the role of business in the transition to a net zero carbon economy, and how this can positively contribute to increased levels of productivity and resilience

**By:**

- Aligning with the region's carbon emissions pathways work and Tackling the Climate Emergency Action Plan, particularly as it relates industry.
- Understanding best practice in how to support improved productivity and business resilience through transition to net zero carbon, and where there are market opportunities for businesses in transition – and using this as the basis for positive business engagement.
- Identifying ways to support businesses in their own transition and on circular economy ambitions, including through specific programmes of support such as ReBiz.
- Linked to the increased investment opportunity, exploring the financial mechanisms and incentives needed to achieve transition, including through national funding routes

**Which will result in:**

- Clear communications with businesses about the benefits and trade-offs of a transition to net zero and how it can be a positive opportunity for productivity.
- Increased numbers of businesses supported to accelerate their own transition or circular economy targets.
- Achievement of the carbon emissions pathways roadmap as it relates to industry

# How this can deliver on economic resilience?

**More specific targets for economic resilience will be developed when the priorities of this plan are agreed. As a starting point, we have identified the following high level outcome objectives, linked to indicators in our Strategic Economic Framework:**

- Higher productivity:
  - a significant closing of the £8.5bn gap between job productivity levels in the West Yorkshire economy and the UK average
  - Measurement - Nominal gross value added per hour worked
- Good work – improving on:
  - % Employees in Quality Work
  - Employment rate gap for disadvantaged groups: Proportion of people in employment in disadvantaged groups (disabled, BAME, aged over-50) versus overall employment rate.
  - Workforce diversity (at all levels)
  - % employers providing flexible working –eg incidence of home-based working
- Improved living standards
  - Improved Gross disposable household income
  - Emissions intensity ratio: Ratio of carbon emissions to gross value added

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**West  
Yorkshire**  
Combined  
Authority

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**Thank you**



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**Report to:** West Yorkshire Combined Authority

**Date:** 9 September 2021

**Subject:** **Capital Spending and Project Approvals**

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**Director:** Melanie Corcoran, Director of Delivery

**Author:** Craig Taylor, Head of Portfolio Management and Appraisal

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## **1 Purpose of this report**

1.1 To report on proposals for the progression of, and funding for, a number of West Yorkshire Combined Authority supported projects that have been considered at stages 1, 2 and 3 of the Combined Authority's assurance process.

1.2 Given the changes to the committee arrangements approved at the Combined Authority meeting on 24 June 2021, the schemes being considered for approval today have come directly to the Combined Authority due to expediency of delivery.

1.3 The recommendations can be found in Section 14 of this report.

## **2 Impact of COVID-19**

2.1 With the impact of COVID-19 on the region and its economy, it is more important than ever to assess the changes to the landscapes of our towns and cities and the impact on current and future planned schemes, particularly, but not exclusively, those relating to transport.

2.2 Although it is generally expected that in the medium and long-term behaviours will return to the pre COVID-19 position, the impact of COVID-19 in relation to travel behaviour into and around towns and cities will be assessed as part of scheme appraisal and any assumptions made to address issues identified prior to the pandemic will be re-tested.

## **3 Tackling the Climate Emergency Implications**

3.1 The Combined Authority has taken action to ensure all decisions we make include Climate Emergency considerations. The Combined Authority:

- Has strengthened how clean growth and climate change impacts are considered as part of all schemes that come through the Combined Authority's Assurance Framework.
  - Requires LEP and the Combined Authority reports to include clean growth / tackling the Climate Emergency implications, including qualitative impact assessments.
- 3.2 To fully strengthen decision making across the whole of the Combined Authority's Assurance Framework a robust, quantifiable methodology and tool for assessing all new schemes predicted carbon emissions/wider clean growth impacts is being developed.
- 3.3 Work is currently underway to refine the toolkit methodology by assessing a selection of existing capital schemes progressing through the assurance process. The outcomes of these assessments, including any potential mitigation of carbon impact will be available from late September 2021. This represents a delay due to difficulties encountered carrying out carbon impact assessments on an initial subset of schemes. This has allowed the consultants to take these challenges into account in making improvements to the methodology. The tool will be incorporated into the Assurance Framework so that it can be used to assess future proposals as they progress through the assurance process. This part of the commission will involve a training element to ensure carbon assessment is properly embedded in the assurance process.
- 3.4 Clean growth, including climate change, impact assessment / considerations are all now included in all Capital Spending and Project Approvals reports. This ensures that the business cases now reflect the Leeds City Region Climate Emergency priority and evidence that they will reduce carbon emissions (both directly and indirectly).

## **4 Additional approvals**

### **Future approvals**

- 4.1 The Combined Authority approved new Committee arrangements at its meeting on 24 June 2021. Part of those proposals is to disband the West Yorkshire and York Investment Committee (the Investment Committee) and introduce new decision-making thematic committees. Currently, the Investment Committee has delegated decision making authority to approve schemes after decision point 2 (Strategic Outline Case) of the Assurance Framework. This delegated decision-making authority is now included in the terms of reference for the thematic committees, with the exception of the Transport Committee, which is limited to any scheme within the Integrated Transport Block of the Capital Programme, for which the cumulative total of the financial approval and tolerance threshold is £3,000,000 or under.
- 4.2 Schemes now need to be allocated a thematic committee and therefore it is recommended that:
- 4.3 The Combined Authority approves that the schemes in the following funding programmes are allocated to the indicated thematic committee:

- Finance, Resources and Corporate Committee:
  - Corporate Projects.
- Transport Committee (no proposed changes to current delegations due to ongoing review of Transport Committee):
  - Integrated Transport Block, for which the cumulative total of the financial approval and tolerance threshold is £3,000,000 or under.
- Place, Regeneration and Housing Committee:
  - Local Growth Fund: Priority 2 - Skilled People and Better Jobs, Priority 4a - Housing and Regeneration, Priority 4d - Enterprise Zone Development.
  - Brownfield Housing Fund.
  - Land Release Fund & One Public Estate.
  - Getting Building Fund, excluding Business Growth Programme, Holbeck Phase 2 Victorian Terrace Retrofit, Wakefield Warm Homes Fund and Beech Hill Phase 2.
  - Broadband.

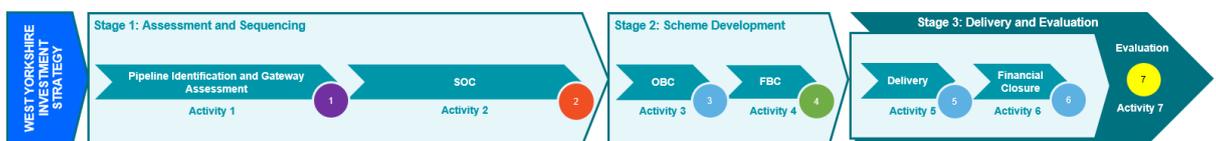
Plus the transport programmes below – until the outcome of the Transport Committee Review is known, when a further review / reallocation will take place:

- West Yorkshire plus Transport Fund.
- Leeds Public Transport Investment Programme.
- Transforming Cities Fund (Tranche 1 and Tranche 2).
- Integrated Transport Block, for which the cumulative total of the financial approval and tolerance threshold is over £3,000,000.
- City Connect.
- Active travel.
- Ultra-Low Emission Vehicles (ULEV) Taxi Scheme.
- Clean Bus Technology Fund.
- Ultra-Low Emissions Bus Scheme.
- Business, Economy and Innovation Committee:
  - Local Growth Fund: Priority 1 – Growing Business.
  - Getting Building Fund - Business Growth Programme.
- Climate, Energy and Environment Committee:
  - Local Growth Fund: Priority 3 - Clean Energy and Economic Resilience, Priority 4c - Economic Resilience Programme.
  - Getting Building Fund - Holbeck Phase 2 Victorian Terrace Retrofit, Wakefield Warm Homes Fund and Beech Hill Phase 2.
- Employment and Skills Committee:

- Employment and Skills related programmes.
- The governance and assurance arrangements for administering the adult education and skills functions of the Adult Education Budget. But please note that the AEB is not subject to the assurance process as set out in the Assurance Framework as it has its own governance arrangements.
- Culture, Arts and Creative Industries Committee:
  - British Library North.

## 5 Report

- 5.1 This report presents proposals for the progression of four schemes. Given the changes currently underway in relation to the Combined Authority’s approval of investment for schemes, following the Combined Authority meeting on 29 July 2021, the schemes being considered for approval today have come directly to the Combined Authority for expediency of delivery. These schemes have a total combined funding value of £73,054,000 when fully approved, of which £61,787,000 will be funded by the Combined Authority. A total expenditure recommendation to the value of £5,744,000 is sought as part of this report for the development and delivery of these schemes. Further details on the schemes summarised below can be found as part of this report. Please note, the figures quoted above do not include costs for the Wellington House Accommodation Project scheme, as this is commercially sensitive information.
- 5.2 The assurance process is a three-stage approach with the requirement that all projects subject to minor exceptions as detailed in the Assurance Framework, will as a minimum, need to formally pass decision point 2 (strategic outline case) and 4 (full business case), with the requirement to meet the intervening activities deemed on a project-by-project basis.
- 5.3 For more detail on the Combined Authority’s Assurance Framework through which each of the schemes outlined in this report are being approved is provided in **Appendix 1**.



### Stage 1: Assessment and Sequencing

- 5.4 Programmes / schemes will start to be developed through an ongoing dialogue with the Region’s businesses, third sector and public organisations, in line with the WYIS. Schemes will access funding through either a commissioning process or through open calls. Programmes / schemes will be assessed through a Strategic Assessment (an early-stage gateway check and challenge review) to determine if they are eligible to proceed (Decision Point 1).

- 5.5 If approved the scheme will progress to strategic outline case (SOC), where schemes will be expected to demonstrate a strategic fit in terms of project outcomes and set out their proposed approach to establishing value for money (VfM). At this stage, a long list of options will be considered with a shortlist being presented in the SOC. Consultation at this stage will be limited, but will be a key to the next activity, outline business case (OBC) in Stage 2. At this stage, funding may be sought to enable work to progress on the OBC. Schemes will also be required to submit an Appraisal Specification Report (ASR). It is at the end of this stage where the Combined Authority approve the indicative funding, approval pathway and route and tolerance levels (Decision Point 2).

### Stage 2: Scheme Development

- 5.6 If approved the scheme will progress to outline business case (OBC) unless the approval pathway set at decision point 2 does not require this. The OBC should revisit the options identified within the SOC to identify the option which optimises public value, confirm the affordability of the scheme, and put in place the arrangements to ensure successful delivery. The OBC should be prepared in accordance with the Green Book five-case model and should include a draft Monitoring and Evaluation Plan and a Benefit Realisation Plan. The Economic Case must be developed in consistency with the agreed ASR. Guidance will be provided to scheme promoters around the level of detail to be submitted at this stage with regards to proportionality of the business case. The scheme will be presented for approval by the decision-maker (Decision Point 3) as set out in the approval pathway and route approved at Decision Point 2.
- 5.7 If approved the scheme will progress to full business case (FBC) which will confirm the contractual arrangements for the preferred option. Affordability of the scheme is reiterated, and the scheme puts in place the final arrangements for delivery and monitoring and evaluation of the scheme. A Monitoring and Evaluation Plan and a Benefit Realisation Plan are mandatory products at this stage. The FBC should also be prepared in accordance with the five-case model and any conditions set at OBC should be resolved. The economic case must be developed in consistency with the agreed ASR. The scheme will be presented for approval by the decision-maker (decision point 4) as set out in the approval pathway and route approved at decision point 2.
- 5.8 The FBC approval will be granted with a condition that the scheme remains within set conditions. Where this condition has been met Approval to Proceed into Delivery (Activity 5) will be granted by the Managing Director (or by an officer under sub-delegated authority from the Managing Director). If the condition(s) is not met, the project will be required to re-submit the FBC.

### Stage 3: Delivery and Evaluation

- 5.9 Once a scheme gains FBC approval and the conditions set have been met, the scheme can progress into Activity 5 (Delivery).

- 5.10 Upon scheme completion, a Delivery Closure Report is required that details how the scheme has performed. This includes whether delivery has remained within the timeframes specified within the business case, has achieved the objectives of the scheme and associated outputs, documents what has been delivered and highlights the overall costs. The Delivery Closure Report will be presented for approval by the decision-maker (Decision Point 5) as set out in the approval pathway and route approved at Decision Point 2.
- 5.11 Following completion of Activity 6, the scheme will be required to submit a Financial Closure Report (Activity 6). The Financial Closure Report confirms the final costs for the scheme, ensuring all payments have been completed. The Financial Closure Report will be presented for approval by the decision-maker (Decision Point 6) as set out in the approval pathway and route approved at Decision Point 2.
- 5.12 The purpose of the Delivery and Financial Closure Reports is to assess the success of the scheme, identify best practice for future schemes, resolve all open issues and to capture feedback and lessons learnt to inform the development and delivery of future schemes.
- 5.13 Activity 7 (Evaluation) will be managed by the Combined Authority's Research & Intelligence team. This is a reporting point as opposed to the previous decision points in the process and will be undertaken when the scheme is completed for an evaluation of the benefits, outcomes and economic impact compared to the overall objectives set out in the SOC. Insights and learning intelligence from evaluation will also be fed back into policy and strategy in order to inform the design and development of future schemes. Interim evaluations may also be undertaken as required as set out in the Monitoring and Evaluation Plan.

#### **Value for Money - Benefit Cost Ratios**

- 5.14 The Benefit to Cost Ratio (BCR) for some of the schemes in this report potentially represent low value for money, when assessed using the Department for Transport's Transport Appraisal Guidance TAG on the appraisal of transport schemes.
- 5.15 This is because whilst calculating benefits to costs of a transport scheme there are many more journeys made by car than are made by bus, cycling, and walking and as a consequence the monetised benefits arising from improvements to bus, cycling and walking journeys may be outweighed by the monetised dis-benefits to car users.
- 5.16 However, a key strategic objective of investment is to encourage modal switch to more sustainable modes and therefore whilst the 'core' BCR (i.e. following Green Book guidance on total impact on the society as a whole) for some schemes may be low, discounting the dis-benefits to car users from the appraisal will result in a higher BCR and where possible this 'range of BCR' will be presented to support decision making. This is in line with HM Treasury guidance where appraisal should take account of all five cases (strategic,

commercial, economic, financial and management) and the economic case be balanced with these.

- 5.17 Her Majesty's Treasury (HMT) have now completed the review of the Green Book. The Green Book is guidance issued by HM Treasury on how to appraise policies, programmes, and projects. This review has endorsed the Combined Authority's approach by clarifying that overall Value for Money judgement should not depend solely on the BCR but be informed by a balanced consideration of all relevant evidence, that is, appraisal should take account of all five cases (strategic, commercial, economic, financial and management) and the economic case be balanced with these.
- 5.18 In particular, HMT have clarified further that in assessing value for money, a stronger emphasis can now be placed on the strategic case and how the strategic objectives and priorities of the Combined Authority will be met through the delivery of a project. This might for example include, but not limited to, a greater focus on regional impacts to help deliver Levelling Up, ensuring transformational projects are given due consideration, supporting the climate change and good growth agenda (the Combined Authority aims to achieve net-zero by 2038), supporting an increase in active mode and public transport use, supporting / accelerating housing development and allowing a greater emphasis on the requirement to carry out equalities analysis as required by the Public Sector Equalities Duty. The specific approach will be determined on a programme-by-programme basis as funding and investment streams come forward.

<p><b>York Northern Outer Ring Road</b></p> <p>York</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme will improve five roundabouts on the York Northern Outer Ring Road (YNORR) and bring 7.5 kilometres of the route up to dual carriageway standard. It will also provide an orbital walking and cycling route and improved crossings at intersecting radial routes</p> <p>The scheme will also provide faster access to two park and ride sites in York, where electric charging hyperhubs, a collection of ultra-rapid charging points for electric vehicles (EV), will be located.</p> <p>Previously, two separate schemes were being progressed for this section of the YNORR. One scheme to improve seven roundabouts and the other to turn the route into a dual carriageway road. A Change Request gained approval in May 2021 for additional development costs to progress the scheme to full business case. This Change Request is to introduce the additional funding from Department for Transport (DfT) for the dualling scheme and merge with the scheme to improve seven roundabouts, outline the implications for the YNORR scheme business case and to request the full development costs needed to progress the combined scheme to full business case.</p> <p><b><u>Impact</u></b></p> <p>The scheme will increase the capacity of the YNORR and reduce traffic congestion. Journey times along the improved 7.5 kilometres of road will be shortened by a fifth and journey times for drivers using the route will be more consistent throughout the day rather than congestion increasing journey times at peak travel times</p> <p>The scheme also provides a new segregated walking and cycling route along the improved section of road, which will give local communities near the YNORR better, faster, and safer cycling and walking links.</p> <p><b><u>Decision sought</u></b></p> <p>Approval of this Change Request for the York Northern Outer Ring Road to bring together the roundabout junction upgrade scheme and the dualling scheme and their associated funding allocations into one combined scheme and for development costs of £3,438,000 from the West Yorkshire + Transport Fund to progress the combined scheme to full business case, bringing the total development costs to £9,019,000 from the West Yorkshire + Transport Fund.</p> <p>Total value of the scheme - £65,193,000</p> <p>Total value of Combined Authority funding - £58,218,000</p> <p>Funding recommendation sought - £3,438,000</p> <p>A decision by the Combined Authority is sought as part of this report</p>
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<p><b>Department for Transport Capability Fund (Revenue)</b> West Yorkshire wide</p>	<p><b><u>Scheme description</u></b></p> <p>The Department for Transport's Capability Fund (Revenue) allocated to the Combined Authority will promote and enable more people to walk and cycle across West Yorkshire.</p> <p>The scheme also includes funding to support the development of the region's Local Cycle and Walking Implementation Plans (LCWIPs) which will set out the programme of future cycling and walking schemes.</p> <p><b><u>Impact</u></b></p> <p>Enabling more people to walk and cycle, and reduced car use, through behaviour change activity, to allow safer and more convenient journeys by bike and on foot, for local journeys, travel to school and for work.</p> <p>Increased levels of physical activity leading to improved health, particularly in urban communities in areas of higher deprivation.</p> <p><b><u>Decision sought</u></b></p> <p>Approval to proceed through decision point 4 (full business case) and work commences on activity 5 (delivery).</p> <p>Total value of the scheme - £1,351,341</p> <p>Total value of Combined Authority funding - £1,351,341</p> <p>Funding recommendation sought - £1,351,341</p> <p>A decision by the Combined Authority is sought as part of this report</p>
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<p><b>Enterprise Zone Langthwaite Business Park Extension Phase 1</b></p> <p>Wakefield</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme is being delivered through the government's Enterprise Zones (EZ) Programme and will extend the existing business park at Langthwaite, South Kirkby. The site, owned by the Combined Authority, covers 9.45 hectares of land.</p> <p>The scheme will enable the provision of new premises for small medium sized enterprises (SMEs), and employment and skills development for residents within the deprived areas of South Kirkby and South Elmsall, supporting the Strategic Economic Framework (SEF) priorities "Boosting Productivity" and "Enabling Inclusive Growth" of the Strategic Economic Framework (SEF).</p> <p>The scheme will be delivered in two phases:</p> <ul style="list-style-type: none"> <li>• Phase 1 led by Wakefield Council, will involve the extension to Onward Way to enable an access road into the site.</li> <li>• Phase 2, led by the Combined Authority, will involve de-risking and infrastructure works to the site to prepare it for commercial development. Works include remedial earthworks, services, balancing ponds to hold drainage water and roads, with two serviced development plots brought forward to the market.</li> </ul> <p>This request for approval is for Phase 1 only.</p> <p>The scheme will be funded from the Local Growth Fund and Getting Building Fund.</p> <p><b><u>Impact</u></b></p> <p>The scheme will prepare the site for commercial development and will create a new access road and bring forward two serviced plots to the market capable of accommodating 9,290sqm of floorspace. New cycling and walking access and new wildlife habitats will also be created. Once fully developed the site has the capacity to accommodate 26,942sqm of new employment floorspace, up to 650 gross new/safeguarded jobs, and associated Gross Value Added (GVA) benefits totalling £83,200,000.</p> <p><b><u>Decision sought</u></b></p> <p>Approval for Phase 1 to proceed through decision point 4 (full business case) and work commences on activity 5 (Delivery) subject to the conditions set by PAT</p> <p>Total value of the scheme (Phase 1 and 2) - £6,509,000 (£1,246,000 + £5,263,000)</p> <p>Total value of Combined Authority funding (Phase 1 and 2) - £2,217,000 (£417,000 LGF, £1,800,000 GBF)</p> <p>Funding recommendation sought - £954,000</p> <p>A decision by the Combined Authority is sought as part of this report</p>
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<p><b>Wellington House Accommodation Project</b></p> <p>Leeds</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme is part of the Combined Authority's Transformation Programme and will fully refurbish and modernise the Combined Authority's Wellington House office in Leeds.</p> <p>The scheme aims to make the building fully accessible and resolve the organisation's increasing accommodation challenges, by improving meeting rooms, the reception area and the building's ventilation, toilets, kitchens and shower and cycle storage facilities.</p> <p>The scheme will deliver refurbished office accommodation, which will accommodate more employees and support flexible working, allowing the Combined Authority's City Exchange office lease to be terminated, and staff to be relocated to Wellington House.</p> <p>The scheme will be funded from the Combined Authority's own resources.</p> <p><b><u>Impact</u></b></p> <p>The refurbishment will make the building fully accessible and more secure and will increase its property value. The scheme will allow staff from the City Exchange office to relocate to Wellington House and the lease to be terminated resulting in rental savings.</p> <p>The scheme will also contribute to reducing carbon impact by undertaking condition and maintenance works which will deliver energy efficiency and running cost savings.</p> <p><b><u>Decision sought</u></b></p> <p>Approval of the Change Request as detailed in the exempt appendix 5 as the report contains commercially sensitive information.</p> <p>A decision by the Combined Authority is sought as part of this report</p>
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## Decisions made through the delegation to the Managing Director

- 5.19 Since the Combined Authority’s meeting on 29 July 2021, the following decision points and change requests have been assessed in line with the Combined Authority’s assurance process and approved through the agreed delegation to the Combined Authority’s Managing Director. Under the delegation a total expenditure of £21,218,600 has been approved.

<p><b>Safety, Accessibility and Efficiency Programme</b> West Yorkshire</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme is to deliver improved provisions and facilities within bus stations and shelters across the region for safety, security and improved accessibility of both passengers and staff, and to encourage an increase in bus patronage. It also aims to increase the stations efficiency through utilising renewables and reducing water and electricity consumptions.</p> <p>The scheme is to be funded from the Local Transport Plan (LTP) – Integrated Transport Block fund.</p> <p><b><u>Impact</u></b></p> <p>The completed scheme will deliver across the bus station and shelter sites in scope:</p> <ul style="list-style-type: none"> <li>• Reduced Carbon (as well as other positive environmental impacts: air pollution, water pollution, reduce waste plastics)</li> <li>• Improved safety outcomes for passengers and staff</li> <li>• Reduce the risk and impact of ‘black swan’ type emergency events in the future</li> <li>• Improve orientation and wayfinding for the visually impaired</li> <li>• Support the Facilities &amp; Assets Team in meeting their revenue budget savings targets</li> <li>• Provide accurate footfall data for marketing retail space within bus stations</li> <li>• Support the ambition of a 21<sup>st</sup> Century Metro Style Transport System</li> </ul> <p><b><u>Decision</u></b></p> <p>The Managing Director approved this decision point 4 on 2 July 2021, giving approval for the scheme to proceed through decision point 4 (full business case) of the new assurance process and, subject to conditions set by PAT, for work to commence on activity 5 (Delivery). The total value of the scheme is £1,948,000, fully funded by the Combined Authority.</p>
<p><b>TCF Kirklees Early Walking and Cycling Gateways – Dewsbury Rail Station Access and Huddersfield Better Connected Stations</b> Kirklees</p>	<p><b><u>Scheme description</u></b></p> <p>These two schemes, both of which are in delivery, are to provide walking and cycling infrastructure improvements at Dewsbury and Huddersfield railway stations, alongside improvements to access routes to the stations.</p> <p>The schemes are funded by the Transforming Cities Fund Tranche 1 (Early wins).</p> <p><b><u>Impact</u></b></p> <p>The two schemes combined will provide:</p>

	<ul style="list-style-type: none"> <li>• Improved interchange accessibility for pedestrians, cyclists, and bus/rail users, including vulnerable users by providing a safe, direct, and attractive walking links.</li> <li>• Improved air quality - Contribute to a cleaner, attractive environment, measured by a reduction in atmospheric pollutants, measured by roadside NO2 and PM levels</li> <li>• Support for economic regeneration and access to jobs and education] facilities.</li> <li>• Safer and easier trips to public transport and sustainable transport opportunities leading to accident reduction (particularly for vulnerable users), improved health and reduced mortality.</li> </ul> <p><b><u>Decision</u></b></p> <p>The Managing Director approved this change request on 12 July 2021, giving approval to the two schemes to change the completion dates and funding profile. The total value of the scheme is £2,608,000 (£448,000 – Dewsbury, £2,160,000 – Huddersfield) with the total value of Combined Authority funding being £1,895,000 (£160,000 – Dewsbury, £1,735,000 – Huddersfield).</p>
<p><b>Land Release Fund</b> Leeds City Region</p>	<p><b><u>Scheme description</u></b></p> <p>The Land Release Fund (LRF) is part of the wider One Public Estate programme and aims to remove barriers that would otherwise make land unsuitable for housing development.</p> <p>The Land Release Fund is funded by the Ministry of Housing, Communities and Local Government (MHCLG). The One Public Estate programme is an initiative funded by the Cabinet Office Government Property Unit and is delivered in partnership with the Local Government Association.</p> <p><b><u>Impact</u></b></p> <p>The key outputs/ benefits for the LRF were the delivery of 103 houses on 11 sites and the release of 4.79ha of land. As an outcome of this change request, it is anticipated that housing will fall to 74 units and land release to 3.15ha on 5 sites.</p> <p>The scheme had an indicative benefit cost ratio of 5.46:1. This is reduced to 4.11:1 as a result of the reduction in forecast housing from 103 units on 11 sites to 74 units on 5 sites.</p> <p><b><u>Decision</u></b></p> <p>The Managing Director approved this Change Request on 16 July 2021, giving approval to the project to return £186,250 of the £662,125 Land Release Fund to One Public Estate, and to extend the delivery timeframe for Craven’s Airedale Avenue and Wakefield’s Langthwaite Lane projects to March 2022. The total value of scheme is £475,875 (Land Release Fund)</p>
<p><b>CIP A58-A672 Corridor, Calderdale</b> Calderdale</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme is one of two Calderdale schemes in Corridor Improvement Programme (CIP) Phase 1 and consists of a package of work to improve highway traffic flow for the benefit of all road users, particularly improved bus, walking and cycling facilities, along the A58/A672 between Halifax and the M62 Junction 22 via Sowerby Bridge, Ripponden, and Rishworth.</p>

	<p>The scheme is to be funded from the West Yorkshire plus Transport Fund (WY+TF)</p> <p><b><u>Impact</u></b></p> <p>The completed scheme will deliver:</p> <ul style="list-style-type: none"> <li>• Journey time savings of up to 3 minutes in the peak periods, supporting an improvement in journey times for all traffic travelling along the corridor by 5%.</li> <li>• Improved access and promote housing growth through improving traffic flow on the highway network, supporting a proposed 246 new homes identified in the Calderdale Local Plan along the corridor.</li> <li>• Improved safety for all users along the corridor, particularly for pedestrians and cyclists.</li> <li>• Support improvement to air quality along the corridor by reducing vehicle congestion and queuing.</li> <li>• A carbon saving of 1,998 tonnes over a 60-year appraisal period, resulting in a monetised benefit of £87,000.</li> </ul> <p>The scheme has a Very High value for money BCR of 4.19:1</p> <p><b><u>Decision</u></b></p> <p>The Managing Director approved the decision point 5 approval on 30 July 2021, giving approval for the scheme to proceed through decision point 5 (full business case with finalised costs) under the previous assurance process and for work to commence on activity 6 (Delivery). The total value of the scheme is £4,947,000, fully funded by the Combined Authority.</p>
<p><b>CIP A646-A6033 Corridor, Calderdale</b> Calderdale</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme is one of two Calderdale schemes in Corridor Improvement Programme (CIP) Phase 1 and is to deliver a package of work to improve highway traffic flow for the benefit of all road users, particularly improved bus, walking and cycling facilities, along the A646-A6033 corridor between Todmorden and Skircoat Moor via Hebden Bridge, Mytholmroyd and Luddenden Foot.</p> <p>The scheme is to be funded from the West Yorkshire plus Transport Fund (WY+TF)</p> <p><b><u>Impact</u></b></p> <p>The completed scheme will deliver:</p> <ul style="list-style-type: none"> <li>• Journey time savings of up to 1 minute in the peak periods supporting an improvement in journey reliability for all traffic travelling along the corridor by 5%.</li> <li>• Improved access and promote housing growth through enhancing the operational capacity of the highway network, supporting a proposed 319 new homes identified in the Calderdale Local Plan along the corridor.</li> <li>• Improved safety for all users along the corridor, particularly for pedestrians and cyclists.</li> <li>• Support improvement to air quality along the corridor by reducing vehicle congestion and queuing along the corridor.</li> </ul>

	<ul style="list-style-type: none"> <li>• A net decrease in carbon emissions of 920 tonnes over a 60-year appraisal period, resulting in a monetised benefit of £40,000.</li> </ul> <p>The scheme has a Very High value for money BCR of 4.10:1</p> <p><b><u>Decision</u></b></p> <p>The Managing Director approved this decision point 5 approval on 30 July 2021, giving approval for the scheme to proceed through decision point 5 (full business case with finalised costs) under the previous assurance process and for work to commence on activity 6 (Delivery). The total value of the scheme is £4,313,000 with the total value of Combined Authority funding being £3,988,000.</p>
<p><b>Integrated Corporate Systems</b></p> <p>West Yorkshire</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme delivers the replacement of the old and legacy software systems currently in use as the core Finance and Human Resource systems for the Combined Authority. The project will combine some of these disparate functions replacing six obsolete computer systems, from the main finance system (DREAM) and the payroll functions (Payrite) with those of the main HR system (Carval), into one new Enterprise Resource Planning (ERP) software system.</p> <p><b><u>Impact</u></b></p> <p>The completed scheme would deliver:</p> <ul style="list-style-type: none"> <li>• Flexible working capability</li> <li>• The right tools for the job</li> <li>• Greater process efficiencies</li> <li>• Greater controls</li> <li>• Improved management reporting</li> <li>• Ease of maintenance</li> <li>• Future-proofed systems.</li> </ul> <p><b><u>Decision</u></b></p> <p>The Managing Director approved this decision point 5 approval on 6 August 2021, giving approval to the scheme to proceed through decision point 5 (full business case with finalised costs) under the previous assurance process and for work to commence on activity 6 (Delivery). The total scheme value is £1,720,000.</p>
<p><b>LTP-ITB Rail Accessibility Package</b></p> <p>West Yorkshire</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme will deliver Option Selection Reports for Customer Experience Improvements at 20 West Yorkshire railway stations, as part of the Local Transport Plan – Integrated Transport Block Programme Rail Accessibility Package.</p> <p>The reports will survey and analyse railway stations for accessibility and inclusivity and will set out recommendations to improve the user experience, which the Combined Authority will use to assist in developing future schemes so that West Yorkshire railway stations meet the Equality Act.</p> <p>The scheme will be funded from the £750,000 indicatively allocated to the Rail Accessibility Package as part of the LTP-</p>

	<p>ITB 2019-2022 programme approved by Combined Authority on 29 April 2019.</p> <p>This Change Request is therefore seeking to reallocate £30,000 from the previously approved Menston Access for All scheme and approval for £15,600 from the Rail Accessibility Package's original £750,000 indicative allocation, to fund Northern to deliver Option Selection Reports for an additional 20 stations, which releases £25,650 back to LTP-ITB.</p> <p><b><u>Impact</u></b></p> <p>The scheme will identify proposed interventions for West Yorkshire railways stations that are required to improve equality, diversity, and inclusion to make them accessible to all.</p> <p>The Option Selection Reports will recommend improvements needed to enhance the customer experience at these stations to meet the requirements of the Equality Act.</p> <p>The reports will set out recommendations which the Combined Authority needs to develop an investable rail implementation programme for City Region Sustainable Transport Settlements (CRSTS) and other funding streams.</p> <p><b><u>Decision</u></b></p> <p>The Managing Director approved this Change Request on 13 August 2021, giving approval to reallocate £30,000 from the previously approved Menston Access for All scheme, and approval for £15,600 from Local Transport Plan – Integrated Transport Block Programme Rail Accessibility Package indicative allocation of £750,000, which releases £25,650 back to LTP-ITB. The total package value is £724,350, fully funded by the Combined Authority.</p>
<p><b>Leeds City Centre Grey to Green</b></p> <p>Leeds</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme will deliver a series of public space, greenspace and walking and cycling connectivity improvements between Leeds South Bank and the city centre. It consists of:</p> <ul style="list-style-type: none"> <li>• A new footbridge across the River Aire from Sovereign Square to connect the South Bank to the city centre and Leeds Railway Station</li> <li>• A new green space on Meadow Lane (replacing an existing surface car park) that will form an entrance to the planned "Aire Park" on the former Tetley site.</li> <li>• Additional public space improvements in the area linked to the Corn Exchange Gateway.</li> <li>• The redesign of Crown Point Road to improve connectivity between Aire Park and key uses in the area including education facilities and transport hubs.</li> </ul> <p>The scheme will be funded from the Getting Building Fund (GBF).</p> <p><b><u>Impact</u></b></p> <p>The scheme will directly deliver 6,700 m<sup>2</sup> of new green space and public space, 1.4 kilometres of cycling and walking improvements and an annual reduction in CO<sub>2</sub> of 3,500 kilograms. When completed it has the potential to support up to 2,445 new/safeguarded jobs and provide 33,944 m<sup>2</sup> of new commercial</p>

	<p>floorspace and unlock the delivery of 1,150 new houses across Leeds South Bank.</p> <p><b><u>Decision</u></b></p> <p>The Managing Director approved this decision point 5 approval on 13 August 2021, giving approval for Stage 2 of the scheme (Meadow Lane) to proceed through decision point 5 (full business case with finalised costs) under the previous assurance process and for work to commence on activity 6 (Delivery), together with approval to the re profiling of the GBF funding to increase the Stage 1 - Corn Exchange project from £400,000 to £1,187,000. The total value of the overall scheme is £11,887,000 with the total value of Combined Authority funding being £8,600,000.</p>
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### **Decisions made through the delegation to the Director of Delivery**

- 5.20 The following Project Closure Reports (decision point 7 under the previous assurance process) have recently been assessed in line with the Combined Authority's assurance process and approved through the agreed delegation to the Combined Authority's Director of Delivery.

<p><b>East Leeds Housing Growth – Red Hall</b> Leeds</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme was to enable up to 400 homes through the delivery of a 29-hectare strategic housing site by preparatory site works releasing the Red Hall site for development while also providing land for the route of the East Leeds Orbital Road (ELOR).</p> <p>The scheme received a Growth Deal loan of £4,000,000 - £2,000,000 was spent on the relocation of an existing operational LCC depot, nursery to a new purpose-built site at Whinmoor Grange and the second £2,000,000 was to fund site demolition and clearance, investigations and remediation of the vacated depot and nursery site at Red Hall, along with installing drainage to ensure the site was ready for sale for housing by 2018</p> <p><b><u>Impact</u></b></p> <p>Key scheme benefits were still to be realised at the time of project closure, with only 150 houses expected to be delivered by 31 March 2025 as opposed to the 'up to 400' in the loan agreement</p> <p><b><u>Decision</u></b></p> <p>The Director of Delivery approved the decision point 7 project closure and work to commence on benefits realisation.</p>
<p><b>Mytholmroyd Flood Alleviation Scheme</b> Calderdale</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme, part-funded by the Growth Deal, has delivered the construction of new flood walls for the River Calder and Cragg Brook in Mytholmroyd as well as the widening of the river channel; the construction of a new bridge; and the removal of the bridge at Orchard Business Park.</p> <p><b><u>Impact</u></b></p>

	<p>The key benefits of the scheme are the protection against flooding for 1116 jobs and 196 businesses in Mytholmroyd and surrounding locations.</p> <p><b><u>Decision</u></b></p> <p>The Director of Delivery approved the decision point 7 project closure and work to commence on benefits realisation.</p>
<p><b>Wykebeck Flood Alleviation Scheme</b> Leeds</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme, funded through Growth Deal was to deliver flood alleviation measures on three sites in and around the Wyke Beck valley in East Leeds with the creation of a temporary flood storage area at Killingbeck Meadows, the creation of an open water channel at Arthur’s Rein, and landscaping and biodiversity works at Halton Moor Local Nature Reserve (LNR)</p> <p><b><u>Impact</u></b></p> <p>At the time of submission of the project closure report the following outcomes/benefits were reported</p> <ul style="list-style-type: none"> <li>• Facilitating development on circa 19.2 hectares of brownfield land – exceeded objective.</li> <li>• A reduction in the extent of flooding in 1:20 year event by 18,952m<sup>2</sup> – met objective.</li> <li>• A reduction in the risk of flooding to 29 homes in a 1:20 flood year event; 5 homes in a 1:75-year event and 3 homes in a 1:200-year event – met objective.</li> </ul> <p><b><u>Decision</u></b></p> <p>The Director of Delivery approved the decision point 7 project closure and work to commence on benefits realisation.</p>
<p><b>Parry Lane Enterprise Zone (Growth Deal element)</b> Bradford</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme, initially funded by Growth Deal as part of the EZ programme, is to provide the necessary enabling works for the future development of the Parry Lane EZ site in Bradford with an overall objective of unlocking, enabling, and accelerating site development to deliver economic growth. Phase 2 is to be funded through the Getting Building Fund (GBF).</p> <p><b><u>Impact</u></b></p> <p>The Growth Deal funding has delivered</p> <ul style="list-style-type: none"> <li>• Demolition of old buildings/foundations</li> <li>• Removal of concrete and tarmac surfaces</li> <li>• GPR surveys</li> <li>• Removal of Japanese Knotweed</li> <li>• Removal of waste</li> <li>• Establishment of site compound</li> </ul> <p>Full scheme benefits will be realised at the end of the GBF works and again once the commercial units are complete and occupied. These benefits will not be counted as Growth Deal outputs as they will be delivered through GBF activity.</p> <p><b><u>Decision</u></b></p> <p>The Director of Delivery approved the decision point 7 project closure for the Growth Deal element of this scheme.</p>

<p><b>Langthwaite Business Park extension (Growth Deal element)</b> Wakefield</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme aims to create an extension to the existing Langthwaite Business Park industrial estate, by providing an access road to the site from the existing Onward Way to open up the site for further development and preparing the site for industrial development by undertaking de-risking works such as remedial works and delivering site infrastructure. Phase 1 was funded from the LGF, with Getting Building Fund (GBF) funding to be used to deliver phase 2</p> <p><b><u>Impact</u></b></p> <p>The Growth Deal element of the scheme (phase 1) funded:</p> <ul style="list-style-type: none"> <li>• Project development costs to enable delivery of phase 2.</li> <li>• Initial work to put the overhead powerlines which cross the site underground.</li> </ul> <p>Full scheme benefits will be realised at the end of the GBF works and again once the commercial units are complete and occupied. These benefits will not be counted as Growth Deal outputs as they will be delivered through GBF activity.</p> <p><b><u>Decision</u></b></p> <p>The Director of Delivery approved the decision point 7 project closure for the Growth Deal element of this scheme.</p>
<p><b>Wakefield South East Gateway – Kirkgate</b> Wakefield</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme, funded by the Growth Deal aims to deliver 60 affordable homes in the Kirkgate area of Wakefield with the LGF funding contributing towards the acquisition of Chantry House and demolition, site clearance and de-risking to adjacent sites to prepare for the construction of housing units.</p> <p><b><u>Impact</u></b></p> <p>The scheme objectives have all been met 60 affordable homes enabled by 31 December 2020 through demolition and site clearance to unlock the housing site and support the planning application. The 60 affordable homes are to be completed by 31 March 2024.</p> <p><b><u>Decision</u></b></p> <p>The Director of Delivery approved the decision point 7 project closure and work to commence on benefits realisation.</p>
<p><b>Bradford Heritage Buildings – Conditioning House</b> Bradford</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme, funded by the Growth Deal (GD), has enabled the rehabilitation and redevelopment of a Bradford key Grade 2 listed heritage property, an historic mill that had been vacant and unused for 25 years. The Combined Authority funding through GD was used to contribute to the cost of carrying out essential remediation, rehabilitation, enabling, and development works on the building</p> <p><b><u>Impact</u></b></p> <p>The key objectives of the scheme, all of which have been met, were:</p> <ul style="list-style-type: none"> <li>• To restore 1 No. priority heritage and listed building back into productive use.</li> </ul>

	<ul style="list-style-type: none"> <li>• To provide 150 No. new homes (apartments) in a key priority urban centre.</li> <li>• To create 1500m2 of commercial business space that will provide opportunities to accommodate approximately 17 businesses and 105 jobs.</li> </ul> <p><b><u>Decision</u></b></p> <p>The Director of Delivery approved the decision point 7 project closure and work to commence on benefits realisation.</p>
<p><b>Bradford Heritage Buildings – Midland Mill</b> Bradford</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme, which was due to be funded by the Growth Deal (GD), was to deliver the redevelopment of a key heritage property to provide a mix of new housing units and commercial floor space. The Combined Authority funding, requested through GD was due to contribute towards the funding of enabling works.</p> <p><b><u>Impact</u></b></p> <p>The project did not progress due to the developer not progressing the scheme in the current market.</p> <p>As a result of the project not progressing no GD funding was spent on the scheme.</p> <p><b><u>Decision</u></b></p> <p>The Director of Delivery approved the decision point 7 project closure.</p>
<p><b>GPF Loan FP Processing Ltd (Fresh Pastures)</b> Wakefield</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme, due to be funded by a GPF loan, was to fit out a new facility in Normanton to the required standard for food grade manufacture for Fresh Pastures (FP), who were a small milk processing company, specialising in the supply of milk in 1/3rd pint cartons to the school market.</p> <p><b><u>Impact</u></b></p> <p>The project did not progress due to the company going into administration in December 2018.</p> <p>The £800,000 loan has been formally impaired in the Combined Authority's accounts.</p> <p><b><u>Decision</u></b></p> <p>The Director of Delivery approved the decision point 7 project closure and steps are taken to write off the loan and lift the charge on the property concerned. .</p>

## **6 Information**

6.1 The Combined Authority's assurance framework requires that formal approval is given to the following elements of a scheme as part of its development:

- The progression of a scheme through a decision point to the next activity.
- Indicative or full approval to the total value of the scheme funding requested.
- The Combined Authority's entry into a funding agreement with the scheme's promoter.
- The assurance pathway and approval route for future decision points.
- The scheme's approval tolerances.

6.2 This report provides information required to enable the Combined Authority to approve each of the above elements.

### **Projects in Stage 1: Assessment and Sequencing**

6.3 There are no schemes to review at this stage.

## Projects in Stage 2: Development

<b>Project Title</b>	<b>York Northern Outer Ring Road</b>
<b>Stage</b>	2 (development)
<b>Decision Point</b>	Change request (activity 4)

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

### Background

- 6.4 This scheme will be funded from the West Yorkshire plus Transport Fund, a £1 billion fund, covering West Yorkshire and York, to enable key employment and housing development areas, helping to create about 20,000 new jobs over the next 10 years and a Major Road Network grant from the Department for Transport.
- 6.5 This scheme will improve five roundabouts on the York Northern Outer Ring Road (YNORR) and bring 7.5 kilometres of the route up to dual carriageway standard. It will also provide an orbital walking and cycling route and improved crossings at intersecting radial routes. The scheme will also provide faster access to two of York's strategic park and ride sites where electric charging hyperhubs, a collection of ultra-rapid charging points for electric vehicles (EV), will be located.
- 6.6 Previously, two separate schemes were being progressed for this section of the YNORR. One scheme to improve seven roundabouts and the other to turn the section of the route into a dual carriageway road:
- **York Northern Outer Ring Road (YNORR) upgrade scheme** which included upgrades to seven roundabouts on the A1237 YNORR, which had gained full business case (FBC) approval and was funded by the West Yorkshire + Transport Fund (WT+TF).
  - **Outer Ring Road Dualling scheme**, to upgrade the YNORR to dual carriageway, which gained outline business case (OBC) approval but was only funded for a feasibility study, which was used as the basis for a bid for Department for Transport (DfT) Major Route Network (MRN) improvement funding.

- 6.7 The promoter was successful in its bid to DfT and secured £25,093,000 funding to deliver the dualling scheme. DfT agreed to devolve the funding to the Combined Authority for it to be managed through its Assurance Process.
- 6.8 A Change Request (CR4) which gained approval in May 2021 for additional development costs to progress the scheme to full business case, set out a pragmatic approach to deliver these two schemes, in one combined scheme, which would be known as York Outer Ring Road Dualling – A19 to Little Hopgrove.
- 6.9 As a new planning application will be required for the dualling scheme, the most practical approach is to pursue a single planning application, produce a single combined full business case (FBC) and seek efficiencies through streamlined scheme development and procurement by combining the roundabouts and dualling schemes.
- 6.10 As part of the CR4 approval, the promoter, City of York Council (CYC), was asked to submit a further Change Request (this request), to provide more detailed information about the combined scheme and seek approval to merge the two schemes and for the full development costs needed to progress the combined scheme to full business case.
- 6.11 The original Combined Authority contribution to the YNORR upgrade scheme, to upgrade seven roundabout junctions, was £38,378,000. The Wetherby Road roundabout scheme has already been delivered at a cost of £3,853,000 and the Great North Way roundabout will progress as a separate phase with a budget of £1,400,000, after development of the combined scheme. Therefore, the combined scheme will only include five roundabouts. The Combined Authority's contribution to the combined scheme will therefore be the remaining £33,125,00 from original £38,378,000 from the West Yorkshire + Transport Fund.
- 6.12 The promoter now comes forward with this change request, which sets out an overall scheme cost of £65,193,000. This will be funded by the West Yorkshire + Transport Fund £33,125,000, DfT MRN £25,093,000 (which will be devolved to the Combined Authority), CYC £1,975,000 capital funding and £5,000,000 developer contribution (underwritten by CYC)
- 6.13 This Change Request (CR5), is now seeking approval to introduce the additional DfT funding of £25,093,000 for the dualling scheme to the combined scheme costs and to request development costs of £3,438,000 to progress the combined scheme to full business case, bringing the total development costs to £9,019,000 from the West Yorkshire + Transport Fund.
- 6.14 The merger of the schemes will mean that formal closure of Phase 2 - Monks Cross and Phase 3 – Clifton Moor from the original York Northern Outer Ring Road (YNORR) upgrade scheme will be required and these are being progressed separately through the Assurance Framework.
- 6.15 A new planning application will be required for the dualling scheme and therefore the most practical approach is to combine the roundabouts and

dualling schemes, pursue a single planning application, produce a single combined FBC and seek efficiencies through streamlined scheme development and procurement.

### **Tackling the Climate Emergency Implications**

- 6.16 The scheme will increase the capacity of York Northern Outer Ring Road (YNORR) between the A19 and the A64 at Little Hopgrove.
- 6.17 The increase in capacity will reduce existing delays, which will result in reduced emissions from vehicles.
- 6.18 The scheme will also deliver walking and cycling routes along the route of YNORR, as well as improved crossing facilities at junctions with radial routes. This will contribute to achieving a shift from motorised transport to walking and cycling by providing better, safer, and faster routes, as well as making the YNORR less of a barrier for local communities.
- 6.19 The improved YNORR will provide faster access to the nearby Monks Cross and Poppleton Bar park and ride sites, which will also contain electric vehicle charging hyperhubs, a collection of ultra-rapid charging points for electric vehicles (EV), making the park and ride services more attractive and also assist in the wider uptake of electric vehicles.
- 6.20 The planting of 50,000 new trees in the York Community Woodland, next to YNORR, will capture and store 28,000 tonnes of CO<sub>2</sub> over 50 years.
- 6.21 The promoter will also make maximum use of low carbon materials in construction and carefully plan construction operations order to minimise the carbon impacts of the scheme.
- 6.22 By providing a higher capacity route which will attract drivers away from York City Centre, the scheme is also seen as an enabler for CYC's commitment to a reducing vehicle levels in the city centre and their plans to reduce the impact of vehicles in residential areas and to encourage more trips using active modes.

### **Outputs, Benefits, and Inclusive Growth Implications**

- 6.23 The scheme outputs, benefits and inclusive growth implications include:
  - Capacity improvements to five roundabouts on York Northern Outer Ring Road (YNORR)
  - Upgrade of YNORR from single carriageway to dual carriageway for 7.5 kilometres between A19 and A64 junctions.  
Orbital cycle and walking network with improved crossing facilities at intersecting radial routes, providing better connectivity via low cost, healthy active travel modes (cycling and walking) to key employment, leisure, and retail opportunities
  - Reduced vehicle emissions.

- Reductions in journey times of 20% on the improved section and better journey time reliability on cross-county routes
- Reductions in localised congestion at roundabouts on YNORR
- Improved connectivity from outlying settlements to city centre
- Improved accessibility to ultra-fast EV charging facilities in hyperhubs at Monks Cross and Poppleton Bar park and ride sites, which will both support increased uptake of zero emission vehicles and increase the attractiveness of the park and ride services.
- Traffic displacement from York City Centre to YNORR will facilitate the introduction of measures to encourage more sustainable travel.
- Reductions in road collisions
- Improved accessibility of outlying settlements by walking and cycling will provide access to opportunities by low-cost travel modes.
- The promoter states a Benefit Cost Ratio (BCR) of 2.45, representing high value for money. The previous roundabout and dualling schemes had BCR's of 2.9 and 2.0 respectively, which both represented high value for money.

## **Risks**

6.24 The scheme risks include:

- Risk of programme delay due to difficulties acquiring land by private agreement. Mitigated by continuing to attempt to purchase land by private agreement and simultaneously prepare Compulsory Purchase Order (CPO)
- Risk of construction delay and increased capital costs due to more extensive/complex utility diversions. Mitigated by considering advance phasing of works; holding regular planning meetings with utility company; undertaking trial holes
- Risk of construction delay due to presence of ecological species. Mitigated by undertaking additional ecological surveys pre-construction due to extended time period since previous surveys
- Risk of planning approval not given for the scheme. Mitigated by working with all consultees and key stakeholders including planning authority and politicians to understand risks and issues affecting planning application
- Risk of tender prices being higher than anticipated, making the scheme unaffordable. Mitigated by cost estimates being reviewed at six monthly intervals ahead of tender award. Tenders to be reviewed by CYC commercial team

## **Costs**

6.25 The total scheme cost is £65,193,000. The Combined Authority's contribution to the scheme is £58,218,000 (£33,125,000 from the West Yorkshire +

Transport Fund (WY+TF) and £25,093,000 from Department for Transport Major Route Network funding which will be devolved to the Combined Authority), £1,975,000 from City of York Council capital funds and £5,000,000 from developer contribution (underwritten by CYC). As the DfT funding is fixed and through the terms of the Partnership Agreement with CYC the Transport Fund contribution is fixed, it should be noted that any overspend will be underwritten by CYC.

6.26 This Change Request is seeking approval for an additional £3,438,000 development costs, in addition to the £5,581,000 already approved, bringing the total development costs to £9,019,000 from the West Yorkshire plus Transport Fund.

6.27 The additional development funding will cover the following activities:

- Design and Technical Services - £1,112,000
- Land valuation and negotiation services - £250,000
- Legal support for CPO drafting and Public Inquiry preparation - £110,000
- CYC Legal services, property advice and communications - £166,000
- Land Purchase - £1,800,000

### Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
Change request (activity 4)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority	09/09/2021
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Place, Regeneration and Housing Committee	01/03/2023
Approval to Proceed	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	01/06/2023
5 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	30/06/2023
6 (financial closure)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	28/08/2026

## Other Key Timescales

- Detailed Design - December 2021
- Planning Approval - January 2022
- Land Acquisition - September 2022
- Full business case submitted - April 2023
- Start of construction phase – June 2023
- Completion of construction phase - July 2025

## Assurance Tolerances

Assurance tolerances
Combined Authority costs remain within +5% of those outlined in this report
Delivery (DP5) timescales remain within 6 months of those outlined in this report.

## Appraisal Summary

- 6.28 This Change Request builds on the Change Request 4 approved in May 2021 and is submitted in compliance with conditions placed in the approval of that Change Request.
- 6.29 The strategic case for the combined scheme remains unchanged from the previous approval stages where a good strategic fit was evidenced, supporting policy at regional and local levels.
- 6.30 The scheme supports the following Leeds City Region Strategic Economic Framework (SEF) priorities:
- **Enabling inclusive growth** - by providing new and improved walking and cycling routes which allow people to access employment, training, and retail / leisure opportunities by healthy, low-cost active travel modes (cycling and walking).
  - **Tackling the climate emergency** – by reducing carbon emissions by reducing delays to traffic. Providing new and improved walking and cycling routes, helping more people to use active travel instead of motorised transport. Providing faster access to park and ride sites and electric vehicle charging hyperhubs.
  - **Boosting productivity** - by shortening journey times and improving journey time reliability.
  - **Delivering 21st century transport** – by improving the capacity of the York Northern Outer Ring Road, shortening journey times, enabling housing growth and unlocking development.
- 6.31 The overall commercial case for the scheme remains unchanged from the previous approval stages. The demand for additional capacity on YNORR has

been demonstrated and the scheme will assist in delivering future housing developments. Research and stakeholder engagement undertaken as part of the development of the City of York Local Transport Plan and the emerging York Local Plan has identified the need for improvements to the YNORR in support of local, regional, and national policies and strategies.

- 6.32 The new combined scheme presents a Benefit Cost Ratio (BCR) of 2.45:1, which represents high value for money. The roundabouts improvement scheme had a BCR of 2.9:1 and the dualling scheme had a BCR of 2:1, both representing high value for money.
- 6.33 Further work will be required in the FBC development to demonstrate that the promoter has fully considered the impacts of ongoing work to reduce carbon emissions.
- 6.34 The scheme has demonstrated affordability and all capital funding required for it is in place.
- 6.35 The promoter has demonstrated deliverability. An updated programme of work has been provided and scheme risks and mitigations updated.
- 6.36 The promoter has increased the size of their project management team to deal with the increased scope of the scheme. Procurement has also been completed for all services required to develop the scheme to FBC.
- 6.37 Overall, the promoter has provided sufficient evidence to recommend approval the change request and give confidence that the scheme can be progressed to the next approval stage with the requested development funding.

### **Recommendations**

- 6.38 The Combined Authority approves:
  - (i) The change request to the York Northern Outer Ring Road project to bring together the roundabout junction upgrade scheme and the dualling scheme and their associated funding allocations, into one combined scheme, with total scheme costs of £65,193,000, and for development costs of £3,438,000 from the West Yorkshire plus Transport Fund to progress the combined scheme to full business case, bringing the total development costs to £9,019,000 from the West Yorkshire plus Transport Fund.
  - (ii) The Combined Authority enters into an addendum to the existing funding agreement with City of York Council for expenditure of up to £9,019,000 from the West Yorkshire + Transport Fund.
  - (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

<b>Project Title</b>	<b>Department for Transport Capability Fund (Revenue)</b>
<b>Stage</b>	2 (development)
<b>Decision Point</b>	4 (full business case)

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

## Background

- 6.39 In March 2021 the Department for Transport (DfT) announced a new Capability Fund for 2021/22 which is designed to support behaviour change activities to encourage cycling and walking and the development of local cycling and walking infrastructure plans.
- 6.40 The West Yorkshire Combined Authority made a submission this fund in April 2021 and were successful in securing the full allocation of £1,351,341, which was confirmed in August 2021.
- 6.41 The submission was made of two key components; a comprehensive behaviour change package to support people to walk and cycle more, building on the successful delivery of activity through the Combined Authority's CityConnect programme, and a second element to enable further development of schemes aligned with the emerging Local Cycling and Walking Infrastructure Plans (LCWIPs) for the five West Yorkshire partner Councils, the development of which is currently being co-ordinated by the Combined Authority.
- 6.42 Through the Combined Authority's CityConnect programme, dedicated to enabling more people to travel by bike or on foot, a comprehensive behaviour change programme has been developed, delivered alongside high-quality infrastructure, to enable people to cycle and walk more.
- 6.43 Since 2014, the Combined Authority has invested £60,000,000 in cycling and walking infrastructure, building over 67km of new routes, resulting in nearly 5 million journeys. As well as the Combined Authority's ambitious programme of infrastructure, initiatives aimed at overcoming barriers to participation through targeted engagement with schools, workplaces and communities have been delivered. Support has been provided to:

- Over 306 organisations to become bike friendly employers, with a 20% increase in staff cycling to work at participating organisations.
- Schools across the region to help them become more bike friendly with 50% of pupils at our Bike Friendly Schools learning to ride for the first time.
- 1800 people to start cycling, or get back on their bikes, through a free adult cycle training programme, with 60% of participants now cycling at least once a week.

6.44 This activity is delivered by a core central communications and engagement team in the Combined Authority, in partnership with Local Authority partners, as well as national organisations, including a long-term partnership with Cycling UK, through the Cycle 4 Health programme, which has seen 1000 people receive support, resulting in significant physical and mental health benefits. The Combined Authority is also a partner with Living Streets, a walking charity, to deliver schools and workplace engagement and look to expand on this activity as well as pilot further activity in an early-years setting.

6.45 Through the Capability Fund, the Combined Authority and partners intend to build on the work that delivered through the CityConnect programme to encourage walking and cycling further and develop the community support network that is needed for people to access services that target barriers to cycling and walking.

6.46 The programme of activity includes:

- Support to businesses to become more walk and cycle friendly through targeted support and small grants
- Support to communities through the development of community based active travel hubs and a small grants scheme
- Support to schools and early years settings, such as nurseries, to become more walk and bike friendly through targeted engagement
- Continued delivery of free adult cycle training as well as providing access to free bikes for eligible participants
- Development of an inclusive cycle training offer to widen participation in active travel to disabled people.
- Continued delivery of health-based referral cycle training.

This delivery will be supported by targeted behaviour change campaigns and communications.

6.47 In addition, this scheme will also enable further development of schemes prioritised for development through the emerging district LCWIPs. This is part of the Combined Authority's plan to develop a cohesive and coherent network of walking and cycling routes across West Yorkshire, with a clear pipeline of schemes for delivery through future funding programmes.

6.48 Outline design work on a number of routes has already been undertaken, and this funding will enable further prioritisation and outline design work to be

undertaken on links identified as key for delivery, getting more schemes ready for detailed design and business case development once appropriate delivery funding has been identified.

- 6.49 A summary of the scheme's business case is included in **Appendix 2** and a letter from the Department for Transport confirming the funding is included in **Appendix 3**.

### **Tackling the Climate Emergency Implications**

- 6.50 The delivery of activities identified in this report to deliver behaviour change and other supporting measures required to enable more people to and cycle more, will support the Combined Authority in responding to the Climate Emergency and working towards achieving the changes in travel behaviour currently being identified through the Carbon Emissions Reduction Pathway work.
- 6.51 The important role that increased levels of walking and cycling is expected to play in reducing carbon emissions required for the region to meet its ambition to be net-zero carbon by 2038, as set out in the "Strengthened decision making in the light of the Climate Emergency" report approved at the November 2020 meeting of the West Yorkshire and York Investment Committee.
- 6.52 Current and future delivery of improvements and support for walking and cycling is informed by investment planning work being carried out through the ongoing development of our Local Cycling and Walking Infrastructure Plans with the district partners. This will provide a prioritised list of schemes to form a cohesive and coherent network that enables safe, direct and convenient movement by cycle or on foot; key to enabling more people to walk and cycle in the region.

### **Outputs, Benefits and Inclusive Growth Implications**

- 6.53 The scheme outputs and benefits include:
- Adult cycle training for a further 200 participants trained and providing access to 100 bikes for eligible participants to enable people to learn to ride, improve their skills and confidence on new routes and the highway network.
  - Delivery of business walking engagement support to 15 organisations.
  - Delivery of health-based cycle training to 260 individuals trained through 20 x 12 week courses.
  - Delivery of inclusive cycle training at existing hubs in West Yorkshire delivering 42 events/training sessions to 138 individual participants.
  - Support to develop five Community Active Travel Hubs in West Yorkshire with potential activities which could include:
    - Support staff, mechanics, ride leaders
    - Pool bikes

- Cargo bike loans for businesses & families
- Potential activities - Dr Bikes, events, led rides, led walks, wellbeing workshops
- Bike library setup - including equipment hire and swap
- Balance bike loans
- Recycled bike giveaways
- Delivery of 55 community or business grants to support engagement activity and implement facilities such as bike parking at organisations.
- LCWIP Development progress – to continue prioritising and conducting route assessment to develop pipeline of schemes across all five partner Councils and develop further identified schemes for future capital funding rounds (e.g. City Region Sustainable Transport Settlement).
- A study on how best to approach the development and roll out of residential bike parking across West Yorkshire, including operational models and priorities for potential bike storage on residential streets.

6.54 The scheme will help support the most disadvantaged communities across West Yorkshire to access the transport network. The scheme will ensure inclusive and increased participation for all targeted groups in walking and cycling.

### **Risks**

6.55 The scheme risks include:

- Potential risk to delivery of cycle training due to a reduced number of instructors available to undertake training. This will be mitigated with instructor training delivered through other funding, and through the procurement exercise to confirm a local delivery partner who will employ local instructors based on the delivery model the Combined Authority has developed and put into practice.
- Potential risk to delivery of bikes due to ongoing issues in the supply chain following the COVID-19. This will be mitigated by an early procurement for the 2022/23 stocks in early autumn 2021.

### **Costs**

6.56 The scheme costs are:

- The overall scheme costs are £1,351,341 broken down into:
  - Behaviour change programme (up to £1,203,986)
  - Cycle and walking development (up to £147,355)

### **Assurance Pathway and Approval Route**

Assurance pathway	Approval route	Forecast approval date
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4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority	09/09/2021
5 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/03/2023
6 (financial close)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/05/2023
7 (evaluation)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/05/2023

### Other Key Timescales

- 6.57 The scheme funding will be committed by March 2022 and activities delivered by spring 2023.

### Assurance Tolerances

<b>Assurance tolerances</b>
That the Combined Authority's costs remain within the DfT Capability Fund (revenue) funding allocated to the Combined Authority.
That the programme remains within 3 months of the timescales set out in this report.

### Appraisal Summary

- 6.58 An application for £1,351,341 of the Department for Transport's Capability Fund (revenue) was approved in August 2021. Successful applicants must fully commit the funds this financial year (i.e. by the end of March 2022).
- 6.59 The outputs, benefits, climate and inclusive growth implications support the Combined Authority's priorities including the Strategic Economic Framework and West Yorkshire Investment Strategy. Plans for the funding, risks and mitigation measures are in place.

### Recommendations

- 6.60 The Combined Authority approves that:
- (i) The Department for Transport Capability Fund (revenue) scheme proceeds through decision point 4 (full business case) and work commences on activity 5 (delivery).

- (ii) Approval of £1,351,341 which will be funded through Department for Transport Capability Fund (revenue).
- (iii) Approval is delegated to the Director of Delivery to enter into small grant agreements with community organisations and businesses for expenditure up to £50,000 from the DfT's Capability Fund, as agreed by the scheme's Programme Board.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

<b>Project Title</b>	<b>Enterprise Zone Langthwaite Business Park Extension Phase 1</b>
<b>Stage</b>	2 (development)
<b>Decision Point</b>	4 (full business case)

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

## Background

- 6.61 The Langthwaite Business Park Extension scheme is being delivered through phase two of the Government’s Enterprise Zones (EZ) Programme and involves the expansion of the existing business park at Langthwaite situated in South Kirkby, Wakefield.
- 6.62 The site covers 9.45 hectares of land, now owned by the Combined Authority, and is a Spatial Priority Area. Once fully developed the site has the capacity to accommodate 26,942sqm of new employment floorspace, up to 650 gross new/safeguarded jobs, and associated Gross Value Added (GVA) benefits totalling £83,200,000. The scheme will enable the provision of new premises for small medium sized enterprises (SMEs), and employment and skills development for residents within the deprived areas of South Kirkby and South Elmsall, supporting the Strategic Economic Framework (SEF) priorities “Boosting Productivity” and “Enabling Inclusive Growth”.
- 6.63 Scheme delivery is being led by the Combined Authority in partnership with Wakefield Council.
- 6.64 The scheme will be delivered in two phases:
- Wakefield Council will deliver Phase 1, the extension to Onward Way to enable an access road into the site, procuring the works off the Leeds City Council framework. An appointment is expected by September 2021.
  - The Combined Authority will deliver Phase 2, site de-risking and infrastructure works across the site, including remedial earthworks, services, balancing ponds to hold drainage water, and roads, with two serviced development plots to bring to the market. Balfour Beatty has

been appointed on a NEC4 Contract off the SCAPE framework to deliver Phase 2.

- 6.65 The total scheme cost is £6,509,000, of which £2,217,000 has been secured (£417,000 is from LGF and £1,800,000 is from GBF). Funding options for the remaining £4,292,000 are currently being explored.
- 6.66 The scheme comes forward at full business case (FBC) to seek approval for Phase 1 of the scheme only. The FBC will be updated to seek approval of Phase 2, if and when further funding is secured.
- 6.67 The project team is exploring options for the Combined Authority's commercial development route. The agreed route will have an influence on the final site masterplan design and subsequently the Phase 2 site de-risking and infrastructure works programme and cost.
- 6.68 A summary of the scheme's business case and location map is included in **Appendix 4**.

### **Tackling the Climate Emergency Implications**

- 6.69 The scheme seeks to reduce its construction carbon footprint through its cut and fill design, negating the need to remove muck or bring in muck offsite and the need for vehicle trips.
- 6.70 In line with emerging national policy one of the design objectives of the scheme is to increase biodiversity on the site, which it intends to do through creating an open green space within the site, the development of new habitat in the form of containment ponds from a sustainable urban drainage system, and a new green walkway alongside the beck. Furthermore, the retaining structures on site will maximise the use of gabions, which are cages full of soil or rock, and timber to promote habitat creation for flora and fauna on site.

### **Outputs, Benefits, and Inclusive Growth Implications**

- 6.71 The scheme outputs and benefits include:
- Phase 1: Extension to Onward Way to create a new access road, including cycling and walking access off Broad Lane, by December 2021.
  - Phase 2: Site de-risking and infrastructure works across the site to make it a developable proposition, and to bring forward two serviced units to the market capable of accommodating 9,290sqm of floorspace, by December 2022.
- 6.72 The outputs and benefits once the site is fully developed include:
- A fully developed site capable of accommodating 26,942sqm of new commercial floorspace to support 650 gross jobs and generate a GVA of £83,200,000.
  - Potential to generate a capital receipt of £2,250,000 for the Combined Authority from plot sales.

- Potential for the Combined Authority to receive a Business Rates Return income of £11,000,000 by 2042.
- A 10% biodiversity net gain, supported by the development of new habitat in the form of balancing ponds from a sustainable urban drainage system, an area of open green space within the site, and a green corridor with walkway enabling two public footpaths to be linked at the long the side of Langthwaite Beck.
- The value for money assessment for the direct enabling works reflects a Benefit Cost Ratio (BCR) of 0.31:1 (Poor) which significantly improves to 16:1 (Very High) when accounting for GVA impacts from a fully developed site. This demonstrates the value of delivering the enabling works as the catalyst to realise the wider economic and social strategic outcomes and benefits.

6.73 The scheme also supports inclusive growth by unlocking employment opportunities within the deprived areas of South Kirkby and South Elmsall, which will also be accessible by bike or walking, reducing the reliance on car ownership and car trips, supporting better air quality, and encouraging a healthy lifestyle.

### **Risks**

6.74 The key risks and associated mitigating measures include: -

- The scheme is unaffordable, mitigated by securing funding for Phase 1 access road works through GBF and commencing discussions with the Combined Authority's Finance and Policy teams to identify a funding solution to address Phase 2 costs.
- The scheme does not have a clear route to commercial development incurring further delay to the programme and additional costs mitigated by commencing discussions with the Combined Authority's Finance & Policy teams and working alongside the Trade & Investment team.
- Impact of COVID-19 affecting business case development and Phase 1 construction works mitigated by managing activities in adherence to government guidelines and anticipation that the pandemic will have eased prior to construction commencing.
- Economic impact of Brexit affecting commercial viability to deliver full site development mitigated by encouraging feedback from the Trade & Investment team following talks with interested parties by, reflecting buoyancy in the commercial property market.
- Unexpected ground conditions lead to an increase in site enabling costs, mitigated by completion of Detailed Design to Phase 1 works and the retention of an appropriate contingency allowance in the cost plan.

### **Costs**

6.75 The scheme costs are:

- The total scheme cost is £6,509,000, of which £2,217,000 has been secured (£417,000 is from LGF and £1,800,000 is from GBF). Funding options for the remaining £4,292,000 are currently being explored. Costs are:
  - Phase 1: £1,246,000
  - Phase2: £5,263,000
- Delays to the development of the access road has meant that only £417,000 of the original Local Growth Fund allocation of £1,262,000 was spent by the March 2021 programme end date. The delay has also reduced the projected spend from the Getting Building Fund (GBF) to £1,800,000 by the March 2022 programme end date, against an allocation of £2,697,000.
- In addition to the reduced spend, the funding gap is also the result of the scheme cost increasing by £860,000 from the Outline Business Case (OBC) approval. Detailed Design works identified complications around level changes to deliver the access road extension and the scheme has had to account for Combined Authority project team salary costs. A reduction to the scheme cost however is expected, and subsequently the funding gap, once funding for Phase 2 is identified and once delivery of Phase 1 is complete, as this will remove a risk cost of £773,000.
- Additional approval of £954,000 is now sought, bringing the total approval to £2,217,000 (£417,000 from LGF and £1,800,000 from GBF):
  - Phase 1: £854,000 (£392,000 previously approved). Total approval £1,246,000.
  - Phase 2 development costs and GBF programme costs: £100,000 (£871,000 previously approved). Total approval £971,000.
- The Combined Authority will enter into an addendum to the existing Funding Agreement with Wakefield Council for expenditure up to £1,246,000 from the GBF fund to deliver Phase 1.

### Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority	09/09/2021
Approval to Proceed	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	10/09/2021
5 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team	30/12/2022

	Decision: Combined Authority's Managing Director	
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### Other Key Timescales

6.76 The other key timescales include:

#### Phase 1

- August 2021 - Preferred contractor identified
- September 2021 – Combined Authority and Wakefield Council enter into addendum to the existing Funding Agreement
- September 2021 – Contractor appointment
- September 2021 – Construction commences
- December 2021 – Construction completes

#### Phase 2

- September 2021 – Outline planning approval
- January 2022 – Construction commences
- December 2022 – Construction completes

### Assurance Tolerances

Assurance tolerances
Combined Authority costs remain within +5% of those outlined in this report. Delivery (DP5) timescales remain within 3 months of those outlined in this report.

### Appraisal Summary

- 6.77 The scheme still reflects a very good strategic case, highlighting the opportunity to unlock commercial development and the creation of employment opportunities in an area of deprivation, supporting principles of the Strategic Economic Framework. Additionally, the Value for Money assessment for a fully developed site presents a Very High value for money classification and it is reinforced that the Combined Authority stand to receive a capital receipt of £2,250,000 from future land sale and a significant Business Rate Return income of £11,000,000 up to 2042. The business case also gives encouragement of market interest to the future development and occupancy of the site.
- 6.78 It is however recognised that delay to the access road works has had a significant impact to its funding streams and affordability and incurred a cost increase since outline business case. It is therefore critical that the scheme efficiently identifies a funding solution in tandem with a preferred commercial delivery route to support the development of a final site masterplan design and the final Phase 2 cost and construction programme.

## Recommendations

6.79 The Combined Authority approves that, subject to the conditions set by PAT:

- (i) The Enterprise Zone Lanthwaite Business Park Extension Phase 1 scheme proceeds through decision point 4 (full business case) and work commences on activity 5 (delivery).
- (ii) Approval to the Combined Authority's contribution of £2,217,000 of which £417,000 is from the Local Growth Fund and £1,800,000 is from the Getting Building Fund.
- (iii) The Combined Authority enters into an addendum to the existing Funding Agreement with Wakefield Council for expenditure up to £1,246,000 from the Getting Building Fund.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined.

6.80 Conditions

### Phase 1

The following Conditions have been set by PAT to gain Approval to Proceed to Delivery:

- (i) That the Phase 1 works tendered cost is within the approval set out at full business case
- (ii) Confirmation that all land parcels required for delivering Phase 1 have been acquired.
- (iii) Confirmation that Wakefield Council is in a position to enter into an addendum to the existing Funding Agreement with the Combined Authority for Phase 1 works.

### Phase 2

The following Conditions have been set by PAT for the **full business case** submission for Phase 2:

- (iv) Confirm the Combined Authority's preferred commercial development route.
- (v) Confirm the funding strategy to demonstrate affordability.

### Projects in Stage 3: Delivery and Evaluation

<b>Project Title</b>	<b>Wellington House Accommodation Project</b>
<b>Stage</b>	3 (delivery and evaluation)
<b>Decision Point</b>	Change request (activity 6)

Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	Paragraph 3	
Are there implications for equality and diversity?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Background

- 6.81 This scheme is part of the West Yorkshire Combined Authority and Leeds Enterprise Partnership's Transformation Programme.
- 6.82 The scheme will refurbish and modernise the Combined Authority's Wellington House office in Leeds making it fully accessible, more secure and will resolve the organisation's increasing accommodation challenges, by improving meeting rooms, the reception area and the building's ventilation, toilets, kitchens and shower and cycle storage facilities.
- 6.83 The scheme will deliver refurbished office accommodation that supports the Combined Authority's changing culture, is flexible, future proofed and enables collaborative working. It will also allow staff from the Combined Authority's City Exchange office, to relocate to Wellington House, and the lease to be terminated, resulting in rental savings.
- 6.84 The refurbishment will contribute to reducing carbon impact by undertaking condition and maintenance works which will deliver energy efficiency savings and reduce running costs. Improvement to shower facilities will also encourage more Combined Authority employees to travel to work by bike.
- 6.85 The refurbished building's design will make it fully accessible, improve security and increase Wellington House's property value,
- 6.86 The scheme will be funded from the Combined Authority's own resources.
- 6.87 The scheme gained its full business case plus finalised costs approval from Investment Committee in June 2019 and is currently in delivery. Total scheme

costs of £7,859,000 were approved and the scheme was expected to be delivered by July 2021.

- 6.88 Subsequent to the approvals made and since refurbishment started, additional design and construction work required to complete the refurbishment has been identified.
- 6.89 The discovery of the additional work and the time taken to find solutions to address what needed doing, has impacted on the scheme's costs and delivery timescales. Delivery timescales have also been impacted by two separate site shutdowns, as a result of potential COVID-19 outbreaks.
- 6.90 Therefore, a change request for additional funding and extension to the delivery time frame is required to complete the project. Due to the commercial nature of this change request, the details of the additional funding and extension to the delivery time frame are outlined in exempt **Appendix 5**.
- 6.91 The additional spend and time extension are not driven by a change in the scope which remains as per the approved full business case, meaning this Change Request does not impact upon the scheme objectives which seek to deliver flexible, modern office space for the Combined Authority, and meet the needs of the organisation and its partners now and into the future. Claims for additional time and cost have been reviewed, challenged, and approved where appropriate by the NEC Project Manager on behalf of the Combined Authority to ensure value for money continues to be achieved through the construction phase.

### **Tackling the Climate Emergency Implications**

- 6.92 The scheme supports clean growth and active travel (cycling and walking) through the provision of a more energy efficient building, photo voltaic (PV) panels, which convert light into electricity, and facilities for people travelling to work by bike, including cycle storage and showers.
- 6.93 The refurbished building will include:
- High efficiency LED lighting
  - Daylight sensing and presence / absence controls
  - Energy efficient emergency lighting
  - Solar Panels
  - Insulation of the whole building so it is protected from the outside elements
  - Roof insulation
  - Electric Vehicle charging for two vehicles

### **Outputs, Benefits, and Inclusive Growth Implications**

- 6.94 The scheme outputs and benefits include:

- Future proofed, refurbished office accommodation to accommodate more employees and support flexible working and allow the Combined Authority's City Exchange office lease to be terminated and staff to be relocated to Wellington House.
- A fully accessible and more secure building for employees and visitors.
- Improved facilities to accommodate increasing number of employees, including meeting rooms, reception area, ICT network, ventilation, non-gender toilets, kitchens, showers, and cycle storage facilities.
- A highly accessible site to support partnership working.

**Risks**

6.95 The scheme risks include:

- Site shut down or issues receiving supplies due to COVID-19 resulting in programme delays and associated cost increases. Strict protocols are in place within the construction site to control this risk and reduce its likelihood and impact. The risk of COVID impacts affecting the supply of materials has been effectively managed throughout the contract and will continue to be managed for the remainder of the programme.
- Design variations required during the remainder of the programme due to unforeseen site conditions. This is a reducing risk given the stage of the project and the work undertaken in response to lessons learned from earlier construction phases. Regular design meetings are held to identify and manage any queries effectively between the designer and contractor.

**Costs**

6.96 Please refer to exempt Appendix 5.

**Assurance Pathway and Approval Route**

6.97 Please refer to exempt Appendix 5.

**Other Key Timescales**

6.98 Please refer to exempt Appendix 5.

**Assurance Tolerances**

Assurance tolerances
<p>The scheme costs should remain within +5% of the costs set out in this report.</p> <p>The programme timescales should remain within 3 months of the timescales set out in this report.</p>

**Appraisal Summary**

6.99 Please refer to exempt Appendix 5.

### **Recommendations**

6.100 Please refer to exempt **Appendix 5**.

## **7 Tackling the Climate Emergency Implications**

- 7.1 The Climate Emergency implications have been considered on all projects included in this report as part of their business case development.

## **8 Inclusive Growth Implications**

- 8.1 The inclusive growth implications have been considered on all projects included in this report as part of their business case development.

## **9 Equality and Diversity Implications**

- 9.1 Equality Impact Assessments (EQIA) have been undertaken on all projects included in this report as part of their business case development.

## **10 Financial Implications**

- 10.1 The report seeks endorsement to expenditure from the available Combined Authority funding as set out in this report.

## **11 Legal implications**

- 11.1 The information contained in Appendix 5 is exempt under paragraph 3 of Part 1 to Schedule 12A of the Local Government Act 1972 as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that the public interest in maintaining the content of the appendices as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.
- 11.2 The payment of funding to any recipient will be subject to a funding agreement being in place between the Combined Authority and the organisation in question.

## **12 Staffing implications**

- 12.1 A combination of Combined Authority and local partner council project, programme and portfolio management resources are or are in the process of being identified and costed for within the schemes in this report.

## **13 External consultees**

- 13.1 Where applicable scheme promoters have been consulted on the content of this report.

## **14 Recommendations (Summary)**

### **Future Approvals**

- 14.1 The Combined Authority approves that

- (i) the schemes in the funding programmes shown in paragraph 4.3 of this report are allocated to the indicated thematic committee also shown in paragraph 4.3 of this report.

### **York Northern Outer Ring Road**

14.2 The Combined Authority approves:

- (i) The change request to the York Northern Outer Ring Road project to bring together the roundabout junction upgrade scheme and the dualling scheme and their associated funding allocations, into one combined scheme, with total scheme costs of £65,193,000, and for development costs of £3,438,000 from the West Yorkshire plus Transport Fund to progress the combined scheme to full business case, bringing the total development costs to £9,019,000 from the West Yorkshire plus Transport Fund.
- (ii) The Combined Authority enters into an addendum to the existing funding agreement with City of York Council for expenditure of up to £9,019,000 from the West Yorkshire + Transport Fund.
- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

### **Department for Transport Capability Fund (Revenue)**

14.3 The Combined Authority approves that:

- (i) The Department for Transport Capability Fund (revenue) scheme proceeds through decision point 4 (full business case) and work commences on activity 5 (delivery).
- (ii) Approval of £1,351,341 which will be funded through Department for Transport Capability Fund (revenue).
- (iii) Approval is delegated to the Director of Delivery to enter into small grant agreements with community organisations and businesses for expenditure up to £50,000 from the DfT's Capability Fund, as agreed by the scheme's Programme Board.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

### **EZ Langthwaite Extension Phase 1**

14.4 The Combined Authority approves that, subject to the conditions set by PAT:

- (i) The Enterprise Zone Langthwaite Business Park Extension Phase 1 scheme proceeds through decision point 4 (full business case) and work commences on activity 5 (delivery).

- (ii) Approval to the Combined Authority's contribution of £2,217,000 of which £417,000 is from the Local Growth Fund and £1,800,000 is from the Getting Building Fund.
- (iii) The Combined Authority enters into an addendum to the existing Funding Agreement with Wakefield Council for expenditure up to £1,246,000 from the Getting Building Fund.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined.

### Conditions

#### Phase 1

- (i) The following Conditions have been set by PAT to gain Approval to Proceed to Delivery:
- (ii) That the Phase 1 works tendered cost is within the approval set out at full business case
- (iii) Confirmation that all land parcels required for delivering Phase 1 have been acquired.
- (iv) Confirmation that Wakefield Council is in a position to enter into an addendum to the existing Funding Agreement with the Combined Authority for Phase 1 works.

#### Phase 2

- (v) The following Conditions have been set by PAT for the full business case submission for Phase 2:
- (vi) Confirm the Combined Authority's preferred commercial development route.
- (vii) Confirm the funding strategy to demonstrate affordability.

### **Wellington House Accommodation Project**

14.5 Please refer to exempt **Appendix 5**.

### **15 Background Documents**

15.1 None as part of this report.

### **16 Appendices**

**Appendix 1** – Background to the Combined Authority's assurance framework

**Appendix 2** – Department for Transport Capability Fund (Revenue) – Business Case Summary

**Appendix 3** – DfT Capability Fund letter

**Appendix 4** - Enterprise Zone Loughwaite Business Park Extension Phase 1  
– Business Case Summary

**Appendix 5** – Exempt Appendix 5 - Wellington House Accommodation Project



## Capital Spend and Project Approvals

### Appendix 1 - Assurance Framework

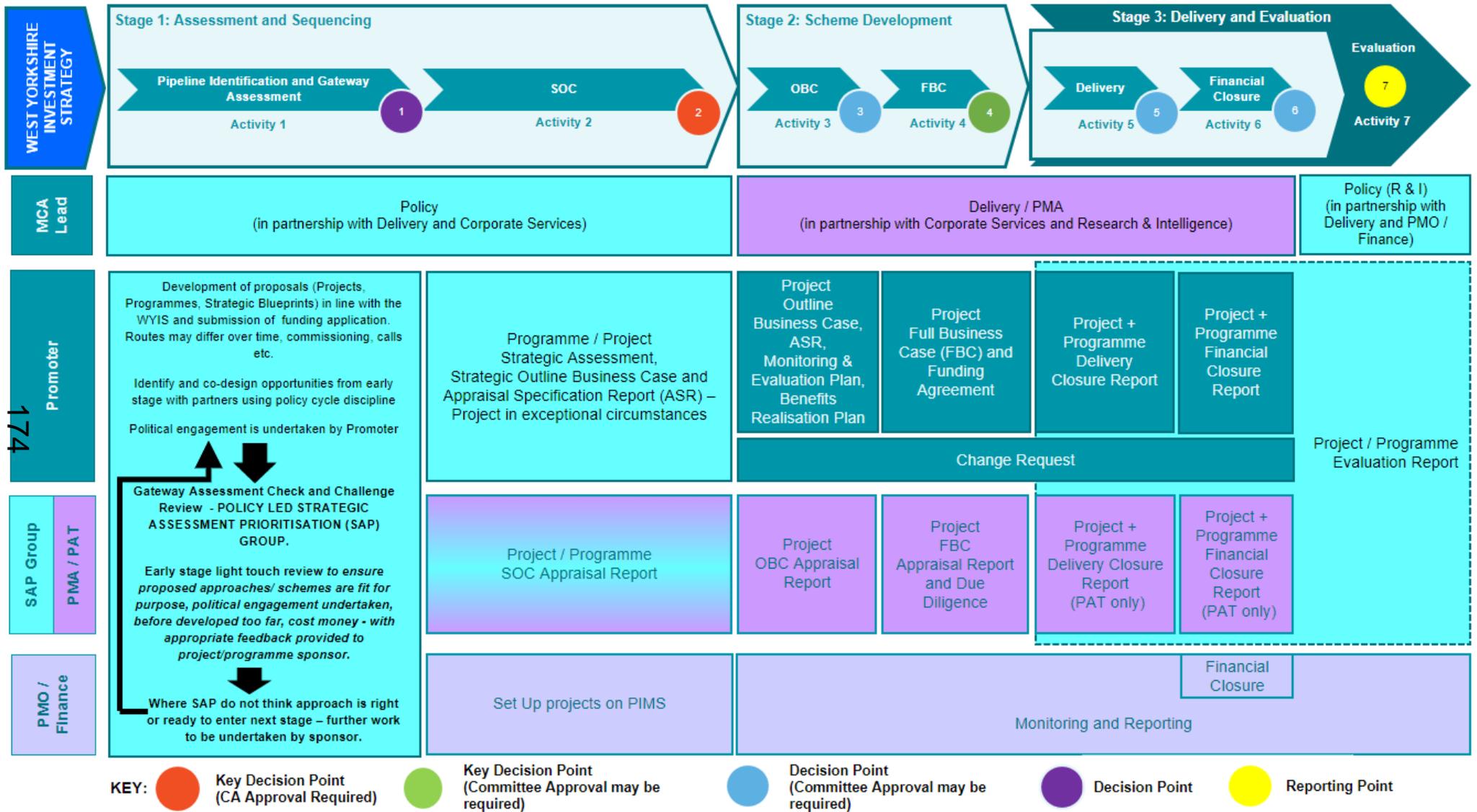
#### 1 Assurance Framework

- 1.1 The Combined Authority's Assurance Framework was developed in 2015 as part of the Growth Deal with Government. Its purpose is to ensure that the necessary systems and processes are in place to manage funding effectively, and to ensure the successful delivery of the Strategic Economic Framework (SEF) ambitions. Its focus is to ensure that necessary practices and standards are implemented to provide the Government, Combined Authority, the Leeds Enterprise Partnership (LEP) and local partners with assurance that decisions over funding (and the means by which these decisions are implemented) are proper, transparent and deliver value for money. It covers all projects and programmes funded from Government or local sources that flow through the LEP and Combined Authority.
- 1.2 The Assurance Framework must be reviewed annually as stipulated by Government, however, due to the West Yorkshire Devolution Deal, the Assurance Framework has been subject to an extensive in-year review for the Mayoral arrangements to be adopted.
- 1.3 This review has now taken place and government approved the updated Assurance Framework, which was implemented on 3 February 2021. Decision making remains the same in the new Assurance Framework, i.e. approval is required at Combined Authority (CA) for all programmes and projects at least once in their lifetime and this is usually at decision point 2 (Strategic Outline Case). The Assurance Pathway and Approval Route is also set at this point.

#### **Assurance Process**

- 1.4 The new Assurance Process is set out below:

New



- 1.5 The new process includes the West Yorkshire Investment Strategy (WYIS) and removes the Full Business Case with finalised costs (FBC+) stage. There are no other significant changes from the previous process, and there will be little effect on the Combined Authority's existing funding programmes and projects.
- 1.6 The process still retains the same flexibility, in that each project or programme will be set a bespoke approval pathway and approval route to be followed. This may be to delegate decisions to a Committee, Managing Director (MD) etc. or it may be that certain decision point approvals are not required, or that bid documents to other government departments can be utilised. Furthermore, development costs can be funded at decision point 1 and beyond.
- 1.7 Activity 3 (OBC) and Activity 4 (FBC) remain however, the FBC+ (or previous Activity 5) is not now required. Instead, at FBC (Decision Point 4), PAT sets conditions that must be met before full approval of funding is given and the project has Approval to Proceed to Delivery (Activity 5).
- 1.8 In line with the recently revised Green Book, in assessing value for money, a stronger emphasis can now be placed on the strategic case and how the strategic objectives and priorities of the Combined Authority will be met through the delivery of the project. This might for example include, but not limited to, supporting the climate change and good growth agenda (the Combined Authority aims to achieve net-zero by 2038), supporting an increase in active mode and public transport use and / or supporting / accelerating housing development. The specific approach will be determined on a programme by programme basis as funding and investment streams come forward.
- 1.9 At Decision Point 5 a Delivery Closure Report is required, which is substantially the same as the previous draft project closure report.
- 1.10 At Activity 6 a Financial Closure Report is needed. This is the period when defects are made good and final accounts are agreed.
- 1.11 Activity 7 Evaluation will be managed by the Combined Authority's Research & Intelligence team. This is a reporting point not a decision point and takes place when the programme (or project in some circumstances), is completed. It includes an evaluation of the benefits, outcomes and economic impact compared to the overall programme objectives set out in the SOC. Insights and learning from the evaluation will also be fed back into policy and strategy in order to inform the design and development of future programmes and schemes. Interim evaluations may also be undertaken as required as set out in the Monitoring and Evaluation Plan.

## **2 Future assurance and approval route**

- 2.1 The tables for each scheme in the main report outline the proposed assurance process and corresponding approval route for the scheme. The assurance pathway sets out the decision points which the scheme must progress through and will reflect the scale and complexity of the scheme. The approval route

indicates which committees or officers will make both a recommendation and approval of the scheme at each decision point. A delegated decision can only be made by the Managing Director if this has received prior approval from the Combined Authority.

### **3 Tolerances**

- 3.1 In order for the scheme to follow the assurance pathway and approval route that is proposed in this report, it should remain within the tolerances outlined for each scheme. If these tolerances are exceeded the scheme needs to return to a Committee and/or the Combined Authority for further consideration.

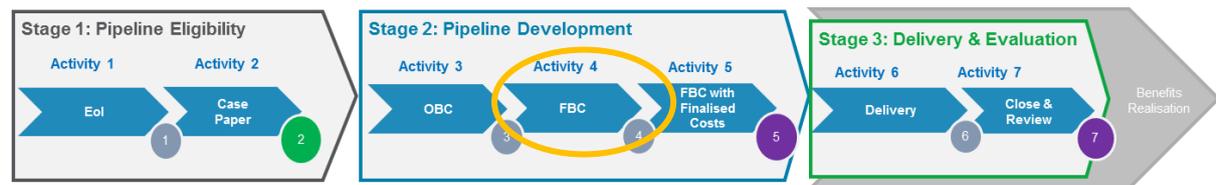
### **4 Transition**

- 4.1 There will be a transition period to the new Assurance Framework due to business cases being submitted and appraised prior to the new Assurance Framework being approved by government. Schemes progressing under the previous process will be highlighted in the report.

## Section A: Scheme Summary

<b>Name of scheme:</b>	<b>Department for Transport Capability Fund (Revenue)</b>
<b>Lead organisation:</b>	West Yorkshire Combined Authority
<b>Applicable funding stream(s) – Grant or Loan:</b>	Grant
<b>Growth Fund Priority Area (if applicable):</b>	Not applicable
<b>Approvals to date:</b>	None
<b>Forecasted full approval date (decision point 4):</b>	9 September 2021
<b>Forecasted completion date (decision point 5):</b>	31 March 2022
<b>Total scheme cost (£):</b>	£1,351,341
<b>Combined Authority funding (£):</b>	£1,351,341
<b>Total other public sector investment (£):</b>	£0
<b>Total other private sector investment (£):</b>	£0
<b>Is this a standalone project?</b>	Yes
<b>Is this a programme?</b>	No
<b>Is this project part of an agreed programme?</b>	Yes

## Current Assurance Process Activity:



## Scheme Description:

The scheme consists of activity funded by the Department for Transport's Capability Fund (Revenue), allocated to the Combined Authority to enable more people to walk and cycle across West Yorkshire.

The scheme also includes funding to support the development of the region's Local Cycle and Walking Implementation Plans (LCWIPs), which will set out the programme of future schemes.

The scheme has two key components. The first is a comprehensive behaviour change package to support people to walk and cycle more, building on the successful delivery of the Combined Authority's CityConnect programme. The second element will enable further development of schemes aligned with the emerging Local Cycling and Walking Infrastructure Plans (LCWIPs) for the five local authorities in West Yorkshire, the development of which is currently being co-ordinated by the Combined Authority.

A comprehensive behaviour change programme has been developed through the Combined Authority's CityConnect programme, which is dedicated to enabling more people to travel by bike or on foot. This is delivered alongside high-quality infrastructure to enable people to make the most of the region's investment in active travel.

This fund is intended to build on the work delivered through the CityConnect programme to widen participation in these activities and develop the community support network needed for people to access services which target barriers to active travel.

The programme of activity includes:

- Support to businesses to become more walk and cycle friendly through targeted support and small grants
- Support to communities through the development of grassroots active travel hubs and a small grants scheme
- Support to schools and early years settings, such as nurseries, to become more walk and bike friendly through targeted engagement
- Continued delivery of free adult cycle training as well as providing access to free bikes for eligible participants
- Development of an inclusive cycle training offer to widen participation in active travel to disabled people
- Continued delivery of health-based referral cycle training

This delivery will be supported by targeted behaviour change campaigns and communications.

**Business Case Summary:**

<b>Strategic Case</b>	<p>The Capability (Revenue) Fund will help the West Yorkshire Combined Authority and its partners achieve the strategic objectives of delivering a 21<sup>st</sup> century transport network, inclusive growth and addressing the climate emergency through providing opportunity for people to make more journeys by bike or on foot.</p> <p>To enable more people to walk and cycle more often, a long-term, comprehensive behaviour change programme for the region is needed to dismantle the barriers to cycling, walking and public transport use. Based on the experience of the Combined Authority's award-winning CityConnect programme, more journeys by bike requires a network of hubs, and provision of products and services that offer people access to cycle skills training to ride a bike confidently, or simply to have access to a bike.</p> <p>This scheme has been developed based on learning from the CityConnect programme, as well as market research undertaken by the Combined Authority into the barriers that prevent people from travelling by bike, and motivations that would support people to make a change in travel behaviour, which this scheme seeks to address.</p> <p>The scheme will also help to support the most disadvantaged communities across West Yorkshire to access the transport network and target and engage with people who have a protected characteristic to consider their needs and ensure activity is inclusive and will widen participation in walking and cycling.</p> <p>In addition, this funding will enable further development of schemes prioritised for development through the emerging district LCWIPs. This is part of the Combined Authority's plan to create a cohesive and coherent network of walking and cycling routes across West Yorkshire, with a clear pipeline of schemes for delivery through future funding programmes.</p> <p>The activities delivered will support the Combined Authority in responding to the climate emergency. Increased levels of walking and cycling are expected to play an important role in reducing carbon emissions, which are required for the region to meet its ambition to be a net-zero carbon economy by 2038. The programme will also work towards achieving the changes in travel behaviour currently being identified through the Carbon Emissions Reduction Pathway work.</p>
<b>Commercial Case</b>	<p>The Department for Transport has confirmed an allocation to the West Yorkshire Combined Authority of £1,351,341 from the government's Capability Fund.</p>

	<p>Both the behaviour change programme and the development of the LCWIP programme will also be delivered in partnership with the five local authorities in West Yorkshire.</p> <p>The scheme builds on a programme of activities already being delivered and will be procured through extending existing contracts or new tenders through a procurement exercise. The scheme will use the existing mechanism in place to deliver the small grants schemes to communities and businesses.</p>
<b>Economic Case</b>	<p>The programme will deliver a series of activities which will support West Yorkshire's post COVID-19 recovery and contribute to the government's aim to achieve a step-change in active travel (cycling and walking) seeing them play a key role in England's transport system.</p> <p>Delivering a wide range of measures and activities designed to encourage more people to cycle, walk or use public transport instead of private cars, for journeys to and from education, employment, and other key destinations, will enable a series of health, clean growth, and inclusive growth benefits to be realised. These include health benefits as a result of:</p> <ul style="list-style-type: none"> <li>• Reduced carbon emissions and improvements to air quality, as more people choose to travel on foot, by bike or public transport rather than by car</li> <li>• Increased levels of physical activity through everyday cycling and walking leading to improved health</li> <li>• Targeted health-focused cycle training based on GP prescribing for those with low levels of physical activity</li> </ul>
<b>Financial Case</b>	<p>West Yorkshire's total confirmed allocation from the Department for Transport is £1,351,341:</p> <ul style="list-style-type: none"> <li>• Behaviour change programme (up to £1,203,986)</li> <li>• Cycle and walking development (up to £147,355)</li> </ul> <p>The funding will need to be committed by 31 March 2022, with activity delivered and reported on by March 2023.</p>
<b>Management Case</b>	<p>The programme includes a range of behaviour change measures to be delivered by the communications and engagement team that sits within the travel and transport marketing team at the Combined Authority. This will build on activity that is currently being delivered, and with the support of local authority and other delivery partners through existing relationships.</p>

The LCWIP process is being handled by the Transport Policy Team within the Combined Authority in combination with the districts. This money will be used to enlarge the ongoing programme of LCWIP scheme development and prioritisation which is funded by the Integrated Transport Block.

The funding allocated to support the development of the LCWIP programme will be managed by the Active Travel Policy Officer through the existing framework with consultants to develop and prioritise LCWIP routes, as an addition to the existing budget.

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Department  
for Transport

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Active Accessible Travel  
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Kit Allwinter  
West Yorkshire Combined Authority  
Wellington House,  
40-50 Wellington St,  
Leeds  
LS1 2DE

13 August 2021

Dear Kit Allwinter,

## Local Authority Capability Fund Grant Award Letter – 2021/22

I am writing to confirm the Department for Transport (DfT) revenue grant funding for your Local Authority Capability Fund activities.

Your Capability Fund allocation will be paid as a revenue grant under Section 31 of the Local Government Act 2003. Your grant allocation for 2021-22 is shown in the table below.

Table 1.

Local Authority	2021/22
West Yorkshire Combined Authority	£1,351,341

Your grant will be paid in one instalment in October 2021 subject to receipt of your signed grant acceptance slip shown in Annex B.

Your grant is awarded on the understanding that your authority will deliver the objectives as set out in your Capability Fund bid. It is also provided on the condition that your authority works with appropriate lower tier (district-level) authorities to ensure that the funding is targeted at the areas of greatest need, consistent with wider Government agendas including levelling up. Your authority must also demonstrate that it has fully consulted appropriate lower tier authorities in the preparation of your Local Cycling and Walking Infrastructure Plans (LCWIPs).

We appreciate that, during implementation, opportunities or challenges may arise that require a change to your project in order for outcomes to be realised to their full potential, including where activities interact with and support objectives in the Active Travel Capital Fund bids. Any substantive changes, which equate to over 25% of the total sum of your revenue funding allocation, should be reported to the Department for Transport. However, should the change be substantial enough so as to cease to represent the programme for which funding was awarded, or should your ability to

deliver the objectives for which funding was awarded be significantly compromised, the Department reserves the right to reclaim any unspent revenue funding.

Future Government Spending Rounds are subject to evidence showing good performance in delivery. This means that poor or non-delivery of bid objectives for this Capability Fund may have an impact on the funding your authority receives in future. This includes adherence to LTN1/20 and other good practice for any network planning or design activities undertaken with this funding.

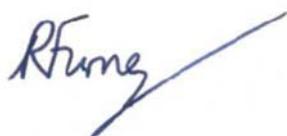
For any grant, Government is required to monitor the effectiveness of any public investment. We therefore expect you to have robust monitoring and evaluation plans in place, including, where applicable, reporting on how behaviour change interventions are targeted at the specific groups detailed in proposals. Monitoring and evaluation requirements remain the responsibility of your authority, and are expected to be undertaken as required to meet your own internal needs. DfT will also require annual monitoring returns showing how the funding has been spent, and a report summarising evaluation activities. Selected authorities may also be invited to participate in a DfT-funded national evaluation. We have produced detailed guidance to support authorities to meet monitoring and evaluation requirements and drive up the quality and consistency of monitoring and evaluation data. If you need any assistance please contact [local.evaluation@df.gov.uk](mailto:local.evaluation@df.gov.uk).

With regards to assurance, local authorities are public authorities and are expected to have robust accounting, monitoring and transparency arrangements in place to allow for appropriate accountability to their communities. The Department has decided that these arrangements should be sufficient to allow for proportionate local scrutiny of the Capability Fund Grant funding. The Department, however, reserves the right to approach authorities if internal or external auditors require information relevant to their scheme. There may also be a requirement for local authorities to participate in a national evaluation of Capability Fund activities. The authority would be expected to comply with such requests. The Department may also approach your authority to request a visit to your project to review progress. We will notify you if this becomes necessary.

This grant may be subject to the new rules on subsidy control. It is the responsibility of the receiving organisation to satisfy themselves that they are compliant with the new rules on subsidy control when using this funding. LA's should ensure that they are versed on the new subsidy control rules, and further guidance is available from: <https://www.gov.uk/government/publications/complying-with-the-uks-internationalobligations-on-subsidy-control-guidance-for-public-authorities> .

Please now arrange for your Section 151 officer to sign and date the grant acceptance slip in Annex B and return it to DfT. We will issue your grant determination letter and make payment in October 2021.

Yours sincerely,



**Rupert Furness**

## **ANNEX A**

### **INFORMATION ON RECEIVING GRANT**

1. The grant will be paid in one instalment in October 2021 subject to receipt of your signed acceptance slip.
2. Our grant may be audited by the Department or external auditors, and if this is the case, the Department will notify your authority in writing. The authority is expected to comply with any such arrangements.
3. It is suggested that claimants familiarise themselves with the Fraud Act 2006 and the Bribery Act 2010 when making claims, and in provision of funding to partner organisations.
4. Personal information collected for grant purposes will be used by the Department for Transport for administering the Capability Fund. We may share information for the purposes of countering fraud or otherwise as required or permitted by law.
5. The Department will observe its obligations under the Data Protection Act 1998 in responding to requests made under the Freedom of Information Act 2000. Where a request includes personal information that you have provided, we will consult you before deciding whether such information should be disclosed. Information about junior staff who are not in public facing roles will not normally be disclosed.

**ANNEX B**

Grant Acceptance Slip

I acknowledge receipt of this Capability Fund 2021/22 Award letter for the activities set out in the funding bid.

And

I accept the grant offer on behalf of **West Yorkshire Combined Authority** subject to the conditions set out in this letter. I confirm that I am lawfully authorised to do so

Signed.....

Please print name.....

Position.....

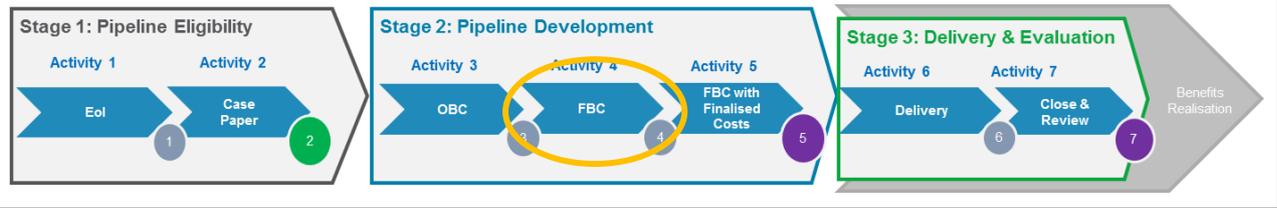
Date.....

Please sign and email a scanned copy to [Walking.Cycling@dft.gov.uk](mailto:Walking.Cycling@dft.gov.uk)

## Section A: Scheme Summary

<b>Name of scheme:</b>	<b>GBF Enterprise Zone: Langthwaite Business Park Extension</b>
<b>Applicable funding stream(s) – Grant or Loan:</b>	Local Growth Fund – up to March 2021 Getting Building Fund – up to March 2022
<b>Growth Fund Priority Area (if applicable):</b>	
<b>Approvals to date:</b>	<b>Decision Point 3:</b> Combined Authority Board approval, 4 September 2020 <b>Change Request:</b> Managing Director approval, 21 February 2020 (to acquire the site) <b>Change Request:</b> Managing Director approval, 21 May 2021 (to revise funding budgets following the scheme securing Getting Building Fund)
<b>Forecasted full approval date (decision point 5):</b>	December 2021
<b>Forecasted completion date (decision point 6):</b>	December 2022
<b>Total scheme cost (£):</b>	£6,509,000
<b>Combined Authority funding (£):</b>	£417,000 - Local Growth Fund £1,800,000 - Getting Building Fund £4,292,000 – Funding source to be determined
<b>Total other public sector investment (£):</b>	£0
<b>Total other private sector investment (£):</b>	£0
<b>Is this a standalone project?</b>	Yes
<b>Is this a programme?</b>	No
<b>Is this project part of an agreed programme?</b>	Yes – Enterprise Zones

## Current Assurance Process Activity:



## Scheme Description:

The Langthwaite Business Park Enterprise Zone (EZ) Extension is a 9.45 hectares site, owned by the Combined Authority, located next to the existing Langthwaite Business Park, in South Kirkby, Wakefield. The scheme will be delivered in two phases, preparing the site for potential future commercial development:

- Phase 1 – will be led by Wakefield Council and by December 2021 and will deliver an extension to Onward Way creating a new access road, including cycling and walking access off Broad Lane.
- Phase 2 - will be led by the Combined Authority and by December 2022 will deliver de-risking works to make the land suitable for development and infrastructure works which will bring two serviced units to the market, capable of accommodating 9,290 sqm of floorspace. The scheme will also support the delivery of:
  - a further 11 units capable of accommodating 17,652 sqm
  - an area of open green space within the site
  - the development of new habitat from containment ponds from a sustainable urban drainage system
  - a green corridor with walkway enabling two public footpaths to be linked at the long the side of Langthwaite Beck

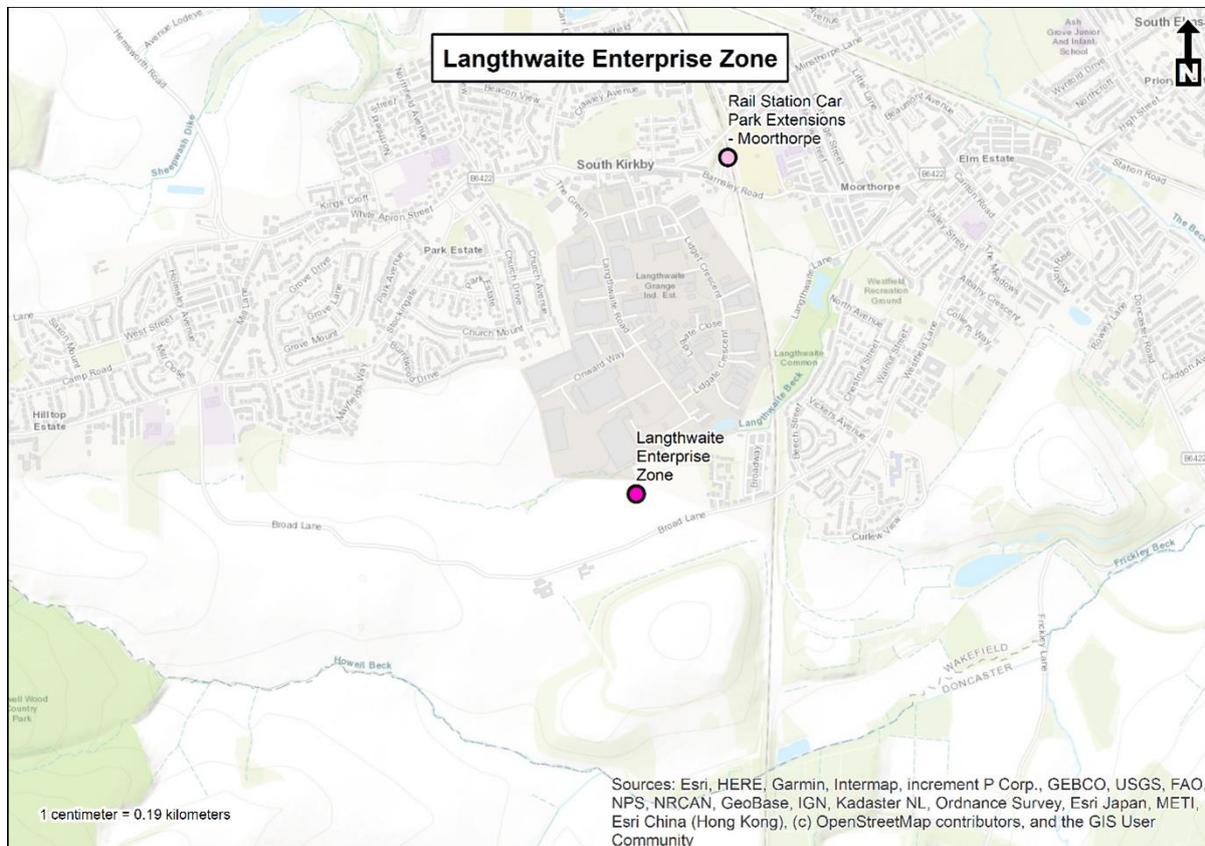


<b>Business Case Summary:</b>	
<b>Strategic Case</b>	<p>The Leeds City Region (LCR) Enterprise Zone (EZ) Programme supports delivery of high-quality employment space in advanced and innovative manufacturing and complementary sectors. The scheme supports Strategic Economic Framework (SEF) priorities “Boosting Productivity” and “Enabling Inclusive Growth.” The scheme also supports the Local Plan Policy ES8 – Langthwaite Grange Extension, South Kirkby, and the Wakefield District Economic Strategy.</p> <p>The scheme will provide premises for small medium sized enterprises (SMEs) and supports inclusive growth by unlocking employment opportunities within the deprived areas of South Kirkby and South Elmsall. The site will be accessible by cycling or walking, reducing the reliance on car ownership and at the same time encouraging a healthy lifestyle.</p> <p>The scheme will increase biodiversity on the site, by creating an open green space and new habitats for plants and animals.</p>
<b>Commercial Case</b>	<p>The market demand assessment demonstrated that there is insufficient good quality employment land and modern space to meet the requirements of both developers and businesses. It shows there is market demand that can be absorbed across West Yorkshire, including the Wakefield District which benefits from proximity to the M62, M1 and A1.</p> <p>Wakefield Council will deliver Phase 1 and Balfour Beatty has been appointed by the Combined Authority on a NEC4 Contract off the SCAPE framework to deliver Phase 2.</p> <p>Following the enabling works, the Combined Authority anticipates it will procure agents to dispose of parcels of land to the market. This would be procured via OJEU/Public Contracts Regulations 2015 compliant process.</p>
<b>Economic Case</b>	<p>A long list of options was considered covering working with private sector partners or taking a more direct approach in delivery. As the Combined Authority is the landowner, the short list focussed on combined Authority led options.</p> <p>The preferred option will see the delivery of the access road and site de-risking, so the land is suitable for commercial development, infrastructure works and will bring two serviced plots to market for development.</p> <p>The value for money assessment for the direct enabling works reflects a Benefit Cost Ratio (BCR) of 0.31:1 (Poor) which significantly improves to 16:1 (Very High) when accounting for Gross Value Added (GVA) impacts from a fully developed site. This demonstrates the value of delivering the enabling works as the catalyst to realise the wider economic and social strategic outcomes and benefits.</p>
<b>Financial Case</b>	<p>The total scheme cost is £6,509,000. Delivery of the scheme has been split into two phases:</p>

	<ul style="list-style-type: none"> <li>• Phase 1 – total cost is £1,246,000</li> <li>• Phase2 – total cost is £5,263,000</li> </ul> <p>The Combined Authority will contribute up to £2,217,000 to the scheme from the Local Growth Fund (£417,000) and the Getting Building Fund (£1,800,000). A funding strategy for further costs of up to £4,292,000 beyond March 2022 is currently being developed.</p> <p>Once the commercial units are occupied, the Langthwaite Enterprise Zone site has the potential to generate £11,000,000 Business Rate Returns to the Combined Authority by 2042. Any future sale will also see the Combined Authority, as landowner, receive capital receipts totalling £2,250,000.</p>
<p><b>Management Case</b></p>	<p>The scheme is being developed through the existing Enterprise Zone project delivery team and governance arrangements at the Combined Authority, in partnership with Wakefield Council.</p> <p>The delivery programme anticipates completion of Phase 1 by December 2021, with Phase 2 to be delivered by Balfour Beatty by December 2022.</p> <p>The monitoring and evaluation of scheme benefits, outputs, and outcomes will be undertaken as part of the Enterprise Zone programme monitoring and evaluation plan, currently in development.</p>

## Location Map

The following map shows the location of the Langthwaite Enterprise Zone Extension Phase 1 scheme.



Please note, depending on the level of scheme development, the location and scope of the schemes indicated here are indicative only.

For further information on Combined Authority schemes across the Leeds City Region, please refer to: <https://www.westyorks-ca.gov.uk/growing-theeconomy/leeds-city-region-infrastructure-map>

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**Report to:** West Yorkshire Combined Authority

**Date:** 9 September 2021

**Subject:** **Minutes for Information**

**Director:** Angela Taylor, Director of Corporate and Commercial Services

**Author:** Dominic Martin, Governance Services Officer

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

## 1. Purpose of this report

- 1.1 To provide Members with details of the minutes of committees and panels that have been published on the West Yorkshire Combined Authority's website since the last meeting.

## 2. Information

- 2.1 The following minutes have been published on the West Yorkshire Combined Authority's website and can be accessed [here](#):

- LEP Board held on 21 July 2021
- Governance & Audit Committee held on 22 July 2021
- Finance, Resources & Corporate Committee held on 4 August 2021

## 3. Tackling the Climate Emergency Implications

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

**4. Inclusive Growth Implications**

4.1 There are no inclusive growth implications directly arising from this report.

**5. Equality and Diversity Implications**

5.1 There are no equality and diversity implications directly arising from this report.

**6. Financial Implications**

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

**7. Legal Implications**

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

**8. Staffing Implications**

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

**9. External Consultees**

9.1 No external consultations have been undertaken.

**10. Recommendations**

10.1 That the minutes of the Combined Authority's committees and panels be noted.

**11. Background Documents**

11.1 There are no background documents referenced in this report.

**12. Appendices**

None.