

WEST YORKSHIRE COMBINED AUTHORITY

**MEETING TO BE HELD AT 11.00 AM ON THURSDAY, 3 FEBRUARY
2022**

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

**<https://www.youtube.com/channel/UCazjNSGpqZZT41Vibn2ZK9A/live>
(COPY AND PASTE THE LINK IN YOUR BROWSER)**

A G E N D A

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

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 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, you are encouraged to bring a face covering.

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**
- 4. MINUTES OF THE MEETING OF THE COMBINED AUTHORITY HELD ON 9 DECEMBER 2021**
(Pages 1 - 16)

For Decision

- 5. ECONOMIC RECOVERY**
(Lead Member: The Mayor, Director: Liz Hunter)
(Pages 17 - 28)
- 6. BUDGET AND BUSINESS PLANNING 2022/23**
(Lead Member: The Mayor, Director: Angela Taylor)
(Pages 29 - 70)
- 7. FUNDING PRIORITIES**
(Lead Member: The Mayor, Director: Alan Reiss)
(Pages 71 - 80)
- 8. TRANSPORT COMMITTEE REVIEW**
(Lead Member: Cllr S. Hinchcliffe, Director: Dave Pearson)
(Pages 81 - 108)
- 9. HEALTHTECH STRATEGY**
(Lead Member: Cllr S. Pandor, Director: Liz Hunter)
(Pages 109 - 146)
- 10. MASS TRANSIT RESOURCING**
(Lead Member: The Mayor, Director: Ben Still)
(Pages 147 - 178)
- 11. CAPITAL SPENDING AND PROJECT APPROVALS**
(Lead Member: The Mayor, Director: Melanie Corcoran)
(Pages 179 - 204)
- 12. ASSURANCE FRAMEWORK**
(Lead Member: The Mayor, Director: Melanie Corcoran)
(Pages 205 - 210)
- 13. APPOINTMENT OF EXTERNAL AUDITORS**
(Lead Member: The Mayor, Director: Angela Taylor)
(Pages 211 - 218)
- 14. MEMBERS' CODE OF CONDUCT - REVIEW OF PROCEDURE**
(Lead Member: The Mayor, Director: Angela Taylor)
(Pages 219 - 232)

For Information

15. MINUTES FOR INFORMATION
(Pages 233 - 234)

Signed:

A handwritten signature in black ink, consisting of the letters 'BSM' in a stylized, cursive font. A horizontal line is drawn underneath the signature.

Managing Director
West Yorkshire Combined Authority

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**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY, 9 DECEMBER 2021 AT COMMITTEE ROOMS
6&7, CIVIC HALL, LEEDS**

Present:

Mayor Tracy Brabin (Chair)	West Yorkshire Combined Authority
Councillor Susan Hinchcliffe	Bradford Council
Councillor Stewart Golton (Substitute)	Leeds City Council
Councillor James Lewis	Leeds City Council
Sir Roger Marsh OBE DL	Leeds City Region Local Enterprise Partnership
Councillor Cathy Scott (Substitute)	Kirklees Council
Councillor Rebecca Poulsen	Bradford Council
Councillor Matthew Robinson	Leeds City Council
Councillor Tim Swift MBE	Calderdale Council
Councillor Andrew Waller	City of York Council

In attendance:

Ben Still	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
Dominic Martin	West Yorkshire Combined Authority

55. Chair's Update

The Chair noted that a supplementary report had been submitted since the agenda had been originally published. This was for an additional item to be considered on the Combined Authority's non-transport borrowing powers, and had been agreed to be added to the agenda to avoid prejudicing the Combined Authority's ability to access necessary borrowing powers.

56. Apologies for Absence

Apologies were received from Cllr Jefferies, Cllr Pandor, and Cllr Lawson.

57. Declarations of Disclosable Pecuniary Interests

There were no pecuniary interests declared by Members during the meeting.

58. 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 Agenda Item 8 Appendix 2 and Agenda Item 10 Appendix 2 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 reports that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

59. Minutes of the Meeting of the Combined Authority held on 22 October 2021

Resolved: That the minutes of the meeting of the West Yorkshire Combined Authority held on 22 October 2021 be approved.

60. Bus Enhanced Partnership

The Combined Authority considered a report providing an overview of the draft West Yorkshire Bus Enhanced Partnership Plan and Scheme, and requesting approval to use this draft to begin a formal process of consultation with bus operators and statutory consultees. Approval was also sought to approve publication of the notice of intent to 'Make' an Enhanced Partnership Plan and Scheme for West Yorkshire, and to delegate approval of the final Zero Emission Bus Regional Area (ZEBRA) bid to the Managing Director in conjunction with the Mayor.

Entering into an Enhanced Partnership with bus operators was noted as a vital step toward bringing buses under public control, as had been promised in the Mayor's manifesto. The Combined Authority's BSIP (Bus Service Improvement Plan) had set out strong ambitions for the region's bus service, but government funding from this could not be accessed without entering into an Enhanced Partnership before the end of March.

The Enhanced Partnership would consist of two components; the Enhanced Partnership Plan, which would apply throughout the region and set out the overall vision and governance, and Enhanced Partnership Schemes, which were more specific and aimed to contractualise specific projects and agreements. After consultation with operators, the final version would be brought to the March 2022 meeting of the Combined Authority for decision. If approved, following a statutory operator objection period of 28 days the Enhanced Partnership would begin in April 2022 and run until April 2027.

Members noted that historically there had been partnership initiatives before, such as Quality Bus Contract/Partnerships, and it was asked what would make the Enhanced Partnership more successful in this regard. It was noted that the more recent West Yorkshire Bus Alliance had been of great use in achieving

reduced fares for young people as well as many improvements to crucial infrastructure which would support the necessary work going forward.

As franchising was intended to proceed only if the Enhanced Partnership failed to achieve its objectives, Members questioned whether the Enhanced Partnership's success was fully supported. It was strongly emphasised that all parties were committed to making the Enhanced Partnership work for the people of West Yorkshire, with ambitious and optimistic plans for the partnership being built between the Combined Authority and bus operators, although it was recognised a lot of work remained to be done. KPIs would be put in place to measure the success of this, though the difficulties currently surrounding this were discussed, particularly in the light of upcoming restrictions due to the pandemic.

It was emphasised that more work needed to be undertaken to grow bus networks and to improve connectivity, such as implementing bus priority corridors, taking innovative approaches in developing links with hospitals and other key destinations, and expanding the use of Demand Responsive Transport. The benefits of achieving better connectivity for the region and moving away from private car usage were significant, particularly in regards to the impact of climate change on both the economy and the health of residents. However, challenges still remained to be addressed, and the importance of ensuring these measures were financially sustainable was highlighted, as well as finding a model that worked for the region. Members noted that the amount of BSIP funding received would be an important factor in determining what could be delivered.

Resolved: That the Combined Authority:

- a) approves the publication of the Notice of Intent to 'make' an EP Plan and Scheme.
- b) approves the content of the draft EP Plan and Scheme for use in statutory consultation.
- c) delegates the decision to submit the West Yorkshire Zero Emission Bus Regional Area (ZEBRA) bid to the Department of Transport to the Managing Director in conjunction with the Mayor.

61. COP26 and the West Yorkshire Climate and Environment Plan

The Combined Authority considered a report discussing the outcomes, implications and next steps following the conclusion of the UN Framework Convention on Climate Change, 26th Conference of the Parties (COP26), and highlighting proposals in the West Yorkshire Climate and Environment Plan to be prioritised first for delivery by the Combined Authority.

The Mayor reported positively on her experience at COP26. There was a wider context of mixed views on viability of the 1.5C target and whether sufficient commitment existed among all nations for the agreed targets, but it was positively noted that internationally, local governments had taken a leading role in addressing climate change, and it was hoped that the challenge

would simultaneously be an opportunity for West Yorkshire in several areas.

The report identified eight priority areas set out in the Plan which were recommended for endorsement; these linked in across the different areas of work undertaken by the Combined Authority, and included some work already underway, such as ensuring that all funded schemes demonstrated their efforts to mitigate carbon impact.

Building green jobs throughout the region was emphasised as being vital going forward. Members noted the recent shortages seen in the HGV and social care sectors, raising concerns of a similar nature affecting the growth of these jobs. It would be extremely important to link in with local education providers on this, and to identify how best to target this job growth to keep the region competitive in a global marketplace. Positive developments in these connections were noted, such as the Skills Connect programme, and it was hoped that the first meeting of the Mayor's Green Jobs Task Force in January 2022 would be a useful next step in bringing employers, young people and jobseekers, and education and training providers together to build a strong relationship that supported the delivery of these jobs going forward. As part of this, the Mayor was continuing to make the case to government for more regional control over further education and skills training to be devolved in order to better allow the region to build and prepare for these jobs.

Members raised the other following comments and concerns:

- An update on the Carbon Impact Assessment was requested by Members. Officers advised that the complex methodology had caused this to be a slow process, but a report was expected in the new year. A further briefing was requested on this to address the current situation.
- The close relationship between climate change and economic opportunities was discussed, with it being noted that levelling up could not be truly achieved if areas of the region were continually recovering from the devastating impact of flooding, for example.
- Members questioned what progress had been made in delivering Electric Vehicle charging points across the region, as electric/hybrid vehicles served as an important bridge between private car usage and public transportation solutions.
- Members raised the issue of river cleanliness, and whether an action plan on this could be included within the Plan. It was noted that this was an ongoing joint piece of work between the Combined Authority, MPs, and the Government.

Resolved: That the Combined Authority:

- a) notes the progress made at COP26 and implications for the approach to achieving a net zero carbon West Yorkshire economy.
- b) endorses the first priorities from the West Yorkshire Climate and Environment Plan identified at section 2.10 of the submitted report and agrees to delegate, if required, any final changes to the Managing Director in consultation with the Mayor.

- c) agrees to work with partner local authorities to design the delivery mechanisms, and to identify and secure funding for a Climate and Environment Fund to support delivery of the Plan.

62. Integrated Rail Plan

The Combined Authority received an update on the contents of the published Integrated Rail Plan (IRP) and its implications for the region, as well as recommended next steps.

Members were very disappointed with the published IRP, noting that key components such as a Bradford stop for Northern Powerhouse Rail (NPR) and the eastern leg of HS2 had been omitted. The delivery fell far short of what the North had been promised, and it was felt not to be in keeping with the Government's stated aim to 'level-up' the region to the level of connection and economic prosperity as other areas of the country.

Discussions were ongoing with Mayors across the North to try to re-open the conversation with Government, and the possibility of making a local contribution to delivery costs in support of the cancelled projects could be raised as a potential option. It was noted that there was precedent for these decisions being reversed, providing further support to challenging the decision. A motion had been tabled at the 24 November Transport for the North meeting, supported by the Mayor and all other Northern Mayors present, requesting that Government reconsider all options. The Mayor had also written a letter to the Prime Minister, though no response had yet been received.

It was noted that this development followed a history of transport improvements in the North being delayed, with some projects being awaited for close to a decade - the electrification of the Calder Valley Line was a clear example of this, and Members highlighted it as a priority. Difficulties with the proposals put forth by the Government were also raised, such as a lack of capacity at Leeds for the services described in the IRP without delivery of a new station, and it was highlighted that many new stations and services on local networks were dependent on delivery of the eastern leg of HS2 in Leeds to provide extra capacity and removing express trains from the existing network.

Members noted that rail disruption was likely to be a serious concern going forward, as without a full implementation of HS2, capacity issues would need to be dealt with by upgrading existing track. Similarly, no alternate mitigation to limit disruption appeared to have been put forward for significant schemes such as the TransPennine Route Upgrade. This disruption would likely hinder efforts to encourage people to return to public transportation after the pandemic.

The impact to the regional economy was discussed, as improvements such as HS2 had been anticipated for years and built into economic and transport plans for the city region. Further uncertainty on delivery of rail improvements would reduce inward investment into the region, and the lost opportunities could have a negative effect on business growth. By contrast, bringing the North to a level of economic success enjoyed by other areas of the country

would have massive long-term benefits.

The point was raised that the HS2 project had several questionable aspects in terms of its affordability and the mixed feelings around the eastern leg in Wakefield and Kirklees, particularly in relation to its effects on East Coast Main Line services. It was suggested that a project developed by stakeholders in the North and more tailored to the region would be of more benefit, and that NPR would be a useful base to develop this. Members noted that the region should gain the benefits of both HS2 and NPR, rather than needing to choose between them.

Members raised the following other comments and concerns:

- The representative for Kirklees noted that although aspects of the IRP had been received more positively in their district, they acknowledged the disappointment felt across the region and supported efforts by the Combined Authority in having the Business Case re-examined.
- Members noted the vital importance of integration across the North as a whole, beyond West Yorkshire or only key cities such as Manchester and Leeds, in order to support the levelling up agenda.
- It was felt that better results could be achieved with the available funding than was proposed by the IRP. A new electrified station in Bradford was highlighted as an important improvement that would also support the electrification of the Calder Valley Line.
- Positive aspects of the IRP such as the TransPennine Route Upgrade were welcomed, but this did not diminish from the general strength of feeling that the Government should consider the decision again.

It was noted that where the recommendations of the report noted the proposed next steps for endorsement as being in paragraph 2.10, this should read paragraph 2.11.

Resolved: That the Combined Authority:

- a) notes the content of the submitted report.
- b) endorses paragraph 2.11 as the proposed next steps in response to the published IRP.

63. West Yorkshire Business Accelerator Fund

The Combined Authority considered a report seeking approval for the West Yorkshire Business Accelerator Fund, which had previously been discussed at its March meeting and had been endorsed by the LEP Board.

The West Yorkshire Business Accelerator Fund would be a revolving fund intended to launch in March 2022, which would be used in interventions for SMEs to support the growth of the region's economy. This was a successor of the Growing Places Fund which had been approved by the Combined Authority in 2013 and had achieved significant revenue from loans made to intervene in cases of market failure on stalled development projects. It was highlighted that the Fund would employ the Combined Authority's commitment

to equality, diversity and inclusivity in its operation.

Members welcomed the Fund, noting the strong opportunities it provided to SMEs and the wider business community, but emphasised the need for the highest levels of transparency and accountability and requested that future reporting back to the Combined Authority include where any elected Members or regional MPs had been involved in supporting bids and any prior meetings the Combined Authority may have had with a company prior to investments being made.

Resolved: That the Combined Authority approves that, subject to the conditions set by PAT:

- a) The West Yorkshire Business Accelerator Fund scheme proceeds through decision point 2 (Strategic Outline Case) and decision point 4 (Full Business Case) and work commences on activity 5 (delivery).
- b) The West Yorkshire Business Accelerator Limited Partnership, a Private Fund Limited Partnership, is established with the Combined Authority as the sole Limited Partner. The other party of the partnership will be the General Partner, a Special Purpose Vehicle to be set up by the appointed Fund Manager.
- c) Approval is given to the Combined Authority's contribution of £21,650,000. The total scheme value is £21,650,000.
- d) The Combined Authority delegate approval of the final investment strategy to the Managing Director.
- e) Future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report and where required, any change requests are delegated to the Business, Economy, and Innovation Committee. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

Conditions

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

- a) Sign off from the Combined Authority's Legal and Finance Team. Finalise and review Limited Partnership Agreement and Investment Management Agreement with Pinsent Mason as the external legal advisor of the Combined Authority.
- b) Review Environmental Social & Governance (ESG), Equality Diversity & Inclusion (EDI) KPIs and targets, discuss and agree with Fund Manager.
- c) Develop a clear Communications Strategy outlining reporting mechanisms and requirements from the Fund Manager.
- d) Develop a robust Monitoring and Evaluation Plan setting out monitoring

methodology, timelines, responsibilities, and evaluation reporting.

64. Budget, Business Plan and Gainshare

The Combined Authority considered a report on the budget challenges and assumptions for 2022/2023 and the progress to date on the use of gainshare funding, and seeking endorsement of the recommended approach to business planning.

Members were invited to comment on the Combined Authority's business and strategic priorities as set out in the report, as well as the suggested priorities regarding the deployment of gainshare funding. The draft budget was also considered by Members; it was highlighted there was currently a revenue funding gap, but further work would be undertaken to close this gap before the budget was presented to the February meeting for final sign-off. Similarly, Members queried a potential shortfall in capital expenditure, but officers advised that further forecasts had since been made and that work was ongoing with the contractor, and the spend profile in question was expected to fall within the available grant.

It was noted that there was a high level of uncertainty currently nationally, both in terms of news about government funding and the developing situation with the pandemic and 'Plan B' restrictions. Further clarity on these issues would be important in making assumptions and decisions going forward, with the Combined Authority's approach toward its use of borrowing powers in 2022/2023 highlighted as an example of this.

Resolved: That the Combined Authority approves that:

- a) the assumptions and proposals in support of the budget are considered and approved for inclusion in the final proposed budget.
- b) the approach to business planning be supported.
- c) the work on the approach to and use of gainshare be considered, that the draft investment priorities be endorsed and further feedback provided to enable progress to continue.

65. Capital Spending and Project Approvals

The Combined Authority considered a report on proposals for the progression of, and funding for, two Combined Authority supported projects that had been considered at stages 1, 2 or 3 of the Combined Authority's assurance process. The schemes being considered for approval had come directly to the Combined Authority due to expediency of delivery, and would be reported to the relevant thematic Committee as appropriate.

The first project was commercially sensitive and under a strict Non-Disclosure Agreement (NDA), so was being referred to as Project Marigold. A £5 million loan was proposed in order to facilitate the outside investment of £100 million into a manufacturing facility to be based in West Yorkshire,. Approval was sought to proceed through the Strategic Outline Case, and for work to

commence on the Full Business Case. Local authority partners had indicated there would be likely to an accommodation given regarding business rate relief for a period of time, but the loan sought from the Combined Authority would be on commercial terms with appropriate safeguards.

The second project concerned repairs to Bradford Interchange Station. Aspects of the station had deteriorated since its construction in 1973 and approval was sought for the scheme to proceed through decision point 4 (Full Business Case) to commence the delivery of repairs, subject to conditions set by PAT (the Programme Appraisal Team). It was noted that although the initial amount sought for repairs had been £2 million and this had received indicative approval as part of the Strategic Outline Case, the total estimated scheme costs had since risen to £8,501,000. Members questioned why the costs had risen; officers advised that originally it had been believed that only surface repairs needed to be undertaken, but investigative work done as part of the preparation for these repairs had indicated that further works were needed. There was also significant contingency within the estimates.

Members were also updated on a number of schemes which had been approved through delegation since the previous meeting by the Finance, Resources and Corporate Committee or the Place, Regeneration and Housing Committee. It was noted that where applicable, outputs from these schemes would still be recorded as part of the Housing and Regeneration Programme within the Growth Deal up until March 2024, and would also come into use at an appropriate time to count toward the Mayor's pledge of 5000 affordable and sustainable new homes.

Resolved:

- a) That in respect of Project Marigold, the Combined Authority approves that:
 - i) The Project Marigold scheme progresses through decision point 2 (Strategic Outline Case) and work commences on activity 4 (Full Business Case).
 - ii) An indicative approval of the Combined Authority's contribution of £5,000,000 is given. The total scheme value is £100,000,000.
 - iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report and where required any change requests are delegated to the Business, Economy, and Innovation Committee. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

- b) That in respect of Bradford Interchange Resurfacing Works, the Combined Authority approves that, subject to the conditions set by PAT:
 - i) The Bradford Interchange Resurfacing Works scheme proceeds through decision point 4 (full business case) and work commences on activity 5 (delivery).

- ii) Approval be given to the Combined Authority's contribution of £8,039,000, bringing to total to £8,501,000. The total scheme value is £8,501,000.
- iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report and where required, any change requests are delegated to the Place, Regenerations and Housing Committee. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

Conditions

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

- a) Confirmation of funding and total scheme cost is within those set out in the FBC approval.
- b) Contract with delivery partner finalised and evidenced.
- c) Confirmation whether an Asset Protection Agreement from Network Rail is required and if so, what impact this has on the programme.
- d) Supply of an up-to-date programme for delivery.
- e) Confirmation of project board set up and met.

66. City Region Sustainable Transport Settlement and Connectivity Infrastructure Plan Next Steps

The Combined Authority received an update on responses from the public engagement on the draft West Yorkshire Connectivity Infrastructure Plan and supporting documents, including the Future Mobility Strategy. The report sought approval of amendments to these documents, with the intention of them being brought to the February meeting of the Combined Authority for sign-off.

The Combined Authority had submitted a low and a high bid scenario for City Region Sustainable Transport Settlement (CRSTS) funding to the Department for Transport (DFT) of £570 million and £920 million respectively in September and had since received confirmation from the Government that a total of £830 million had been awarded. However, it was noted that a significant sum of this was money which had previously been announced.

The Combined Authority would need to submit and publish a Programme Business Case to access any CRSTS funding, and approval was also sought for this submission. Members noted their frustration over the need for a continued bidding process, as it had been hoped that devolution would grant a greater degree of agency to the region over spending decisions.

The Connectivity Infrastructure Plan public consultation had received a large

number of responses, which was welcomed by Members as providing useful insight. It was noted that feedback from a number of communities on the borders of the region, such as in outer north-east Leeds, indicated that some residents felt their areas had been overlooked, particularly in situations where their local transport hubs were not within West Yorkshire. A future briefing with Councillors for these wards was suggested to discuss how to best work in partnership on these issues going forward.

Resolved: That the Combined Authority:

- a) notes the feedback from the public engagement on the Connectivity Infrastructure plan and supporting documents.
- b) approves (subject to the comments arising from recommendation 10.1 in the submitted report) the proposed amendments to the Connectivity Infrastructure Plan as identified in Appendix 1 of the submitted report, with the intention of considering an updated Final Connectivity Infrastructure Plan at the Combined Authority meeting of 3 February 2022
- c) approves the submission of a City Region Sustainable Transport Settlement Programme Business Case to the Department for Transport, delegating approval to the Managing Director and the Mayor for the content and final appearance of the Programme Business Case.
- d) approves, subject to the comments arising from the consultation and Transport Committee meeting, the proposed amendments to the Future Mobility Strategy. An updated Final Future Mobility Strategy will be presented at the Combined Authority meeting of 3 February 2022.

67. UK Community Renewal Fund

The Combined Authority considered a report on the UK Community Renewal Fund (UKCRF) process in West Yorkshire.

The UKCRF had been announced in March as a £220 million fund aimed at supporting 'in need' communities across the UK, and intended to trial new funding approaches in preparation for the UK Shared Prosperity Fund (UKSPF) which would be delivered in 2022. The Combined Authority had submitted 17 bids to the UKCRF and had been notified in November that seven had been successful. Members noted their disappointment with this result, particularly regarding Calderdale, as no schemes in the district had been funded despite it being identified as a priority area by the Government.

Members criticised the lack of feedback regarding unsuccessful bids, as it was felt that this could potentially lead to poor outcomes with UKSPF bids in the future, and would continue to push for feedback going forward. The Combined Authority had submitted its own feedback to the Government on the overall process to assist with delivery of the UKSPF, and had proposed that greater involvement of Local Authority Partners, such as a letter of support from the Local Authority, would be a useful requirement.

It was noted that since the papers were published, it had been determined that one of the successful bids, the Buck Wood Community Woodland Masterplan project, was unable to proceed. Government had been notified of this and funding would not be granted for this project; it was understood that similar situations had occurred for projects in several other Mayoral Combined Authorities nationally. The Combined Authority had approached Government to seek the funding remaining allocated to the region.

Due to the lack of funding received through UKCRF by Calderdale, the Combined Authority proposed to fund a high-scoring project, 'Greener Together' for approximately £300k from the Single Investment Fund. This project aimed to retrofit social housing and increase greater awareness of climate and green energy in the community, and would act as a pilot that could be built upon. The representative for Calderdale thanked Members of the Combined Authority for their support in this.

The difficulties created by the bidding process were discussed by Members, and the need for greater devolution was reiterated. Concerns were also raised about the relatively low level of per capita levelling up funding received by the region compared to neighbours.

It was noted that as the announcement of successful bids had been delayed, the deadline for delivery of successful projects had been extended to 30 June 2022.

Resolved: That the Combined Authority:

- a) notes the outcome of the UK Community Renewal Fund (UKCRF) process in West Yorkshire, including the confirmed funded projects, Appendix 1 of the submitted report, and project appraisal process.
- b) authorises the Managing Director to enter into a funding agreement with the Department for Levelling Up, Housing and Communities (DLUHC) on behalf of the Combined Authority for an amount up to £2,539,429.
- c) authorises the Managing Director to enter into a funding agreement with the seven Project Deliverers for an amount up to £2,489,638, as required by Government, acting as Lead Authority for the Fund in West Yorkshire.
- d) indicatively approves £306,604, funding from the Single Investment Fund to create a test-case for establishing low carbon communities in Calderdale, whilst creating opportunities for residents to develop skills and build the foundations of long-term career and sustainable futures, in response to the West Yorkshire Community Renewal Fund Prospectus, with full approval to spend being granted once the project has progressed through the assurance process.
- e) delegates to the Finance, Resources and Corporate Committee, the approval of the project to pass through to Decision Point 4 totalling no more than £0.31m of funding from the Single Investment Fund.

68. Governance Arrangements (LEP Board appointments and TfN nominations)

The Combined Authority considered a report on its governance arrangements.

The report proposed the approval of minor amendments to the Scrutiny Standing Orders, particularly to allow flexibility for members around their substitutes and on the number of meetings held each year. It also proposed the extension of the terms of office for private sector members, the appointment of new advisory members to the Culture, Arts and Creative Industries Committee, the replacement of the Chair of the Governance and Audit Committee with her intended successor, and the appointment of a representative and substitute to the Transport for the North General Purposes Committee.

The Mayor noted her thanks to the Scrutiny Members, Private Sector Members, and others who gave their time in support of these committees.

It was noted that there were two typographical errors in the submitted report – the terms of reference for Colin Glass were requested to be extended till 26 September 2022 rather than 2021, and where the recommendations noted that the nomination for the TfN General Purposes Committee were listed in paragraph 2.10, this should read paragraph 2.11.

Councillor Swift left the meeting during discussion of this item.

Resolved: That the Combined Authority:

- a) approves the amendments to Scrutiny Standing Orders as outlined in paragraphs 2.2, 2.5, and Appendix 1 of the submitted report.
- b) approves the extensions to the terms of office of the private sector representatives set out in Appendix 2 of the submitted report, with the noted correction to the proposed extension of the term of office of Colin Glass.
- c) appoints advisory representatives to the Culture, Arts & Creative Industries Committee set out in Appendix 3 of the submitted report.
- d) appoints independent member, Debbie Simpson, as Chair of the Governance and Audit Committee with immediate effect, replacing Councillor Susan Hinchcliffe.
- e) That the Combined Authority approves the appointment of the following members to the TfN General Purposes Committee as set out in paragraph 2.11 of the submitted report:

Representative: Councillor Susan Hinchcliffe
Substitute: Mayor Tracy Brabin

69. Non-Transport Borrowing Powers

The Combined Authority considered a report on its borrowing powers for non-transport related functions, seeking endorsement in principle to agree to the statutory process which would set the debt cap for the Combined Authority as agreed with HM Treasury.

It was emphasised that the approval sought was not on any borrowing decisions themselves, only on the consent for the order enabling the process to be made. If approved, the decision would go to each of the constituent Local Authorities and could then be taken forward by Government.

Members questioned whether the debt cap of £248 million noted in the report for 2021/2022 could be negotiated. Officers advised that this figure was what had been sought from HM Treasury, and reflected the Combined Authority's aspirations for borrowing for the current year. It was noted this would not limit any arrangements for future years, as these would be negotiated separately.

Resolved: That the Combined Authority:

- a) consents in principle to the regulations to provide the Combined Authority with the power to borrow for non-transport related functions, set out in the 'minded to' Devolution Deal.
- b) delegates authority to the Managing Director of the Combined Authority, in consultation with the Leader and Chief Executive of each Constituent Council and the Chair of the Combined Authority, to finalise and consent to the final draft of the regulations further to any technical issues which may arise.

70. Economic Recovery

Resolved: That the report be noted.

71. State of the Region

The Combined Authority considered a report providing an update on performance of the region against socioeconomic and climate indicators, as well as published outputs, key messages and future plans. The additional document providing specific data on women and girls was also welcomed.

The report was welcomed as a useful benchmark to compare improvements across the region, with the importance of good data in making effective policy decisions being highlighted. Members requested additional data in the future using identifiers for disadvantaged groups, such as Pupil Premium, free school meals, or speaking English as a second language, noting that information on gender and ethnicity did not fully cover everything required to comprehensively address social mobility.

Resolved: That the report be noted.

72. Minutes for information

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

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Report to: West Yorkshire Combined Authority

Date: 3 February 2022

Subject: **Economic Recovery**

Director: Brian Archer, Director of Economic Services

Author: Henry Rigg, Head of Business Support

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this report

- 1.1 To provide the Combined Authority with an update on developments around the COVID-19 pandemic and economic recovery in West Yorkshire.

2. Information

- 2.1 The COVID-19 pandemic continues to be a central factor in the lives of the people of West Yorkshire. Particularly since the emergence of the Omicron variant at the end of 2021, there is an increased focus on the potential spread of the virus, the need to boost immunity through vaccination and to readopt some levels of restrictions to reduce close contact.
- 2.2 At the time of writing in January 2022, West Yorkshire has experienced its highest numbers of COVID-19 cases since the beginning of the pandemic, however hospital patients with COVID-19 remains below the peak in January 2021. Plan B restrictions introduced by the UK Government are in place (as of late January 2022), and this has impacted particularly on sectors such as hospitality and leisure. Uncertainty over the future direction of the pandemic and the need for further restrictions is critical to the economic recovery in West Yorkshire in 2022, alongside the wider factors of rising inflation, increases in energy costs and continued challenges around supply chains.

- 2.3 In the following sections we cover the latest economic intelligence regarding the impact of the pandemic on the economy and then an update on the current status of implementation of the recovery. A verbal update may also be given at the meeting on latest developments as required, particularly any relaxing of the Plan B restrictions in England.

Economic Reporting

- 2.4 The latest COVID-19 four-weekly insights report (21st January) on economic intelligence is available on '[the COVID-19 economic & transport recovery monitor](#)' page on the website¹ (link below under 'Background documents') and the most up to date interactive [COVID-19 Economic-Transport Dashboard](#).
- 2.5 The **employment** situation in the region continues to improve. The number of payrolled employees in West Yorkshire recorded on PAYE Real Time Information systems, increased by 0.7% between November and December 2021. Employment in Bradford and Leeds grew by 0.8% and 0.5% in Calderdale, Kirklees and Wakefield. Employment levels in all local authorities within West Yorkshire is higher than pre-pandemic levels in February 2020. In Bradford it is 3% higher, 2.7% in Leeds, 2% in Calderdale and Kirklees and 1.2% in Wakefield.
- 2.6 The **claimant count** has continued to fall. The latest figures show a 2% fall in the count between November and December in West Yorkshire. The claimant count is now 27% lower than its peak in March 2021, but it is still 42% higher than pre-pandemic figures in February 2020. The claimant count declined across all West Yorkshire local authorities. In Kirklees and Wakefield, it declined by 2.6%, in Leeds 1.7%, in Calderdale 1.4% and 1.1% in Bradford. Bradford's claimant count is 49% higher than pre-pandemic levels, Leeds 47%, Wakefield 36%, Kirklees 32% and Calderdale 31%.
- 2.7 **Universal Credit** claims for those in work increased between October and November across West Yorkshire by 1%. The number of claims by those in work is 133% greater than pre-pandemic levels in February 2020. In Wakefield Universal Credit claims by employed people rose by 1.5%, 1.2% in Bradford, 1.1% in Kirklees, 0.9% in Calderdale and 0.6% in Leeds.
- 2.8 **Recruitment** activity slowed down in the back end of December and start of January, compared to previous time periods. Online job postings declined across all West Yorkshire local authorities in December, compared with November. In Kirklees, job postings declined by 54%, in Wakefield it was 49%, it was 46% in Bradford, 41% in Calderdale and 22% in Leeds. The sectors that experienced the largest decline in job postings were those most at risk of the Omicron variant – Hospitality, Food and Tourism and Sales (primarily made up of retail staff).

¹ <https://www.westyorks-ca.gov.uk/documents/economic-monitor/> - Link also available under 'Background Documents' section at the end of the report.

- 2.9 The latest data shows that **business liquidations** have fallen in recent weeks. There was an average of 339 business liquidations per week in the most recent four-week period up to the 11 January 2022, a decrease of 5% from the previous four-week period. There was a sharp increase in liquidations in the four-week period ending 21st December. Since then, all West Yorkshire local authorities have experienced a decline. Bradford had the largest decline of 41%, followed by 40% in Wakefield, 30% in Calderdale, 26% in Leeds and 22% in Kirklees.
- 2.10 The **Consumer Price Index** rose by 5.4% in the 12 months to December 2021. On a monthly basis, CPI increased by 0.5% between November and December. Energy prices are putting considerable upward pressure on inflation with electricity increasing by 18.8% and gas 28.1% in the 12 months to December. In April 2022, the energy price cap will be reviewed which could put further pressure on inflation and household budgets.
- 2.11 The Combined Authority is in the process of procuring **footfall data** across West Yorkshire. This will better enable us to track the economic recovery across the whole region and it should provide valuable insight at a very local level for all the local authorities. This data will be reported in future papers.

Implementation of the Recovery Plan

- 2.12 This section outlines the progress made on delivering the West Yorkshire Economic Recovery Plan² since the last Combined Authority meeting in December 2021. This includes delivering support and programmes funded by national COVID-19 interventions, but also regional schemes being delivered from resources allocated from the West Yorkshire Single Investment Fund to economic recovery.

Business Support programmes

- 2.13 The table below provides a summary of business support grants and advice programmes being delivered as part of the response to COVID-19.

Project	Funding	Businesses Supported	Delivery Partners
Local Authority Grants, including Restart Grants (April 20 – Dec 21)	£870.4m	*158,000 payments	Local Authorities (lead)
Additional Restrictions Grant (Nov 20 - Dec 21)	£57.6m	*27,300 payments	Local Authorities (lead)
COVID-19 Recovery Grants (ERDF & LGF)	£2.8m	1114	LEP-commissioned Umi Commercial

² The [West Yorkshire Economic Recovery Plan](#) was updated at the Combined Authority meeting in September 2021, and will remain under review to respond to evolving situation.

Project	Funding	Businesses Supported	Delivery Partners
Digital Resilience Vouchers (up to £5,000)	£1.06m	400	LEP & Leeds City Council
Peer Learning Project	£120,000	110	LEP-commissioned University of Leeds Business School
Small Business Membership Scheme (access to legal, financial HR & wellbeing support)	£220,000	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

**Note some firms will have received more than one grant under the area restrictions grant scheme as well as non- area restricted schemes at the start of the pandemic.*

- 2.14 The majority of the schemes in the above table have now completed and were linked to time-limited Government funding. However, £1bn of additional financial support, in the form of grants to businesses, for the Hospitality and Leisure sectors was announced by the Government in late December 2021. Further guidance on the grants and the district-based allocations were released by Government in early January 2022. The headline features are that the grants will again be delivered by the Local Authorities, and that there will be three levels of 'one-off' payments linked to the rateable values of premises (£2,700, £4,000 and £6,000) to businesses that have been directly impacted by the additional 'Plan B' restrictions introduced in early December 2021 due to the Omicron variant e.g. work from home where possible, face coverings on public transport, advice for caution on social gatherings and evidence of vaccinations or COVID-19 tests for some venues and large events.
- 2.15 A collective total of £17.1m has been allocated to West Yorkshire Local Authorities for those businesses in the Hospitality and Leisure sectors (now including Accommodation providers) affected by the Omicron-related restrictions. The district-based grants schemes all opened in January 2022 and progress on the number and value of payments will be reported in due course.
- 2.16 Other parts of the £1bn package include the reintroduction of the Statutory Sick Pay Rebate Scheme to support employers facing heightened levels of sickness absence due to the pandemic. This involves SMEs (businesses with under 250 employees) being able to claim statutory sick pay costs related to COVID-19 for two weeks per affected employee. There will also be an additional £100m of the discretionary Additional Restrictions Grant (ARG) funding for those businesses affected by the 'Plan B' restrictions but that are not eligible for the Omicron Hospitality and Leisure Grant (e.g. suppliers to the

sectors or businesses in the sectors that do not directly pay business rates). West Yorkshire has been allocated £3.43m of this further ARG funding, and Local Authorities are now working with the CA on how this can be utilised consistently across the region to support businesses.

- 2.17 £30m of further funding for the Culture Recovery Fund was also announced as part of the new package, which will be targeted at such organisations as theatres, museums and orchestras up to March 2022.
- 2.18 In addition to the above, the Government released guidance on the new COVID-19 Additional Relief Fund (CARF) in late December 2022. The £1.5bn fund will provide business rates relief for the 2021/22 year for businesses outside of retail, hospitality and leisure, and air travel / ground operation, that have been adversely impacted by the pandemic. The guidance points towards a significant amount of discretion in how Local Authorities deliver individual relief schemes in their districts. As a result, the Local Authorities in West Yorkshire and the Combined Authority met in late December 2021 to commence the development of a delivery framework to provide some consistency across the region.
- 2.19 There is also a wide range of business support available from the Combined Authority and LEP that is contributing to the economic recovery. This includes advice and funding for the development of new products and processes, advice and funding on net zero-related interventions for employers (e.g. reducing energy use and cost, recycling and re-use of materials, and implementing sustainable and active travel), developing and implementing strategic growth plans and, most recently, setting up a new enterprise (see below for more details). In addition, delivery of the Combined Authority's new £20m Business Accelerator Fund will commence in early 2022. This will provide SMEs with clear high growth potential with equity and loan finance from £50k of up to £2m to facilitate their continued expansion within the region. The £1.5m Creative Catalyst programme also provides bespoke advice and support for businesses operating across the creative and cultural industries, such as TV and film production, gaming, animation, music, live performance, arts and museums.
- 2.20 The above support, and much more delivered by our partners across the public sector (e.g. exporting support from the Department for International Trade and the two Chambers of Commerce in the region, access to finance available from the Northern Powerhouse Investment Fund, Start-Up Loans Company and Finance Yorkshire, and innovation support from InnovateEdge and its partners), is accessed via the LEP Growth Service. This is the Government-funded Growth Hub for the region and utilises an integrated 'hub and spoke' delivery model, with a central Business Gateway function delivered by the Combined Authority, and a team of 20 SME Growth Managers employed by the Local Authorities with Combined Authority funding. The Growth Managers provide more intensive account-management support for SMEs in each district, and collectively assist circa 1500 per year to access the right support at the right time in their growth cycles. Since the Growth Service was launched in April 2015, it has supported over 20,000 individual

businesses, created/safeguarded over 12,000 jobs and leveraged over £420m of private sector funding.

Employment and Skills Support

- 2.21 The Combined Authority and LEP continue to support individuals to better equip them in the labour market as part of economic recovery activity, including through the £13.5m strategic employment and skills package agreed by the Combined Authority on 27 November 2020.
- 2.22 The **Employment Hubs**, delivered by local authorities and delivery partners, support people into work, training/retraining, or self-employment. The original ESF funded programme, established to support in the main 15–24-year-olds, has now come to an end. However, through devolved gainshare funding, the service has been expanded to support people of all ages across West Yorkshire seeking help with finding training or retraining, or to identify, apply for and secure employment or self-employment. Face to face delivery is starting to happen across the region (and will continue to depend on Government guidance and restrictions). The all-age programme aims to support a further 5,500 people by April 2023.
- 2.23 Final data for the ESF funded programme will not be available until Spring 2022. However, performance to 10 January 2022, indicates the following:
- Engaged 5698 15-24 year-old participants against a programme profile 6294 (91%). Of these:
 - 1927 participants, against a profile of 800 (241%), were recorded as being from ethnic minorities
 - 1102 participants declared they had disabilities against a target of 566 (195%)
 - 1764 participants are recorded as having no basic skills qualifications against a target of 1384 (127%)
 - 212 participants were from a single adult household with dependent children against a target of 252 (84%)
 - Of the participants starting the programme 2001 have been supported with finding education/ training, employment or self-employment against a target of 2706 (74%)
 - 159 participants achieved basic skills against a target of 200 (80%).
- 2.24 **Employment Hub 2** contracts for delivery (gainshare funded) began on 1 August 2021 and will run until March 2023. Data on performance on Employment Hub 2 is limited to date as local authority delivery partners have concentrated on the final quarter delivery of Employment Hub 1. However, provisional data shows 666 participants have been engaged during October and November 2021 against an overall programme profile of 5,500.
- 2.25 The West Yorkshire Combined Authority and the LEP have launched free **Skills Connect** training courses to help adults gain skills for job roles in the digital, construction, health and social care, and environmental sectors. futuregoals.co.uk/skillsconnect

2.26 All courses have been designed by local employers to align with local skills needs and job vacancies. Anyone over the age of 19 and living in West Yorkshire can sign up for a course. There will be opportunities for participants to learn directly from industry and business professionals with guaranteed post-training interviews available in some courses, linking them directly to current vacancies. The first courses available will boost digital skills including Cyber Security, Digital Marketing, Data Analytics and many more. Over the coming weeks, there will be many other courses available in health and social care, construction, and green jobs.

Entrepreneurship Programme

2.27 In June 2021, the Combined Authority's Investment Committee approved a new £6 million Entrepreneurship Programme to be being delivered as a major contribution to the West Yorkshire (WY) Economic Recovery Plan. The programme is focused on a 'ladder of enterprise support' across three interconnected workstreams that will help individuals in the region to explore and establish new businesses. A primary focus of the programme is Equality, Diversity and Inclusion and clear 'minimum floor' targets have been set to ensure that the support available is taken up by females, people from BAME backgrounds and people with disabilities, as well as people from our more disadvantaged communities and localities (see below for more details).

- 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. There is a primary focus on engaging people from equality groups and from the more disadvantaged communities of West Yorkshire.
- Workstream Three – support for innovative entrepreneurs by providing intensive and targeted support for those with the potential to become successful, innovative and investable entrepreneurs and businesses. Societal and environmental impact of the new-starts will be a primary consideration in the support made available, as will the diversity of the entrepreneurs participating to ensure that they reflect the West Yorkshire population.

2.28 Following recent open tender exercises, preferred suppliers have been selected to deliver a £350k Exploring Enterprise programme (on Workstream One) and a £1 million Business Start-Up programme (on Workstream Two). Both commenced delivery in late September / early October 2021 and will be delivered for 18 months, with options to extend for the same periods subject to performance, outcomes and policy priorities.

2.29 The Exploring Enterprise Programme is delivering one-to-many support through online training, events, workshops and seminars. It is expected that a minimum of six hours of support will be delivered per participant. The support package covers key areas to help consider starting a new enterprise and how to overcome any barriers that would prevent people from doing so. 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, and those most adversely impacted by the pandemic, are being targeted to engage with the programme as follows: - 50% of participants will be women and 20% will be from BAME backgrounds. In addition, the provider has offered CV support for those that decide not to start a business and to seek employment instead.

- 2.30 Workstream Two's Business Start-Up programme (Enterprise West Yorkshire) is now providing 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 also clear 'minimum floor' targets in place to support new firms that are led by individuals from BAME backgrounds (20%), women (50%) and people with disabilities (3%).
- 2.31 Furthermore, five Start-Up Managers (two currently in post) are being recruited by the West Yorkshire Local Authorities to work alongside the existing SME Growth Managers. These posts are coordinating enterprise support activity at the district level and delivering some direct one-to-one support to early-stage micro firms with growth potential. The posts are focussing on the high street renewal agenda and, as a result, are working mostly with business-to-consumer operators where the impact of the pandemic has been most severe, and where criteria associated with current funding schemes has restricted support for many firms in retail, leisure and hospitality. The managers are also focussing on the most disadvantaged parts of their districts and on ensuring that new and early-stage micro firms that have not previously been supported by publicly funded schemes, are engaged and assisted. Approximately 1,500 pre-start / start-up / early-stage firms will be supported through Workstream Two's activities.
- 2.32 Workstream Three issued a tender in late November 2021 for a programme of high intensity, tailored support for Innovative Entrepreneurs – in this context, the term refers to individuals or teams with potentially unique ideas that address a problem with a large market, and that has the potential to develop, scale and be financially sustainable. The tender welcomes responses encompassing innovative approaches to delivery and from consortia bids. 'Soft market testing' with a range of key stakeholders in the 'seedcorn' finance and 'accelerator support' marketplace took place over the summer and autumn of 2021, and this has informed the current open tender opportunity. This strand will also have clear and stretching targets to engage equality groups in the provision, and to engage with people from more disadvantaged parts of the region who have not previously accessed support. It also focusses on new ventures that have clear potential to positively impact on societal and/or environmental challenges and opportunities. The tender closed to application on 14th January 2022 and delivery on this strand is expected to commence in the spring of 2022.

- 2.33 A range of routes to market are in place, and in development, for all three workstreams, with a strong focus on engaging underrepresented groups, more disadvantaged parts of West Yorkshire and those that have not previously engaged with public sector support (directly delivered or funded). This includes working with several well-established community-based organisations and enterprise support agencies to both deliver support, and to make it more visible and accessible to a diverse range of people and businesses e.g. Airedale Enterprise Services in Keighley, Barca-Leeds, the Paddock Community Trust in Huddersfield, Inspired Neighbourhoods in Bradford and Aspire-igen in Wakefield and Leeds.
- 2.34 In addition, the programme is engaging with several networks and key influencers within business communities at the local and district level to raise the profile of the support available and increase take-up. These include the Yorkshire Asian Business Association (working with the Asian Standard) and the BAME Committee of West & North Yorkshire Chamber of Commerce. The Combined Authority/LEP already works with several key influencers in the enterprise support space to increase take-up amongst BAME-led and Women-led enterprises, and these strong working relationships will also be utilised for this programme. Taking the support available to other community settings, such as faith groups, enterprise centres and childcare providers, will also be a focus of activity to broaden reach and increase take-up, as will the use of role-models and mentors from diverse backgrounds that reflect the population of the region. Lastly, promoting the programme to target audiences via such vehicles as the Asian Standard publication and radio stations such as Sunshine Radio, Peoples' FM and Fever FM, will also be considered as this has previously worked well in terms of increased engagement levels.
- 2.35 The programme was officially launched by the Mayor of West Yorkshire, Tracy Brabin, on 3 November 2021 at an on-line event with over 150 attendees. The event was hosted by local social entrepreneur and LEP Board Member, Kamran Rashid, and also featured case study presentations from several people from diverse backgrounds who have established successful enterprises in West Yorkshire. It also included the Mayor being interviewed by a student from Batley Girls High School on the importance of diversity and enterprise in the region, and a discussion between Sir Roger Marsh OBE DL and Heba Bevan, the Chief Executive of Utterbury, an advanced manufacturing business that is in the process of establishing a significant new venture in Leeds. Within 48 hours of the launch, the website for the programme ([Enterprise West Yorkshire - LEP | Business support and finance \(the-lep.com\)](https://www.the-lep.com)) had over 400 hits, which has since risen to over 1,000.
- 2.36 To date, over 100 referrals have been made to Enterprise West Yorkshire, mostly from Ad:Venture and the Growth Service Gateway, but also from several local partners in the public and private sectors (see below for examples). Over 40 clients have been signed up to the support, just under half of whom are female and 35% of whom are from BAME backgrounds. The first round of webinars were delivered in December 2021, and at the time of writing (mid-January 2022), over 40 diagnostic meetings have been arranged for late January and February 2022. Although the take-up at this early stage from

people from BAME backgrounds is 15% above the target, it is important to continue to identify and implement more effective routes to market and delivery methods. For example, promotion through local trusted networks and community leaders (including successful local business people), tailored messaging, language and branding for different target groups, and more innovative approaches to customer journeys capable of overcoming barriers to engagement. The delivery of 'in person' events - when safe to do so - across a wide range of community settings, including in some of our most disadvantaged areas, will contribute significantly to the above.

- 2.37 Following the launch of the programme, the Combined Authority and LEP continues to engage with the Lloyds Banking Group Black Entrepreneurs Board. This has involved the team presenting on the new enterprise programme at the West Yorkshire Black Entrepreneurs Conversation event on the 18 November 2021, and also to the Jobcentre Plus Work Coaches and Self Employment Coaches on 9 December 2021. Both presentations and events have already resulted in referrals being made into the programme from people who have not previously engaged with the Combined Authority and LEP, particularly the start-up support available via Workstream Two. It is anticipated that this will increase significantly throughout 2022, particularly from Jobcentre Plus clients.

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 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 Economic Recovery in West Yorkshire.

11. Background Documents

11.1 Draft [West Yorkshire Economic Recovery Plan](#), presented to Combined Authority on 9 September 2021.

11.2 [COVID-19 Economic & Transport Insights Report](#), 21 January 2022

12. Appendices

None



Report to: West Yorkshire Combined Authority

Date: 3 February 2022

Subject: **Business planning and budget 2022/23**

Director: Angela Taylor, Director Corporate and Commercial Services

Author: Angela Taylor, Director Corporate and Commercial Services

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this report

- 1.1 To consider and approve the proposed revenue budget and transport levy for 2022/23, the indicative capital budget and programme and treasury management statement.
- 1.2 To consider the summary business plans for 2022/23 that sets out the services, activities and priorities for the organisation in the coming year.
- 1.3 To approve the revised forecast outturn revenue position for 2021/22.

2. Information

- 2.1 2021/22 has been a year of great challenges and also of great progress and success for the organisation. The Order to create the Mayoral Combined Authority was only laid a year ago and in that time Tracy Brabin has been elected in the first metro mayor elections in West Yorkshire and has quickly established clear commitments as set out in her pledges. Funding allocations and approvals have been made towards each of these pledges to ensure work progresses at speed on a range of vital interventions in the region and a separate paper on this agenda proposes further funding allocations to the agreed investment priorities.

- 2.2 The budget and transport levy set in February 2021 had to be approved ahead of the arrival of the Mayor, and were made at a time of significant unknowns, with COVID-19 impacting many areas of income and expenditure and delaying government decisions on future funding while at the same time the impact of Brexit and an understanding of the future Mayor's priorities were still unknown.
- 2.3 The budget for 2022/23 proposed in this paper is therefore the first budget for the Combined Authority since the election of the Mayor and seeks to build on the achievements delivered in the past year. The key successes of the past year include:

Creation of 1,000 Skilled Jobs / Skills

- Launch of an online portal allowing businesses to pledge green jobs and access relevant employment and skills support services.
- Delivery of the West Yorkshire Digital Skills Partnership, including development of a West Yorkshire Digital Skills plan, with focus on provision of digital skills to all residents.
- Delivery of the Adult Education Budget, managing £42 million of expenditure in 2021/22
- Creation of a Green Jobs Taskforce which oversees the delivery of 1000 Green Jobs in West Yorkshire).

Economy / Business Support

- Delivery of £6m Entrepreneurship Package of Support.
- £500k approved for business support pipeline development.
- Launch of Project Plan focusing on four key areas – economic recovery, supporting local businesses, innovation/R&D, and community wealth building.
- The formal launch of the Entrepreneurship programme and the West Yorkshire Innovation Network.

Creative New Deal

- £500k development funding for culture and the creative industries.
- Creation of the West Yorkshire Culture, Arts and Creative Industries Committee.
- Campaign against the privatisation of Channel 4.
- Launched the Creative Catalyst programme to drive growth in the creative sector.

Inclusivity

- Development of a 'Fair Work Charter' for West Yorkshire and creation of an expert steering group to deliver this.
- Recruitment of an Equality and Diversity Officer for the Combined Authority.

- Participation in West Yorkshire Police's LGBT committee network to discuss LGBTQ+ issues.
- Launch of the Inclusive Growth Framework.

Better local Bus Services

- Progressed the Enhanced Partnership Plan with bus operators
- Bus Service Improvement Plan submitted to the DfT in October, focusing on fares, ticketing, enhancing the bus network and more green buses.
- Supporting local bus services through £53 million of concessionary fare payments and £18 million of tendered services
- Progressing the Zero Emissions Bus Regional Areas bid
- Securing of £830m from Government for sustainable transport through the City Regional Sustainable Transport Settlement
- Launched the Fare Deal for Young People (Aug 2021).
- Launched the Leeds Core Bus Network, to be rolled out across the rest of West Yorkshire.
- Launched the M-Card iOS mobile ticketing app.

Construction of 5,000 Sustainable Homes

- Launch of first phase of Points Cross housing scheme including the creation of 300 new, sustainable homes in Leeds South Bank.
- £3.2m Housing Revenue Fund to support the development of the West Yorkshire Housing Pipeline.
- Creation of the Dementia Ready Housing Taskforce.
- Working with local authorities and housing associations through the West Yorkshire Housing Partnership to gear delivery toward the 5,000 homes target.

Tackling the Climate Emergency

- Launch of the Net Zero Region Accelerator Programme, running to March 2024.
- Launch of the Retrofit Hub pilot scheme
- Approval of £5 million contribution towards a Social Housing Decarbonisation fund.
- Attendance and participation in COP26 event in Glasgow.
- Commitment of support to the White Rose Forest (White Rose Action Plan 2021-25).
- Published the Climate and Environment Action Plan.
- Joined UK100, with a CA commitment to net-zero operations by 2038.

Infrastructure

- Approval of £45 million of the Getting Building Fund, delivering projects including 'Wakefield Warm Homes' to tackle fuel poverty and work to provide improved cycling and walking along the Leeds/Liverpool Canal.

- Delivery of Dewsbury Rail Station Access as part of the Transforming Cities Fund, with other projects including Halifax Bus Station on site.
- Continuing delivery of West Yorkshire plus Transport Fund schemes, including CityConnect Phase 3 cycling in Leeds and Harrogate Road New Line.
- Completion of the six year Growth Deal delivering £235 million of projects across the region, creating jobs, new homes, new learning space and leveraging in over £800 million of private sector funding.

Business planning and corporate priorities

- 2.4 The annual budget should be set in the context of the priorities and activities identified in the business planning process. Work has been undertaken to produce a detailed business plan for the Combined Authority for 2022/23, which sets out how services will deliver value for money and meet the key objectives of the Combined Authority and its partners.
- 2.5 **Appendix 1** sets out the draft overarching corporate plan for the organisation, supported by a draft summary business plan for each of the Combined Authority's directorates. These plans set out the priorities and objectives for the coming year, but are still draft documents which require some refinement over the coming weeks. In particular, a further review will be undertaken to ensure that equality, diversity and inclusion implications are fully embedded within the plans to achieve the best outcomes for the people, communities and businesses of West Yorkshire. This is in line with the Combined Authority's EDI vision, statement and framework to meet the standards set out in the Local Government Equality Framework. Following further review, final versions of the business plans will be presented to the March Combined Authority meeting for approval.
- 2.6 Each year the business plan is developed within the framework of the Combined Authority's five corporate priorities:
- Boosting productivity
 - Enabling inclusive growth
 - Tackling the climate emergency
 - Delivering 21st century transport
 - Securing money and powers
- 2.7 These corporate priorities were adopted four years ago and have been used to promote the work of the Combined Authority, are part of the Strategic Economic Framework and have been used to shape directorate and team priorities as part of the business planning process.
- 2.8 As part of this year's business planning process, discussions have been ongoing regarding the corporate priorities and whether the time is right to consider revising these to take account of the significant change that has taken place to the powers, functions and governance of the Combined Authority over 2021 as well as the organisation's expanded remit as a result of the devolution deal, pandemic and incorporation of the Police and Crime Team. These changes are not adequately reflected in the current priorities and

therefore it is proposed that the corporate priorities are reviewed to ensure they are fit for purpose and positively drive forward the future of the region and the organisation.

- 2.9 It is important that there is alignment between the revised corporate priorities and the outcomes we are trying to achieve, the committees, the investment priorities and our business planning, reporting, and performance management framework. Any revised priorities should therefore take into account the following:
- The new governance and committee structure
 - New powers and functions, and particularly policing and crime
 - The investment priorities that were agreed as part of the West Yorkshire Investment Strategy
 - A focus on equality, diversity and inclusion
 - Health and well-being outcomes
 - The state of the region indicators
- 2.10 This proposal was tabled at Finance Resources and Corporate Committee in December 2021 with broad support received. The next stage is to develop the proposal further in consultation with Members and Combined Authority staff. If agreed, further detail will be brought back to the March Combined Authority meeting for consideration as part of the overall review of the draft corporate plan. Separate work is also planned to work in partnership to revise the West Yorkshire vision, which was last developed as part of the Strategic Economic Framework, and further detail will be brought forward on this in due course.

Revenue budget position 2021/22

- 2.11 The budget set for the current financial year sought to maximise the available funding whilst maintaining general reserves at a minimum level of £8.1 million. Since the onset of the COVID-19 pandemic budgets have been difficult to set, with uncertainty over recovery grants to meet falls in income and difficult assumptions particularly around the funding model for the bus industry. At the time of setting the budget in February 2021 there was an expectation that public transport might be 'returning to normal' by 2022 but this is clearly not the case and 2022 looks even more difficult to forecast as government funding changes.
- 2.12 Monitoring of the budget throughout the year (and shaping the budget for future years) is now a clear part of the work of the Finance, Resources and Corporate Committee which was established at the Annual Meeting in June 2021. Regular meetings continue to be held with the West Yorkshire Directors of Finance where information is shared on a range of finance matters.
- 2.13 The final outturn for 2020/21 delivered some savings, mainly as a result of in year savings against staffing costs and concessionary travel reimbursement. Against the background of huge uncertainties of the sustainability of the bus industry the Combined Authority has already agreed to set aside any savings arising from public transport expenditure to a ring fenced reserve. It is

proposed that £1 million from the 2020/21 results is transferred to this reserve, alongside £1.5 million from the 2021/22 outturn and that these amounts are confirmed by the Finance, Resources and Corporate Committee once the year end figures are closed down in May 2022.

- 2.14 **Appendix 2** sets out the revised forecast outturn for 2021/22, showing the expected savings on concessionary reimbursement and some savings on staff costs. The latter have arisen as a result of the difficulties in recruiting in the current job market, and whilst savings are welcome in financial terms, there is a real impact of not being able to recruit to these posts in the form of work not being able to progress at the pace required.

Proposed Revenue Budget 2022/23

- 2.15 The proposed revenue budget for 2022/23 is set out in **Appendix 3**. This reflects in both the contents and presentation the input and feedback from the Finance, Resources and Corporate Committee and the Corporate Scrutiny Committee.
- 2.16 The Combined Authority has received reports over the years setting out the challenges that arise from the unique funding model for combined authorities. This sees transport costs met by a transport levy on the constituent local authorities but funding to meet all other priorities is heavily dependent on bidding into government or, formerly, European funding opportunities, supplemented by any earned income from banking activities, sales of services or business rates from the Enterprise Zones.
- 2.17 The mayoral devolution deal came with annual funding of £38 million – gainshare - the continuation of which is subject to regular review by government to ensure it has been properly expended in line with agreed priorities and properly assured. A separate report on this agenda considers the indicative allocation of a further tranche of gainshare in addition to a number of approvals that have progressed over the past year. This includes the continuation of the £1.75 million approved in 2021 as part of the 2021/22 budget to support a wide range of additional pressures and demands upon the developing mayoral combined authority. This included funding the Mayor's office, an additional director post and a range of supporting resource for policy and strategy teams, HR learning and development and recruitment, additional scrutiny support, ICT security and an Equality and Diversity Officer.
- 2.18 The budget is shown as balanced but it should be noted that this position is based on a number of assumptions and in recognition of significant risk and will therefore need to be kept under close review as the year progresses. The most significant of these are set out in the following paragraphs.

Bus services

- 2.19 Transport – Members will be aware from previous reports of the approach taken to supporting the bus industry during the past two years of the pandemic. This saw the Combined Authority complying with the Government

request to make concessionary fare and tendered service payments to operators at pre pandemic rates. Specific conditions were attached to these payments ensuring bus operators work collaboratively with the Combined Authority and financial and patronage data is shared. These conditions have been amended at each stage in the pandemic with this arrangement continuing until March 2022.

- 2.20 The Combined Authority has faced additional costs in the provision of tendered bus services during the pandemic. Initially this arose from lost revenue due to reduced patronage and was offset by the Government CBSSG award. However, in 2021 operating costs have increased and some operators have already reduced service levels resulting for example in the Combined Authority funding the continuation of socially necessary services including service 205 (Dewsbury- Morley- Pudsey).
- 2.21 At the time of writing, bus patronage and revenues continue to be below what could normally be expected. Whilst patronage rose steadily between July to October following the easing of COVID restrictions the growth levelled out in November at around 75%. While this figure is now slowly increasing it is unlikely to return to 2019 levels during 2022. In addition, a national shortage of drivers has impacted on service delivery locally with a consequential impact on service delivery which has been considered by the Transport Committee.
- 2.22 Bus Recovery Grant (BRG) is in place until end March 2022. Unless patronage and revenue recover to 2019 levels a potential funding gap will emerge for bus operators and the Combined Authority in April. This is leading to operators considering service reductions to reduce costs to meet the reduced revenue. Government is considering continuation of BRG beyond March but this is unknown at this stage. The Mayor has written to Baroness Vere, Buses Minister, urging her to confirm adequate funding to maintain a stable network.
- 2.23 Members agreed at the meeting in December therefore to maintain the Transport Levy at the current rate to ensure a level of continuity in the Authority's expenditure on buses in 2022/23 given the ongoing financial uncertainty. The transport levy funds both transport services and provides the funding for the borrowing costs to meet the local contribution for the West Yorkshire plus Transport Fund. A commitment to keeping it at the existing level is a strong statement that recognises the importance of improving the public transport provision in West Yorkshire. It had been expected earlier in the year that the funding announced by government for the Bus Services Improvement Plan (BSIP) would provide revenue support for the bus initiatives required to strengthen the industry but the scale of this is likely to fall short of need.
- 2.24 The levy is then to be further supported by retaining in an earmarked reserve any short term savings achieved against concessionary reimbursement or bus tendered services. The outcome of the bid for the Bus Services Improvement Plan is expected in the next month. The original 'pot' announced by Government of £3 billion nationally was reduced to £1.2 billion in the October

Comprehensive Spending Review. It is anticipated that the award will fall short of expectations and is unlikely in itself to provide the scale of funding needed to meet the ambition for the region.

Income – transport levy

- 2.25 The largest single source of revenue income for the Combined Authority is the transport levy. As previously discussed members have already supported maintaining the levy at its existing amount, with the only difference compared to last year being to reflect the changes in relative population, the levy being paid on a per capita basis across West Yorkshire.
- 2.26 The Combined Authority is required to set the transport levy annually and in accordance with the regulations meaning that the levy must be set by 15 February in the year preceding that to which the levy applies.
- 2.27 Adjustments have been made to the levy for a number of years to enable an equitable distribution of funding that has been paid to local authorities when formerly it was paid directly to the Combined Authority (and the former West Yorkshire Integrated Transport Authority). This includes for example concessionary fares funding that was paid to the partner authorities on a different formula basis than population. These adjustments were agreed with them and ensure that they each ‘passported’ through to the Combined Authority any relevant direct funding received. The mechanism involves setting a gross levy and providing a rebate to each local authority in the year to compensate for any over-recovery. In order to ensure consistency in respective levy payments these agreements have been presumed to continue for 2022/23.
- 2.28 **Table 1** below sets out the net and gross levy by population, in accordance with the regulations, showing the effect of the change in the population base which this year is relatively insignificant.

	Relevant Population June '20 for 2022/23	Net 2021/22 £	Gross 2022/23 £	% of levy By District %	Refund 2022/23 £	Net 2022/23 £
Bradford	542,128	22,921,244	23,809,633	23.12%	906,110	22,903,523
Calderdale	211,439	8,759,653	9,286,156	9.02%	561,025	8,725,131
Kirklees	441,290	17,923,697	19,380,945	18.82%	1,483,846	17,897,099
Leeds	798,786	33,083,203	35,081,754	34.06%	1,960,125	33,121,629
Wakefield	351,592	15,212,791	15,441,513	14.99%	188,305	15,253,207
	2,345,235	97,900,588	103,000,000	100.00%	5,099,411	97,900,588

- 2.29 In accordance with the regulations local authorities will be notified of the transport levy by mid-February and will make payments to the Combined Authority in ten monthly instalments from 1 April 2022.

Other income

- 2.30 The Combined Authority seeks to generate income from its properties, with income from tenants at bus stations contributing to reduce the costs of operating these facilities, and advertising income earned from bus shelters. The pandemic has affected the level of earnings and while some government compensation has been successfully applied for and received in the past year it is unlikely that this will continue into the future. This emphasises the need to focus on ways to increase income from the Authority's assets and an asset plan is being created. The recently approved Business Accelerator Fund will generate income but in the initial years this is reinvested in the Fund and supports its running costs so is not included in the medium term projections.
- 2.31 Income is also shown for business rates received from the occupiers of the enterprise zones established through the LEP. This income is slowly increasing with a number of the M62 sites being developed out but the speed of increase of the income reflects the challenging conditions of the sites and the significant costs required to bring them into use.
- 2.32 The Combined Authority also receives investment interest on the funds that are placed out for short term deposit as part of the cash management arrangements that are considered later in this report as part of the treasury management strategy and statement. The recent increase in bank base interest rates has resulted in a revision to the forecast level of income next year and in future years. It is widely anticipated that there will be further increases in the bank base rate but a prudent position has been taken at this stage and revisions will be made as the Bank of England actually makes these changes.
- 2.33 Reports to previous meetings have set out the expectations with regard to other funding streams and at the time of writing and proposing a budget there is still no confirmation of a continuation of LEP core funding and Growth Hub funding, nor is there information on the UK Shared Prosperity Fund (UKSPF). This is intended to replace previous European funding that has been used to deliver a range of interventions, and particularly with a focus on business and skills. Some services and projects therefore have no confirmed funded from April 2022 (some funding continues to 2023). At this stage, and in anticipation of projects to be funded from either UKSPF or gainshare, it is intended to underwrite through reserves the staff costs for those posts where funding ceases in March 2022. Decisions on future LEP funding are expected by the end of March and similarly further information on UKSPF is expected soon. A separate paper on this agenda considers the potential early use of gainshare to fund similar activities and the staffing position will be kept under review over the next few months to determine how it matches available funding.

Staffing

- 2.34 The proposed budget includes the costs for the approved establishment with an estimated pay award of 2% for this year and next. It is noted that the job market and recruitment is challenging, with the Combined Authority unable to match the pay available from other organisations in the region and this will put pressure on future pay. The pay award for 2021/22 is not yet agreed, as the

Combined Authority pay award usually follows after local government has settled. At the time of writing an offer of 1.75% was yet to be accepted by local government and discussions are underway with trade unions to seek to agree and implement the pay award before the end of March 2022. It is also recognised that the increases in the cost of living as reflected in inflation may put pressure on a pay award above the 2% allowed for in the 2022/23 budget. Any increase above 2% would need to be managed through in year savings or, initially, use of reserves.

- 2.35 The gainshare funding allows for some headroom to complete the staffing restructures required in a number of teams following the arrival of the Mayor and the taking on of new functions and funding.
- 2.36 The triennial pension evaluation will take place during 2022/23 and will set the employer pension contribution rates for the subsequent three year period. At this stage it is assumed that the rates will not change significantly and work will be undertaken with the local authorities and West Yorkshire Pension Fund during the year to understand the implications of any changes.
- 2.37 The policy towards capitalisation of staffing costs continues in line with previous years. The costs of the Delivery Directorate, which is fully engaged in the delivery of capital programmes and projects, are funded from capital either charged directly to the project or through a small topslice of capital funding across the programme. A proportion of the costs of the supporting teams ie corporate and commercial, research and intelligence, policy, strategy and communications are also funded in this way. The model of charging individual posts to specific time limited projects is becoming more difficult to manage as the size and complexity of the programmes being delivered increases and it is intended over the coming year to review and simplify the way in which staff are funded to enable better longer term workforce planning and budgeting to take place.

Mayor's costs

- 2.38 As part of setting the current year budget approval was given to create a small team to directly support the Mayor. This is included unchanged in the coming year's budget, seeking to cover the costs of the Mayor and her immediate team. Ultimately all teams across the whole organisation are supporting the Mayor and the other members of the Combined Authority and teams have undergone some restructuring to enable more effective support of the priorities of the organisation.

Policing

- 2.39 The proposed budget excludes the income and expenditure relating to policing and crime. The setting of the policing budget is a Mayoral function, alongside setting the police precept and a separate process is drawing to a conclusion for these. All direct costs of policing are managed within the separate Police Fund and where services and support are provided from within the wider Combined Authority a recharge has been agreed on.

Reserves policy

- 2.40 Any budget proposals should be supported by an appropriate reserves policy. Good practice is that such a policy should be based on a risk assessment of the different areas of spend and income and as such will vary from year to year and from organisation to organisation. The impact of the pandemic is that risks are increased in terms of size and impact. The workings for this year's reserves policy are set out in **Table 2** below and are based on the approach taken in previous years with an updated assessment of the relative risks currently facing the Combined Authority from the national pandemic. This approach has been considered by the members of the Governance and Audit Committee and it was supportive of these conclusions. Members were keen to understand how this compared to any national guidance and accepted that while a strategy of 5% is a prudent starting point, final decisions should reflect the extent of any earmarked reserves and the particular risk around different areas of income and expenditure.

Table 2

Reserves Policy	Budget 2022-23 £m	Reserves 2022-23 £m
Risk on Concessions	53.80	
5% contingency for volatility of payments and bus operator landscape risks		2.69
Risk on Subsidised Bus services (gross)	25.87	
10% contingency due to inflationary and market conditions due to Covid19		2.59
Risk (general) on other areas of spend		
Passenger & Bus Station Services (net)	8.83	
Trade and Inward Investment	1.37	
Policy, Strategy and Communications	6.53	
Financing (net)	5.82	
Corporate Services	7.77	
	30.32	
Risk of inflation increases/capacity demands etc at 5% (previously 3%)		1.52
Other Risks 2022/23 (Covid19, Brexit, operational matters)		1.00
Risk on income		
Risk arising due to lack of certainty on future funding		1.00
Risk that budgeted income falls short of expectations due to Covid -19		1.50
Total reserves required		10.29

Other reserves

- 2.41 The West Yorkshire plus Transport Fund (WY+TF) reserve was established to enable effective management of the borrowing costs of the WY+TF and to avoid the need for sudden increases in levy funding. The reserve at the end of 2021/22 will be £47 million, this following over £5 million being rebated to

partner authorities over the last two years. The current estimates on the capital programme forecast that this reserve starts to be utilised from 2023/24. The capital spend and use of this reserve for borrowing will be kept under annual review.

- 2.42 The creation of an earmarked reserve for future transport cost pressures has been set out earlier in this report, following the agreement at the last meeting that this approach would provide some capacity to meet the expected challenges of bus support when government funding comes to an end. It is proposed that the use of this reserve would be considered alongside the outcome of the Bus Services Improvement Plan bid.
- 2.43 The Combined Authority also has a number of other ‘unusable’ reserves, required for statutory purposes and which are not available for other purposes, including the pension reserve, capital adjustment account and revaluation reserve.

<u>Unusable Reserves</u>	
	£000's
Capital Adjustment Account	15,534
Financial Instruments Adjustment Account	-1,488
Pensions Reserve	91,346
Revaluation Reserve	14,507
Donated Asset Account	1,723
Total Unusable Reserves	121,622

Capital strategy

- 2.44 The Treasury Management Code of Practice and the Prudential Code requires authorities to have in place a capital strategy. This should set out the long term context in which capital expenditure and investment decisions are made, giving due regard to both risk and reward and impact on the achievement of priority outcomes. This capital strategy should form a part of an authority’s integrated revenue, capital and balance sheet planning.
- 2.45 The capital strategy was first adopted in May 2020 and has subsequently been absorbed into the West Yorkshire Investment Strategy which was approved at the meeting of the Combined Authority on 24 June 2021. The following section on the capital budget considers the capital plans in more detail.

Capital budget

- 2.46 The following paragraphs set out the capital funding available to the Combined Authority for 2022/23 and subsequent years and the indicative capital programme expenditure for which this funding will be used. The forecast this year is complicated by the change by Government to capture a number of established capital funding streams under the City Region Sustainable Transport Settlement (CRSTS). This now encompasses the integrated transport block, highways maintenance, the final instalment of the Transforming Cities Fund, active travel, mass transit and sustainable

transport. An indicative five year allocation of £830 million has been announced by Government but a further business case is required before a definitive decision will be given on phasing and relative allocations between the different components.

- 2.47 Additionally, work is underway to establish a pipeline of projects to support the agreed investment priorities. It is expected that this pipeline will include a mix of revenue and capital projects and that a proportion of future years revenue gainshare will be used to support a capital programme for these projects. The timing and scale of this is not yet known but will be established throughout the coming year and will be the subject of further reports to the Combined Authority.
- 2.48 In previous years, considering the flexibility granted from Government, the Combined Authority endorsed the approach whereby at the year end the available funding was applied to appropriate capital schemes in a way to maximise the use of time limited funding and reduce the risk of funding being clawed back or reduced in future years. This enabled certain funding streams to be carried forward to this and subsequent years in order to optimise the delivery of the portfolio of approved projects. It is proposed that a similar approach is taken for 2021/22 and that this be kept under review as part of the year end closedown work. This approach is supported by BEIS for the capital funding they provide, with freedoms and flexibilities applied for both the Growth Deal and the Getting Building Fund for example.
- 2.49 **Appendix 4** sets out the capital expenditure and funding budget estimates for the period 2021/22 to 2024/25. These figures are indicative at this stage and include the costs and funding for the Transforming Cities Bid, Getting Building Fund and Brownfield Housing. Decisions are still to be made on the future use of gainshare and it is expected that further capital projects will need to be included in the capital programme at a later date, with the borrowing costs met from gainshare. Updates will be provided to the Authority and the Finance, Resources and Corporate Committee as plans progress and the capital estimates and funding can be established.

Minimum revenue provision policy (MRP)

- 2.50 MRP is the charge to the revenue budget made in respect of paying off the principal sum of the borrowing undertaken to finance the capital programme. MRP, which is largely defined by regulation, is aimed at ensuring that the Combined Authority does not have time expired/fully depreciated assets whilst still holding associated outstanding debt.
- 2.51 For borrowing prior to April 2019 annual MRP is calculated using 4% on debt outstanding. For capital expenditure incurred on or after 1 April 2019 and funded through borrowing, MRP is calculated using the asset life annuity method. Using this method MRP is calculated in a similar way as calculating the capital repayment element of a fixed rate repayment mortgage. In accordance with provisions in the guidance, MRP will be first charged in the year following the date that an asset becomes operational.

- 2.52 The asset life annuity method calculation requires estimated useful lives of assets to be input into the calculations. These life periods will be determined under delegated powers to the Chief Finance Officer, regarding the statutory guidance, and are detailed in the Accounting Policies. However, the Combined Authority reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the asset life annuity method would not be appropriate. Any such cases will be referred to the Combined Authority by the Chief Finance Officer.
- 2.53 Where capital expenditure cannot be related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.
- 2.54 Recognising the impact of MRP on the revenue budget is an important element in determining the affordability and sustainability of borrowing to fund an asset. Essentially, if there is no on-going capacity within the revenue budget to afford the MRP then the borrowing should not be taken out in the first place. Therefore, a robust business case demonstrating a rate of return in excess of costs (including MRP) is important and to be considered as schemes progress through the Assurance Framework.

Treasury management

- 2.55 The treasury management function is undertaken in conjunction with Leeds City Council under the terms of a service level agreement. The Combined Authority is required to prepare an annual prudential statement, setting out treasury activity in the year, the arrangements in place and details of the funding position. The statement has been updated from that approved last year to reflect the change brought about by the This was considered and endorsed by the Governance and Audit Committee at its meeting on 13 January 2022 and is set out in full in **Appendix 5**.

Summary and conclusions

- 2.56 The proposal set out in this report is to agree a budget for 2022/23. Early indicative figures for subsequent years are included in **Appendix 3** for information and it should be noted that these currently present a funding gap of £2 million and then £4 million. Assumptions for these years are likely to change over the year and work will be undertaken to refine these forecasts and reach a position on a three year financial strategy.
- 2.57 Members are asked to consider the proposed budget and business plan for 2022/23 and accompanying recommendations. Further reports on budgets will be brought throughout the year, with the Finance Resources and Corporate Committee providing an opportunity for more detailed review ahead

of providing information to the full Combined Authority. The revised arrangements for scrutiny also provide opportunity for ongoing review and challenge through the Corporate Scrutiny Committee. The information provided and the format used for both capital and revenue reporting will also be further developed through the year to enable better transparency, decision making and understanding of the costs and income of the new MCA. This will be facilitated by the planned introduction later this year of a new integrated finance and HR system.

3. Tackling the Climate Emergency Implications

- 3.1 The draft business plan contains objectives and priorities to tackle the climate emergency, and the budgets seek to include where possible resource to address this work. The capital budget includes some specific schemes relating to clean growth.

4. Inclusive Growth Implications

- 4.1 Inclusive growth is one of the Combined Authority's corporate priorities. As such many of the activities funded by the proposed budget will support the inclusive growth agenda. This is set out in more detail in the business plan included at **Appendix 1**.

5. Equality and Diversity Implications

- 5.1 Equality and diversity are considered throughout the design and delivery of services and projects funded through this budget.
- 5.2 An equality impact assessment on the budget proposals has been undertaken and concludes that there are none.

6. Financial Implications

- 6.1 As this is a budget report all financial implications are set out throughout the main body of the report.

7. Legal Implications

- 7.1 The Combined Authority is required by the levying regulations to set the transport levy for 2022/23 by 15 February 2022.

8. Staffing Implications

- 8.1 The budget includes the costs and funding for current approved establishment and the associated employer on-costs.

9. External Consultees

9.1 No formal external consultations have been undertaken. However, information on the budget position has been shared with members of the public via an engagement campaign on the internet and via social media.

10. Recommendations

10.1. That approval be given to the Combined Authority proposed revenue budget for 2022/23.

10.2. That approval be given to the indicative capital programme and budget for 2021/22 – 2024/25.

10.3. That progress on the 2022/23 business plan be noted and that the proposal to review the Combined Authority's corporate priorities is endorsed.

10.4. That in accordance with the powers contained in the Local Government Finance Act 1988 (as amended) and by virtue of article 9(6) of the West Yorkshire Combined Authority Order and the Transport Levying Bodies Regulations 2015 (as amended) a levy of £103 million be determined for the year ended 31 March 2023.

10.5. That the Director, Corporate and Commercial Services be authorised to issue the levy letter in respect of the financial year ending 31 March 2023 to the five District Councils in West Yorkshire.

10.6. That a payment of £5.09 million be made to the five District Councils in accordance with Table 1 of the report.

10.7. That authorisation be given to the Director, Corporate and Commercial Services to arrange appropriate funding for all expenditure in 2021/22 and 2022/23 subject to statutory limitation, including the most appropriate application of capital funding as set out in the report.

10.8. That approval be given to the continuing of the policy, effective from 2017/18, for recovering the Combined Authority costs of managing the capital programme against the capital programme spend being mainly West Yorkshire plus Transport Fund, Transforming Cities, Getting Building Fund, Brownfield Housing, Local Transport Plan Integrated Transport and any schemes developed in year. For 2022/23 the estimated total value is £12 million.

10.9. That the adoption of the CIPFA Code of Practice for Treasury Management in Public Services be reaffirmed.

10.10. That the treasury management policy as set out in **Appendix 5** be approved.

10.11. That the prudential limits for the next three years as set out in **Appendix 5** be adopted.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – 2022/23 draft business plans on a page

Appendix 2 – 2021/22 revised revenue budget

Appendix 3 – 2022/23 proposed revenue budget

Appendix 4 – Indicative capital budget 2021/22– 2024/25.

Appendix 5 – Treasury management statement

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PRIORITY THEMES	PLACE, REGENERATION & HOUSING	CLIMATE & ENVIRONMENT	TRANSPORT	POLICING & COMMUNITY SAFETY	CULTURE, ARTS & CREATIVE INDUSTRIES	BUSINESS, ECONOMY & INNOVATION	EMPLOYMENT & SKILLS
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MAYORAL PLEDGES	Build 5000 sustainable homes including council houses and affordable homes.	Tackle the climate emergency and protect our environment.	Bring buses back under public control, introduce simpler fares, contactless ticketing and greener buses.	Put women & girls at the heart of my policing plan. Recruit 750 more frontline police officers and staff to fight crime.	Lead a Creative New Deal to ensure our creative industries are part of the broader recovery strategy.	Support local businesses and be a champion for our regional economy. Appoint an Inclusivity Champion to work to ensure that the region’s recovery benefits us all.	Create 1,000 well paid, skilled jobs for young people. Prioritise skills & training to ensure everyone has the skills to secure work.
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47 OBJECTIVES FOR 2022/23	Progress delivery of 5,000 sustainable affordable homes including through Brownfield Housing Fund. Build an investable housing pipeline building on strategic partnerships. Develop a West Yorkshire Housing Strategy approach to regional strategic planning. Activity on urban design to raise quality of places. Bring equality into housing policy development, inc. Dementia Ready Taskforce. Accelerate work on Spatial Priority Areas. Secure funding to achieve accelerated delivery of digital infrastructure.	Deliver early priorities of Climate & Environment Plan. Scale up retrofit activity through establishment of Better Homes Hub and use pilots inc. Social Housing Decarbonisation Fund and CRF. Build and launch Net Zero Region Accelerator. Produce West Yorkshire Nature Recovery Strategy and action plan. Refresh of Flood Review to align with Climate & Environment Plan and Net Zero ambitions. Develop of business case for Business Flood Recovery & Resilience Grants Programme. Complete delivery of the Retrofit Hub pilot.	Deliver Bus Service Improvement Plan and progress bus reform. Increase number of zero emission buses. Further develop Mass Transit Programme. Publish Rail Strategy & make the case for WY improvements. Secure CRSTS funding and commence delivery. Continue delivery of existing programmes such as TCF and TF. Refresh Transport Strategy & develop pipeline of transport infrastructure. Ensure the bus network provides connectivity for key communities. Make enhancements to the MCard app, rollout colour coded network maps, and contactless capping on all buses.	Publish new Police and Crime Plan with strategies, performance framework and partnership governance structures. Work across the partnership to improve outcomes for victims and survivors of Domestic and Sexual Abuse and Violence, including criminal justice outcomes. Commission targeted services to improve community safety and support victims. Publish an evidence-based violence reduction response strategy. Tackle and reduce serious crimes by identifying and responding to these through the Violence Reduction Unit.	Work with partners to refresh the cultural framework to develop and prioritise the regional programme on culture and heritage. Develop an approach and support festivals and events through years of culture. Shape a pipeline of interventions for Creative New Deal. Grow Creative & Digital Sector through the Creative Digital Catalyst Programme. Progress British Library North project.	Launch new £20m Business Accelerator Fund. Deliver Business Productivity Programme and entrepreneurship programme. Refresh Growth Service. Implement actions from Innovation Framework and the Health Tech Strategy. Inclusivity Champion appointed into post and programme in delivery. Deliver innovation support projects for competitive advantage, innovation festival and Mayoral challenge competition. Deliver more business start-ups through entrepreneurship ladder of enterprise programme.	Lead work with the Green Jobs Taskforce to produce a delivery plan for the creation of 1,000 green jobs and skills transition to net zero. Implement the Employment and Skills Framework, including a Digital Skills Plan. Deliver and commission AEB budget to achieve better outcomes for learners. Support people to access employment opportunities. Work with schools & colleges to improve attainment ambition of young people. Work with policy to influence the wider skills system.
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ENABLERS	OUR VALUES Working together Positive about change Easy to do business with Working intelligently Championing our region	PEOPLE Continue to modernise HR policies and process to improve diversity, recruitment, learning and development, wellbeing support and flexible deployment models.	PARTNERSHIPS Work in partnership to develop a shared WY Vision. Work in partnership with local, regional and national partners to promote West Yorkshire and deliver outcomes.	SYSTEMS Deliver and embed ICS to transform HR, finance and payroll system. Digitise key processes to improve efficiency .	RESOURCES Planned revenue spend for 2022/23 in total £232m and £287m planned spend on capital investments. 704 FTE staff.	OUR DIRECTORATES Corporate & Commercial Services Delivery Directorate Economic Services Policy & Development Strategy, Comms & Policing Transport & Property Services Mayor’s Office
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KEY RISKS, ISSUES AND ASSUMPTIONS
Ongoing financial implications of Covid-19 recovery and Brexit | Climate emergency and embedding carbon reduction in our work | LEP Review | Government re-centralisation of decision making | Levelling up White Paper and implications | Further embedding revised committee structure to support delivery

OUR FRAMEWORK FOR SUCCESS IS SET OUT IN OUR ANNUAL STATE OF THE REGION REPORT AND MONITORED THROUGH OUR [DASHBOARD](#)

CORPORATE AND COMMERCIAL SERVICES PLAN ON A PAGE 2022/23 (DRAFT)

DIRECTORATE PURPOSE

Enabling our customers to deliver – working together to provide support and advice, operating the right systems and processes that form the centrepiece of strong governance and accountability, and taking advantage of technical solutions to improve efficiency.

SERVICES

FINANCE
Delivering a high-quality financial service, providing professional knowledge, advice and expertise.

HUMAN RESOURCES
Enabling and supporting the organisation to manage and get the best out of its human resource and have the right people in the right place at the right time, through robust HR policies, procedures and arrangements.

COMMERCIAL
Driving a focus on maintaining and increasing income and maximising value for money, by ensuring quality outcomes that deliver financial and social benefits through our commercial activities.

PRIORITIES (WHAT WE WANT TO ACHIEVE IN 2022-23)

- Continue to deliver a wide range of business as usual financial services, including paying staff/suppliers, collecting debt, bank/treasury management and budget planning/monitoring.
- Ensuring strong internal financial controls, meeting statutory deadlines, delivering audited annual accounts and embedding further financial partnering support to directorates.
- Implement new Integrated Corporate Systems (ICS), whilst maintaining service delivery.
- Developing an enhanced approach to capital and revenue funding streams.

- Continue to modernise HR policies and process to improve diversity, recruitment, learning and development, wellbeing support and flexible deployment models.
- Implement updated and revised terms and conditions of employment across the workforce.
- Implement a new HR system and the benefits that will bring in digitising process and production of better management information.
- Increase organisational capacity through changes to our organisational design.

- The team will deliver the commercial pipeline and provide central commercial support as appropriate. Additionally, we will:
- Improve contract management outcome
 - Increase social value benefits.
 - Implement Supplier Relationship Management.
 - Finalise and implement category wide procurement solutions.
 - Create and implement a plan for further Commercialisation of the organisation.
 - Amend rules, policies and procedures to reflect a more integrated organisation and any legislative changes.

SERVICES

ICT SERVICES
Delivering a modern, secure, and highly reliable technology service.

LEGAL AND GOVERNANCE
Providing strategic and operational expert support and advice within a framework of good governance, transparency, and compliance.

INTERNAL AUDIT
Providing assurance and advice on the effectiveness of internal controls, governance, and risk management.

PRIORITIES (WHAT WE WANT TO ACHIEVE IN 2022-23)

- Deliver a high-quality customer centric technology service.
- Manage a modern, secure and reliable IT infrastructure.
- Improve cyber security, emergency resilience and risk management.
- Support and technical management of the Yorkshire wide real time information system with benefits realisation.
- Websites technical management and development.
- Undertake a full organisational design of ICT Services.
- MCA Digital programme to transform migration of storage into Cloud, new call centre systems, digitisation of processes.

- Provide legal support to the Authority in respect of all its functions inc. key projects, commercial activity and in respect of the Mayor’s policing and crime functions.
- Oversee and steer the governance of the Authority and ensure effective, accountable, and transparent decision making.
- Play a key role in shaping the compliance agenda including the Information Management Strategy and EDI, driving up high standards of governance and regulatory/IG compliance.
- Continue to develop our business offer to the Combined Authority.

- Deliver an annual risk based assurance programme, ensuring sufficient breadth and scope to be able to provide an opinion on the effectiveness of controls, governance, and risk management for the plan year.
- Continue to provide advice and guidance to help the business to build in effective controls.
- Provide grant certification where this is a requirement.
- Provide counter fraud, anti-money laundering and whistleblowing support to the organisation.

OUTPUTS

New integrated corporate systems for finance, HR and payroll supporting efficient and effective ways of working and providing improved management information.
High standards of compliance, governance, transparency, and accountable decision making.
Unqualified audit opinion on annual accounts, value for money and effectiveness of the internal control environment.
Improvements in cybersecurity, recruitment outcomes, learning and development outcomes and better commercial outcomes from our procurements.
Consistent expert and professional support and advice to the business on all corporate and commercial matters including review and provision of corporate policies.

RESOURCES (WHAT WE NEED)

OUR BUDGET	
Gross Expenditure	£9.55m
Capital Recharges	£1.78m
Grant/Other Income	N/A
Net Expenditure	£7.77m

OUR TOOLS AND SUPPORT
Revised staffing structures and additional resource is being planned for a number of teams to ensure demand can be met.
Support from other directorates on the ICS project to implement a new HR/Finance/Payroll system.
Constructive working relationships with trade unions.
Support from internal comms to ensure the changes are communicated to the organisation and to deliver budget engagement.

OUR KEY INTERFACES
In order to ensure sufficient resource, we need early articulation of the pipeline of work needed by the organisation, with greater involvement in project development and funding bids to drive better outcomes and VfM.
Key support services within our directorate regional and national network.

HOW WE WILL IMPROVE OUR SERVICE

Further improve our client focussed approach through embedding customer charters and enhanced commercial advice.
The introduction of new integrated corporate systems will support more efficient ways of working and provide improved management information to drive performance.

POLICY AND DEVELOPMENT PLAN ON A PAGE 2022/23 (DRAFT)

DIRECTORATE PURPOSE

We lead thinking, developing compelling policies, strategies and programmes to transform the region as an inclusive, zero carbon economy and support the region to recover from Covid-19; securing the investment and powers to put those policies into action and championing the region's interests locally, nationally and internationally.

SERVICES

TRANSPORT POLICY

To develop transformative policies, strategies and interventions and securing funding where needed, to create an efficient, sustainable and effective transport system.

BUSINESS, INNOVATION, SKILLS AND CULTURE POLICY

To develop transformative policies and strategies and interventions and securing funding where needed, to drive a clean and inclusive regional economy.

PLACE AND ENVIRONMENT POLICY

To develop transformative policies and strategies for our places and the environment and to secure funding where needed, to drive a clean and inclusive regional economy.

PRIORITIES (WHAT WE WANT TO ACHIEVE IN 2022-23)

- Deliver Bus Service Improvement Plan and progress business case for bus reform.
- Agree governance and resourcing for Mass Transit and start work on outline business cases.
- Through the Rail Strategy make the case for, and influence the design of, rail service changes, Transpennine Route Upgrade, Northern Powerhouse Rail, HS2 and the transition to the Great British Railways.
- Provide excellent policy advice on transport, shaping a regional approach that can influence the national agenda.
- Refresh the Transport Strategy and finalise the Connectivity Strategy.
- Further develop the transport pipeline to be ready for future funding opportunities.
- Further development of transport decarbonisation policies and projects.
- Develop cycling and walking plans into projects.
- Implement Future Mobility Strategy short term actions.

- Provide excellent policy advice on business, innovation, skills and culture, shaping a regional approach that can influence the national agenda.
- Develop a pipeline of new skills and business interventions that meet our strategic needs and address the challenges of the region.
- Our pipeline will be underpinned by EDI principles and ensure that all communities will have access to skills and business support, regardless of their background.
- Building on the strategies we have in place for Economic Recovery, supporting business productivity, Innovation & R&D and Community Wealth, develop our business support interventions and secure funding for their delivery.
- Implement the actions identified in the Innovation Framework and the Health Tech Strategy.
- Implement the Employment and Skills Framework, including a Digital Skills Plan.
- Lead work with the Green Jobs Taskforce to produce a delivery plan for the creation of 1,000 green jobs and skills transition to net zero.
- Develop and implement a Creative New Deal and shape interventions to deliver it.

- Continue to work with partners to deliver 5,000 affordable and sustainable homes.
- Plan and deliver the first priorities of the West Yorkshire Climate and Environment Action Plan, including a Net Zero Region Accelerator.
- Provide excellent policy advice on place and environment shaping a regional approach that can influence the national agenda.
- Development of place and environment pipelines and proposals for future funding.
- Develop approach to regional strategic planning in the context of national planning reforms.
- Delivery of urban design programme to raise the quality of places, improving health and building in equality.
- Delivery of Flood Review recommendations and building a case for additional investment.
- Develop case for additional funding and accelerated delivery of digital infrastructure.

OUTPUTS

Delivery plans for existing strategies and further policy agreed in areas where a new or updated approach is needed and to influence national agenda – including cross-cutting work to map and influence regional economic trends, their spatial consequences and implications for interventions.
 A more developed partnership approach across each priority area, building on and adapting existing arrangements and relationships with Districts and wider partners and the set up of the specific Mayoral groups (Green Jobs Taskforce, Manufacturing Taskforce, Dementia Ready Taskforce).
 Delivery plans across the Mayoral pledges and new pipelines created for each investment priority area to shape the use of local funding and to be 'bid-ready' for future funding.

RESOURCES (WHAT WE NEED)

OUR BUDGET	
Gross Expenditure	£6.06m
Capital Recharges	£0.86m
Grant/Other Income	£0.57m
Net Expenditure	£4.62m

OUR TOOLS AND SUPPORT

Strong partnership working internally and with partners to co-produce outputs.
 Suite of analysis tools with greater requirements for transport modelling and commercial input.
 Consultancy support across policy and business case development.
 Additional resource is being planned for a number of teams to support delivery.

OUR KEY INTERFACES

Transport Services, Economic Services and Delivery to help shape policy and early stages of schemes.
 Strategy, R+I, Comms and Policing - evidence and promote work and to ensure maximising synergies with Policing
 Corporate Services - particularly Procurement. Legal and Finance for all programmes, & HR for recruitment/retention, L+D.
 Partner Local Authorities; Government and agencies, regional bodies, third sector, universities.
 Private sector and business intermediaries.
 Colleges, private training providers and community groups.

HOW WE WILL IMPROVE OUR SERVICE

- Learn from others, for example utilising membership and connections through District Partners, Urban Transport Group and others.
- Continue to work closely with partners and ensure roles and responsibilities are clear.
- Better working relationships with government.
- Further embedding equality and diversity into the policy development cycle.
- Co-development of proposals with partners.

STRATEGY, COMMUNICATIONS AND POLICING DIRECTORATE PLAN ON A PAGE 2022/23 (DRAFT)

DIRECTORATE PURPOSE

We lead thinking, developing compelling policies, strategies and programmes to transform the region as an inclusive, safe, zero carbon economy and supporting the region to recover from Covid-19; delivering services to keep communities safe and support victims; securing the investment and powers to put those policies into action; monitoring the performance and impact of the economy and evaluating delivery; and championing the region's interests locally, nationally and internationally.

SERVICES

STRATEGY

To lead the development of cross-cutting strategy and policy, coordinate delivery of the Single Investment Fund, coordinate planning and performance across the organisation, and support the Combined Authority to become more diverse and inclusive.

RESEARCH & INTELLIGENCE

To provide a best-in-class data and intelligence service to enable informed and strategic decision making, report on the performance of the region, and efficient monitoring and evaluation.

COMMUNICATIONS & MARKETING

To enhance the reputation of the Mayor and Combined Authority, promote public transport, active travel and economic services, to enable positive, inclusive engagement with our communities and partners and to promote our region, nationally and internationally.

POLICING & CRIME & VRU

To assist the Mayor to hold the Chief Constable to account for an efficient and effective police service on behalf of our communities in West Yorkshire, working in partnership to improve policing, community safety and criminal justice outcomes and addressing serious violence through the Violence Reduction Unit (VRU).

PRIORITIES (WHAT WE WANT TO ACHIEVE IN 2022-23)

- Develop a compelling shared West Yorkshire Vision in agreement with partners.
- Increased focus on performance reporting across the organisation.
- Embed Single Investment Fund and Strategic Assessment.
- Lead on the strategy and implementation of UKSPF and UKCRF.
- Launch Fair Work Charter and appoint Inclusivity Champion.
- Develop and embed an Equality, Diversity and Inclusion Action Plan and support the organisational EDI vision.
- Manage and lead on developing key national and regional relationships, inc. M10, NP11, Yorkshire Leaders Board, Universities, etc.
- Develop Health and Economy Strategy.

- Report on West Yorkshire Covid recovery to inform policy and strategy.
- Deliver consistent evidence reports to committees to improve member oversight.
- Deliver evaluation to ensure that longer term impacts of the Combined Authority's work are captured and communicated.
- Strategically assess new proposals.
- Develop Strategic Transport Modelling function.
- Develop the Combined Authority's transport analytics capacity and evidence base to deliver high quality intelligence on transport demand and mode choice.
- Embed Carbon Impact Assessment in the Assurance Framework.
- Publish the State of the Region Report 2022 building on the report in 2021.
- Roll out a suite of self-service intelligence tools to support internal and external clients and partners.

- Develop a strong proactive function to amplify and ensure the Mayor's messages reach required audiences.
- Provide a high quality, responsive, inclusive, consultation and engagement function, including the Tell Tracy programme.
- Deliver a transport marketing programme focussed on behavioural change to encourage public transport use and active travel.
- Deliver an economic growth marketing programme focussing on trade and investment; business growth; skills and employment.
- Review and implement revised organisational branding to improve recognition and reinforcement.
- Deliver a programme of high-quality events engaging our broad spectrum of audiences.
- Establish a programme of qualitative surveys to create a baseline understanding of the views of WY citizens.

- Assist and advise the Mayor with holding the Chief Constable to account for the exercise and performance of their functions and the delivery of the new Police and Crime Plan.
- Commission and co-commission targeted services to increase community safety & support victims of crimes.
- Provide strategic financial oversight to ensure appropriate use of policing budget.
- Ensure meaningful and inclusive engagement on national policing and crime issues.
- Advise the Mayor on the transition of the National Police Air Service to a new policing body.
- Advise and assist the Mayor with her statutory responsibilities in relation to police complaints.
- Through the Violence Reduction Unit, identify, understand and respond to, tackling and reducing serious violence/achieving Home Office targets for 2022-2023, working with partners to develop a Sustainability Plan.
- Work with community safety and criminal justice partners to ensure joined up local priorities.

OUTPUTS

- Deliver new vision and strategy for West Yorkshire.
- Launch Fair Work Charter and appoint Inclusivity Champion.
- Lead strategy and implementation of UKSPF.

- State of the Region Report.
- Transport Models.
- Embed Carbon Impact Assessment in the Assurance Framework.

- Deliver Mass Transit consultation.
- Deliver transport and economic marketing programme.
- Revise organisational brands.

- Publish new Police and Crime Plan with strategies, performance framework and partnership governance structures.
- Commission targeted services to improve community safety and support victims.
- Publish an evidence-based violence reduction response strategy.

RESOURCES (WHAT WE NEED)

	OUR BUDGET	
	Strategy & Comms	Policing
Gross Expenditure	£2.83m	£14.78m
Capital Recharges	£0.62m	£0
Grant/Other Income	£0.27m	£13.09m
Net Expenditure	£1.93	£1.69m

OUR TOOLS AND SUPPORT

Strong partnership working internally and with partners to co-produce outputs
Comms analytics, GIS, Community Alerts
Additional resource / service redesign are being planned for a number of teams

OUR KEY INTERFACES

Work in partnership with Policy and Development to inform and promote policy and programmes.
Corporate Services - particularly Procurement. Legal and Finance for all programmes, & HR for recruitment/retention, L+D
Partner Local Authorities; Government and agencies, regional bodies, third sector, universities, private sector, community groups. Inform and communicate work of all Directorates

HOW WE WILL IMPROVE OUR SERVICE

- Co-development and production of proposals with partners.
- Development of communications planning and joint working to support teams and committees across the organisation.
- Organisational design – e.g. reshaping and expansion in communications; and development of strategy function to improve organisational strategy and planning.
- Better working relationships with government.
- Further embedding equality and diversity in the organisation through embedding of policies and internal communications.

ECONOMIC SERVICES DIRECTORATE 2022/23 (DRAFT)

DIRECTORATE PURPOSE

People and communities will benefit from access to job and training opportunities, improved health and a clean environment.
Businesses will benefit from sustainable economic growth

SERVICES

BUSINESS SUPPORT

Deliver inclusive and sustainable business growth for all.

EMPLOYMENT AND SKILLS

Raise skills levels to create more and better jobs.

TRADE AND INVESTMENT

Attract inward investment and increase exports.

PRIORITIES (WHAT WE WANT TO ACHIEVE IN 2022-23)

- Enable business recovery, resilience & growth. Post Brexit and Covid.
- Deliver business productivity programme for SME manufacturers informed by Mayoral taskforce.
- Refresh the business Growth Service model focusing on reaching more diverse SMEs.
- Deliver business efficiency projects towards net zero encompassing circular economy and active travel.
- Deliver innovation support projects for competitive advantage, innovation festival and Mayoral challenge competition.
- Deliver more business start-ups through entrepreneurship ladder of enterprise programme.
- Launch new £20m Business Accelerator Fund.

- Deliver and commission AEB budget to achieve better outcomes for learners aligned to economic need.
- Support people to access employment opportunities and or retrain and consider self-employment.
- Improve attainment ambition and destinations of disadvantaged young people by working with Schools & Colleges.
- Provide opportunities for businesses to engage with the education system.
- Influence the wider skills system working with Policy and develop new initiatives to meet Mayoral pledges and economic need.

- Key Account Management with the region's largest employers. Focussed on economic recovery and promoting community focussed economy.
- Identify, attract and secure inward investment into the region. (FDI, Funds, R&D).
- Encourage and support more businesses to sell their products and services in international markets.
- Raise the international profile of the region economic opportunities via industry fora.
- Grow Creative & Digital Sector through the Creative Digital Catalyst Programme.

OUTPUTS

- Businesses supported light-touch (less than 3 hours).
- Businesses supported intensive (3 hours +).
- New jobs created / safeguarded.
- Private sector match leveraged.

- Number of learners upskilled.
- Number of businesses supported to engage with education.
- Number of Schools and Colleges progressing towards Gatsby benchmarks of good careers guidance.

- Number of new exporters.
- Number of new inward investments.
- New Jobs created/ safeguarded.

RESOURCES (WHAT WE NEED)

OUR BUDGET	
Gross Expenditure	£83.46m
Capital Recharges	£0.88m
Grant/Other Income	£82.12m
Net Expenditure	£1.25m

OUR TOOLS AND SUPPORT

People – Corporate & Commercial Services, Policy, Research.
Process – Project Appraisals, Procurement, Contract Management, monitoring and evaluation
Technology – CRM, Power BI, InTend, FAME, Proactis, AEB

OUR KEY INTERFACES

Financial & Commercial Services.
Strategy & Policy.
Partner Local Authorities, Government Agencies, third sector FE/HE.
Private Sector and intermediaries.
Voluntary and Community Sector.
Suppliers.

HOW WE WILL IMPROVE OUR SERVICE

- Improving financial resilience.
- Transforming internal systems and processes using technology to become more robust and agile with a reputation for quality.
- Embedding equality & diversity into everything we do – attracting, training and retaining the very best people.
- Excellent stakeholder relationships with Local Authorities, FE providers and business led bodies.

DELIVERY DIRECTORATE PLAN ON A PAGE 2022/23 (DRAFT)

DIRECTORATE PURPOSE

Ensuring the delivery of a portfolio of projects and programmes within the agreed cost, time and quality framework, which meet our strategic priorities and derive maximum benefit for the region.

SERVICES

PORTFOLIO MANAGEMENT & APPRAISAL

To maximise the benefits of investment in the MCA's strategic priorities through effective assurance processes and objective appraisal

ECONOMIC IMPLEMENTATION

Support economic development and recovery by working with partners to deliver economic regeneration and related capital infrastructure projects to maximise successful outcomes for all our communities.

TRANSPORT IMPLEMENTATION

Working with partners to deliver transport projects which meet our strategic priorities and derive maximum benefit for the region.

TRANSFORMING CITIES FUND

Working with partners to deliver transformational change to our transport infrastructure and improve sustainable transport connectivity.

PRIORITIES (WHAT WE WANT TO ACHIEVE IN 2022-23)

- Lead the annual review of the Assurance Framework in the light of current funding settlements and future flexibilities.
- Embed the 2021 revised assurance process to support the MCA's Assurance Framework and the investment priorities and embedding new investment programmes (additional resources req).
- Embed the assessment of carbon and wider climate change impacts into appraisals.
- Strengthen the assessment of equality, diversity and inclusion and inclusive growth.
- Strengthen approach to assessing value for money in non-transport infrastructure investment propositions.
- Improve the quality and consistency of programme and project appraisal to support effective decision making, including Appraisal Specification Reports.

- Enable affordable and sustainable housing developments through Year 3 activity of the Brownfield Housing Fund.
- Complete Retrofit Hub feasibility pilot through Community Renewal Fund.
- Complete delivery of superfast broadband connectivity through Contract 3.
- Continue to work with partners to progress the business case for the British Library North through Heritage devolution funding.
- Support Policy & Development directorate to build robust project pipelines for future funding opportunities, with initial focus on the Climate Action Plan.
- Support emerging programmes including Social Housing Decarbonisation, Flood Resilience, Project Gigabit.
- Closedown legacy programmes including Getting Building Fund, Broadband Contract 2 and Growth Deal, ensuring smooth transition of benefits realisation.

- Continued delivery of the West Yorkshire Plus Transport Fund portfolio.
- Continued delivery of LTP schemes and active travel/clean growth initiatives.
- Oversee the City Region Sustainable Transport Settlement (CRSTS) programme and work with partners on definition and delivery of schemes, inc. those requiring additional resource.
- Focus on strengthening quality aspects on schemes, including equality, diversity and inclusion and carbon impacts.
- Support partners with delivery resources and recruitment – capacity and capability.
- Explore further opportunities to engage and work with the private sector on delivery.
- Work closely with colleagues in Transport Policy and Transport Services to understand and shape priorities and to drive the emerging scheme pipeline.

- Continue delivery of the TCF programme.
- Continue delivery of the Carbon Mitigation Programme.
- Lead on Quality Panel development and operation, including reviewing and sharing lessons learnt, good practice, etc.
- Work with partners and project teams to strengthen equality, diversity and inclusion throughout the project life cycle.
- Continue to develop and deliver the West Yorkshire Network Navigation programme.
- Develop assurance, management and reporting principles for elements of CRSTS that the TCF team will manage (Highway Asset Management, Network Management and Safer Roads programmes).
- Work with Policy colleagues on development of ZEBRA programme.

OUTPUTS

90% of Appraisal Specification Reports reviewed within 15 working days.
 90% of PIMS data reflects decision point approvals within 4 weeks.
 90% of Assurance process approvals within the timescales detailed in the PAT Schedule).

Superfast broadband connectivity to an additional 1167 premises. Enable 2000 new homes on brownfield land. Facilitate the creation of 100 whole house plans & a toolkit of retrofit designs

Spend forecast £94,000,000
 14 project starts on site
 5 projects completed on site

£129.5m Spend forecast, 15 OBC's approved, 14 FBC's approved, 5 project starts on site, 1 project completed on site

RESOURCES (WHAT WE NEED)

OUR BUDGET	
Gross Expenditure	£6.86m
Capital Recharges	£6.61m
Grant/Other Income	N/A
Net Expenditure	£0.26m

OUR TOOLS AND SUPPORT

Specialist consultancy support & frameworks (technical, commercial & legal, environmental, inclusion) will be required to ensure that we & our partners can call-off requirements at pace.
 Development fund within the SIF for early feasibility work in conjunction with Policy.

OUR KEY INTERFACES

Corporate Services - Finance, Legal & Commercial; HR. Comms and Engagement – promotion & consultation. Policy - pipeline development. Research & Intelligence - data analysis. Local Partners. Cross-directorate Programme Appraisal Team/Strategic Assessment.

HOW WE WILL IMPROVE OUR SERVICE

Champion the **focus on place**, working with Policy & Development directorate to develop **robust pipelines**, supporting and adding even more value for our partners and the communities we serve. **Investment in technical skills and learning** to support new delivery environments and corporate priorities. Continuing to work with HR on **Health & Wellbeing, Recruitment & Retention; Learning & Development, Management of Change** & to embed the **new ICS** system into business as usual. Continue to demonstrate **Value for Money** in the management and delivery of projects and programmes by keeping costs within agreed parameters.

TRANSPORT AND PROPERTY SERVICES DIRECTORATE 2022/23 (DRAFT)

DIRECTORATE PURPOSE

To enable more people to use sustainable transport and to ensure our property assets deliver the Combined Authority's priorities

SERVICES

CUSTOMER SERVICES

Enabling people to plan and pay for their travel by public transport. Reducing the cost of travel for older and disabled people and those under the age of 25.

ASSETS AND FACILITIES

Delivering the Combined Authority's Asset Management Strategy. Using land and property to deliver the Combined Authority's corporate priorities.

MOBILITY SERVICES

Enabling people to access employment, education and local services and facilities by commissioning transport services.

PRIORITIES (WHAT WE WANT TO ACHIEVE IN 2022-23)

- Ensure customer services deliver the Combined Authority's objectives regarding equality, diversity and inclusion with particular regard to the effectiveness of concessionary travel schemes.
- Within the Enhanced Partnership between the CA and bus operators, delivery of the ticketing and information elements of the Bus Service Improvement Plan including:
 - Developing the MCard Mobile app to be the primary transport app in West Yorkshire incorporating journey planning, incident reporting, real time information and travel disruption information.
 - Review success of the Fare Deal for Young People and evolve the offer as required to generate increased patronage.
 - Enable a multi operator "tap and cap" system of bus fares in West Yorkshire.
- Adapting customer facing services in response to post pandemic changes in travel behaviour and customer expectations, including:
 - Contact centre and online customer contact services.
 - Modernise the Travel Centre service in line with the bus station upgrade programme.
 - Roll out of the colour coded approach to branding the core bus network.

- Within the Enhanced Partnership between the CA and bus operators, delivery of the facilities and infrastructure elements of the Bus Service Improvement Plan and Transforming Cities programme including:
 - Opening a new bus station in Halifax and a refurbished bus station in Leeds.
 - Establishing and delivering a co-ordinated plan for the upgrading of Bradford Interchange working closely with Bradford Council.
 - Planning the operation of a new facility at Heckmondwike and upgraded bus stations at Huddersfield and Dewsbury.
 - Review and modernise the Safer Travel West Yorkshire initiative with West Yorkshire Police to align with the Mayor's pledge to improve safety for women and girls.
- Establish and lead a programme of transport asset renewal works as part of CRSTS.
- Establish targets and a programme of work to reduce carbon generation and improve the fuel and waste efficiency of all our property.
- Establish a new facility management arrangement at Wellington House to support new ways of working.
- Maintain the Authority's Asset Development Plan identifying a forward plan of asset protection and renewal.
- Strengthen and develop Estate and Property management function to support place shaping aspirations.

- Within the Enhanced Partnership between the CA and bus operators, deliver the bus network elements of the Bus Service Improvement Plan including:
 - Establishing a network development plan.
 - A revised set of criteria for what bus services the CA will commission bus tendered services and a commercial procurement plan.
 - Deliver year 1 of a three year programme of commissioning tendered bus services.
- Work with District partners and bus operators to deliver the bus priority elements of the Bus Service Improvement Plan to improve bus network reliability and bus journey times.
- Maintain the East Leeds Flexibus demand responsive bus service, evaluate benefits of continuation beyond initial 18 month trial and shape the development of a DRT as part of the Bus Service Improvement Plan.
- Review and re commission the AccessBus service incorporating a vehicle fleet replacement strategy.
- Support the development of plans to ensure connectivity is maintained during the Transpennine route upgrade construction work.

OUTPUTS

- Expand functionality of MCard Mobile app.
- Introduce multi operator "tap and cap" payment.
- Roll our colour coded core network branding.

- Open a new bus station in Halifax and a refurbished Leeds Bus Station.
- Operation of refurbished Wellington House.
- Update Safer Travel West Yorkshire initiative.

- A network development plan.
- Year 1 of a three year programme for commissioning tendered bus services.
- BSIP funded bus network enhancement.

RESOURCES (WHAT WE NEED)

OUR BUDGET	
Gross Expenditure	£109.65m
Capital Recharges	£0.12m
Grant/Other Income	£28.99m
Net Expenditure	£78.64m

OUR TOOLS AND SUPPORT

Joint Venture companies – WY Ticketing Company Ltd / Yorcard Ltd.

Key Service delivery providers – Carlisle (security and cleaning), Lambert Smith Hampton (estates contract), bus operators and school transport contractors.

Technology – GIS database, Customer Relationship Management database, bus real time information system, Movit journey planner. MCard systems and app, AccessBus / DRT booking/scheduling system.

OUR KEY INTERFACES

Public transport operators.
 Council highways & transport teams.
 DfT and Urban Transport Group.
 Local Resilience Forum.
 Legal Services, Finance and Procurement support.
 Transport Policy and Research & Intelligence.
 Delivery Directorate for capital schemes on assets.

HOW WE WILL IMPROVE OUR SERVICE

- Adapt our contact centres and face to face services to meet the changing needs of our customers
- Working closely with other public services, ensure our bus services are safe spaces which support community activities
- Ensure the bus services we commission provide value for money and meet community needs

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Agenda Item 6

Appendix 2

Dec - 75%

West Yorkshire Combined Authority Revenue Budget 2021/22	Revised Budget	YTD Actuals (December 2021)	Utilised	Notes / Commentary	RAG Rating	FY Forecast Q2
	£	£	%			£
Employee Costs	31,049,690	20,923,452	67.4%	High staffing vacancies		27,816,732
Indirect Employee Costs	1,821,800	801,508	44.0%	Spend to date - as expected due to timing of pension invoice.		1,754,721
Premises Costs	6,747,115	4,055,940	60.1%	Spend to date - as expected due to premises invoices paid in arrears		6,665,597
Supplies and Services	8,531,502	2,567,731	30.1%	Spend to date - lower than expected due to Covid 19 and invoices in arrears		5,429,981
ICT Related Costs	3,059,034	2,295,946	75.1%	Spend to date - as expected due to certain ICT costs paid in advance		3,547,219
Travel, Subsistence & Transport Costs	381,596	287,532	75.3%	Spend as expected		589,634
Tendered Services	25,866,000	23,053,747	89.1%	Spend in line with Government requirements during lockdown, additional costs due to Covid-19. Forecast slight overspend.		26,117,000
Concessions	53,750,000	39,499,994	73.5%	Spend in line with Government requirements during lockdown		51,726,569
Prepaid Tickets Costs	13,500,000	11,103,695	82.2%	Mcard payment reduced with Covid-19 - offset by Mcard sales ## Spend as expected - variance mainly related to Adult Education budget that commenced in August 2021		13,500,000
Grants and Agency costs	52,923,810	31,833,894	60.2%			54,399,894
Consultancy and Professional Services	7,669,114	5,580,502	72.8%	Spend as expected		6,710,367
Financing Charges	6,964,657	934,623	13.4%	Spend as expected - is accrued / calculated at the Year End		6,964,657
Total Expenditure	212,264,318	142,938,564	67.3%			205,222,372
Income - Transport	(11,310,082)	(6,060,401)	53.6%	Covid19 - Impact on bus station & bus services income, departure fees in arrears Grants received to date as expected, with further receipts during the year such as Adult Education Budget monies.		(10,750,604)
Funding - Grants	(72,446,371)	(43,738,419)	60.4%			(69,687,638)
Enterprise Zone Receipts	(3,202,886)	(1,888,554)	59.0%	EZ receipts expected to be received in arrears		(3,015,702)
Interest Received	(818,000)	(383,622)	46.9%	Investment Interest in arrears		(818,000)
Income - Operational	(3,262,450)	(1,666,509)	51.1%	As expected - revenue project claims in arrears		(3,595,536)
Capitalisation / Internal Recharges	(15,526,530)	(9,286,281)	59.8%	Capitalisation behind due to change in method		(14,173,296)
Pre Paid Ticket Income	(13,500,000)	(11,103,695)	82.2%	Mcard sales reduced with Covid-19 - offsets by payments ##		(13,500,000)
Transport Levy	(92,198,000)	(69,148,500)	75.0%	Transport Levy receipts as expected		(92,198,000)
Total Income	(212,264,318)	(143,275,980)	67.5%			(207,738,775)
Net Expenditure Total	0	(337,416)				(2,516,403)

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West Yorkshire Combined Authority Revenue Budget	Corporate £	Corporate Services £	Delivery £	Economic Services £	Policy, Strategy & Comms £	Transport & Property Services £	Total Budget 2022/23 £	Indicative Budget 23/24 £	Indicative Budget 24/25 £
Employee Costs	1,389,142	6,238,773	6,604,244	4,652,213	7,715,563	6,645,193	33,245,129	31,420,860	31,877,391
Indirect Employee Costs	858,300	593,033	450	7,100	-	15,820	1,474,703	1,431,385	1,447,042
Premises Costs	-	-	-	-	-	6,542,217	6,542,217	6,535,598	6,688,624
Supplies and Services	432,100	100,636	500	453,427	712,336	779,770	2,478,769	3,646,368	3,246,843
Supplies and Services - funded	-	-	-	2,172,687	-	-	2,172,687	1,520,474	739,700
ICT Related Costs	-	2,083,395	-	-	-	1,291,501	3,374,896	3,560,421	4,070,650
Travel, Subsistence & Transport Costs	10,000	312,447	12,106	72,150	18,000	32,990	457,693	419,378	418,780
Tendered Services	-	-	-	-	-	25,466,000	25,466,000	25,866,000	25,866,000
Concessions	-	-	-	-	-	53,750,000	53,750,000	53,750,000	53,750,000
Prepaid Tickets Costs	-	-	-	-	-	15,000,000	15,000,000	20,000,000	25,000,000
Grants and Agency costs	367,327	29,742	-	74,194,728	37,281	123,278	74,752,357	63,476,399	62,296,996
Professional Services & Consultancy	68,900	200,250	250,000	200,000	411,000	256,500	1,386,650	1,392,540	1,393,213
Professional Services & Consultancy - funded	-	-	-	1,708,174	-	-	1,708,174	191,500	191,500
Financing Charges	6,993,836	-	-	-	-	158,657	7,152,493	7,524,191	7,361,495
Other (indicative approval and saving targets)	3,882,951	-	-	-	-	(412,269)	3,470,683	2,562,033	1,537,731
Total Expenditure	14,002,557	9,558,275	6,867,300	83,460,479	8,894,180	109,649,657	232,432,449	223,297,147	225,885,964
Capitalisation / Internal Recharges	(2,700,000)	(1,786,233)	(6,610,488)	(88,703)	(1,491,884)	(1,972,711)	(14,650,020)	(13,959,485)	(14,161,156)
Income (concession, departure, rent ect.)	-	-	-	-	-	(26,384,186)	(26,384,186)	(31,434,023)	(36,484,176)
Grant BSOG	-	-	-	-	-	(2,063,000)	(2,063,000)	(2,063,000)	(2,063,000)
Grant SRG	(895,000)	-	-	-	-	-	(895,000)	-	-
Grant LEP Specific Grants	(552,606)	-	-	-	-	-	(552,606)	(552,606)	(552,606)
Transport Levy	(92,198,000)	-	-	-	-	-	(92,198,000)	(92,198,000)	(92,198,000)
Other Grants - Revenue (Gainshare Projects)	(3,776,500)	-	-	(11,001,660)	(219,755)	-	(14,997,915)	(5,693,823)	(3,045,251)
Other Grants - Revenue (Capacity Gainshare)	(1,750,000)	-	-	-	-	-	(1,750,000)	(3,450,000)	(3,050,000)
Other Grants - Revenue (Mayoral Capacity Fundir	(1,000,000)	-	-	-	-	-	(1,000,000)	(500,000)	(500,000)
Other Grants - AEB	-	-	-	(64,154,905)	-	-	(64,154,905)	(62,999,141)	(62,999,060)
Other Grants - Projects	-	-	-	(5,847,526)	(114,189)	-	(5,961,715)	(897,200)	(206,185)
Income Enterprise Zone Receipts	(3,465,045)	-	-	-	-	-	(3,465,045)	(3,728,098)	(3,728,098)
Income Interest Received	(1,592,323)	-	-	-	-	-	(1,592,323)	(1,426,965)	(345,900)
Income Other	(333,000)	-	(256,812)	(1,118,684)	(513,624)	(545,613)	(2,767,733)	(2,300,686)	(2,239,695)
Total Income	(108,262,475)	(1,786,233)	(6,867,300)	(82,211,478)	(2,339,453)	(30,965,510)	(232,432,449)	(221,203,028)	(221,573,127)
Net Expenditure Total	(94,259,918)	7,772,042	-	1,249,001	6,554,728	78,684,147	0	2,094,119	4,312,837

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<u>Capital Expenditure</u>	2021/22	2022/23	2023/24	2024/25
	£	£	£	£
Growth Deal - Economic Development	480,329			
West Yorkshire plus Transport Fund	86,025,688	102,395,761	115,196,453	117,555,161
Leeds Public Transport Investment Programme (LPTIP)	45,270,442	368,755		
Transforming Cities Fund	39,605,197	129,518,965	146,122,163	131,843,479
Integrated Transport Block / Highways Maintenance / Challenge Fund	52,450,545	4,281,941	225,446	
Corporate Projects	4,038,709	2,609,900		
Broadband	6,110,569	2,429,409		
Land Release Fund & One Public Estate	1,028,993			
Getting Building Fund	44,557,357			
Brownfield Housing Fund	13,554,997	29,178,719	20,321,836	3,000,000
Emergency Active Travel Fund (Revenue and Capital)	7,805,868			
British Library North	151,414	3,803,586	8,482,333	12,562,667
Other (inc. Business Accelerator Fund, Clean Bus)	1,000,000	3,070,000	2,289,000	3,702,000
New Station Fund	2,000,000	10,000,000		
A - Total Capital Spend	304,080,107	287,657,035	292,637,231	268,663,306

<u>Capital Funding</u> (includes c/fwd from 2020/21)	2021/22	2022/23	2023/24	2024/25
	£	£	£	£
Growth Deal / Transport Fund	(63,128,837)	(50,450,000)	(50,450,000)	(50,450,000)
Leeds Public Transport Investment Programme (LPTIP)	(44,685,761)			
Broadband	(6,865,522)	(1,674,456)		
Getting Building Fund	(44,557,357)			
Emergency Active Travel Fund	(7,805,868)			
Land Release / One Public Estate	(1,028,993)			
Integrated Transport Block, Highways Maintenance / Pothole (DfT)	(57,991,550)			
Transforming Cities Fund	(169,124,161)	(137,519,145)		
Brownfield Housing Fund	(19,955,552)	(29,178,719)	(14,000,000)	(3,000,000)
British Library North	(25,000,000)			
New Station Fund	(2,000,000)	(10,000,000)		
Single Investment Fund - TCF Commitment	(19,000,000)	(9,500,000)	(9,500,000)	
Single Investment Fund - Unallocated				
Ringfenced Reserves	(1,268,273)			
Capital Receipts	(32,535,959)	(1,038,764)	(711,760)	(555,049)
Other	(2,626,242)			(9,500,000)
	(497,574,075)	(239,361,084)	(74,661,760)	(63,505,049)
	(193,493,968)	48,295,951	217,975,471	205,158,257

NB:

Figures have been included for unapplied capital from previous years, capital receipts and other available sources.
Balance to be funded by borrowing.

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Treasury Management Strategy Statement

- 1 This statement sets out the Treasury Management Strategy for 2022/23 and limits under the prudential framework. It has been prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice 'Treasury Management in Public Services' which is re-adopted each year by Members of the Combined Authority. The statement and its implementation are currently updated twice annually in the final accounts and budget reports and also reviewed quarterly at Treasury Management meetings with any key findings reported to the Governance and Audit Committee.
- 2 The Combined Authority is required to operate a balanced budget. In particular, as a Local Authority, it must calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This means that capital expenditure must be limited to a level where increases in charges to revenue from additional external interest and running costs are affordable within the projected income levels for the foreseeable future.
- 3 The Local Government Act 2003 and Local Authorities (Capital Finance and Accounting) Regulations 2003 set out the system of capital finance to be followed by all local authorities from 2004. This appendix is intended to take account of the requirements of the regulations and to set them in the context of the Treasury Management Code of Practice. It also takes into account the risk appetite of the Combined Authority in this regard and the focus on ensuring security of the funds is set out further in section 13.
- 4 The treasury management arrangements must encompass all activities undertaken by the Combined Authority. This treasury strategy recognises the borrowing necessary to fund the capital programme requirements of both the General Fund (Combined Authority excluding policing) and the Police Fund. It should be noted that the decision making arrangements will differ for these two elements with the revenue costs of borrowing being included within the revenue budgets of the general fund and police fund accordingly.
- 5 For the Combined Authority non-policing activity borrowing is required to support the delivery of the full West Yorkshire plus Transport Fund and to support corporately determined schemes for which no capital resource other than borrowing has been identified. In addition, local funding has been committed to the Transforming Cities Fund and the arrival of gainshare funding provides an income stream which could be used to support borrowing. Estimates of the likely funding required are set out in the capital annex below and further work is underway to ensure there is a full robust programme of delivery for all schemes that will enable the borrowing requirements for future years to be fully understood. The short term borrowing requirement is likely to be offset as external investments are internalised to reduce counterparty risk implicit within external investments. Work underway to utilise gainshare is also expected to impact on the future capital programme and the extent of any borrowing required. Borrowing is also required to support the delivery of policing in West Yorkshire, with a range of projects in development.

Treasury management activity – borrowing and investments

Total Loans outstanding at 01/4/2021	£m
Fixed term	75.0
<u>Activity during 2021/22:</u>	
Fixed term loans- Police Fund loans transferred in 10 May 2021	74.7
Loan repayment - CA General Fund	0.0
Loan repayment - Police Fund	-0.2
Net movement in temporary loans - CA General Fund	0.0
Net movement in temporary loans - Police Fund	0.0
Anticipated total loan outstanding at 31/03/2022:	149.5
<u>Activity expected during 2022/2023:</u>	
New borrowing for the Capital Programme - CA General Fund	0.0
New borrowing for the Capital Programme - Police Fund	0.0
Borrowing repaid - CA General Fund	0.0
Borrowing repaid - Police Fund	-0.6
Anticipated loans outstanding at 31/3/2023	148.8
Total Investments	
Investments at 01/04/2021	345.0
Investment - Police Fund transferred in 10 May 2021	53.1
Net of new Investment in year - CA General Fund	133.5
Net of new Investment in year - Police Fund	55.3
Anticipated CA General Fund investment placed at 31/03/2022	478.5
Anticipated Police Fund investment placed at 31/03/2022	108.4

- 6 The start of 2021 saw little change with the Covid-19 pandemic continuing to have an impact for 2021/22. Interest rates have remained low throughout 2021, however on 16th December the Bank of England unexpectedly raised rates by 0.15% to 0.25%. Further increases are expected during 2022/23 with the next increase expected in May 2022 although the economic impact of the Omicron variant will be watched closely and will affect the timing of this decision. Increases beyond 2022 are expected to be measured as the economy recovers to pre-pandemic levels. The impact of Brexit has been masked by the pandemic but this also continues to be a factor as this also impacts on economic performance. Opportunities to refinance loans remains limited and the returns available on investments still remain low due to the current low level of base rate.
- 7 Leeds City Council undertakes the monitoring of the financial markets on behalf of the Combined Authority. The agreed policy is to seek to minimise the rates at which the Combined Authority borrows and to continue to refinance any longer term loans if rates appear advantageous.
- 8 No such opportunities have arisen so far in 2021/22. The Combined Authority has a loan portfolio with historically competitive rates and the economic climate has been such that there have been no suitable opportunities identified for refinancing.
- 9 The business planning and budget report sets out the estimated requirement for borrowing to supplement the capital grants received. The calculations in the annex demonstrate how this works through the capital financing requirement and set out the financing costs which are then included within the appropriate revenue budget.

- 10 The Combined Authority has continued with its accountable body responsibilities for the Leeds City Region Enterprise Partnership (LEP). This has meant increased funding being paid to the Combined Authority for example for example in relation to Growth Deal funding and has led to the changes agreed during previous years to enable these larger sums to be better managed. Over the past three years the limits and counterparties have been kept under regular review to ensure the sums available for investment are able to be placed appropriately. The Authority has a portfolio of investments in Fixed deposits but also keeps an element of liquid cash in call/notice accounts to manage day to day cashflow needs. For longer term deposits the selected counterparties are constantly monitored and meet the strict eligibility criteria stipulated under Leeds City Council's investment policy which has been adopted by the Combined Authority. This approach will continue during 2022/23 with an expectation that the Combined Authority will continue to have high cash balances to invest due to the advance payment of capital and other grant funding. Within the existing policy the Combined Authority can also invest in money market funds and this opportunity may also be taken to enable effective management of what is expected to be further significant cash advances of Transforming Cities Funding, Brownfield Housing, Adult Education Budget, City Region Sustainable Transport Settlement and other capital funding initiatives under the Mayoral Combined Authority in 2022/23, including the £38 million annual gainshare payment.
- 11 The general level of borrowing and investments is handled efficiently by Leeds City Council and has produced a situation where the Combined Authority has, in relative terms, very low borrowing costs. Regular meetings are held with the Leeds City Council staff who undertake treasury work for the Combined Authority under the terms of a signed service level agreement, and these meetings ensure a satisfactory level of control and monitoring is achieved. These meetings also consider the overall treasury management strategy and ensure that the policies in place continue to be appropriate to ensure that the Combined Authority's funds are managed to provide security and liquidity. A similar arrangement is in place for the policing funds, with support currently provided through Wakefield Council.
- 12 The Combined Authority has strict rules on investment criteria which are set out in paragraphs 13 to 15 for consideration and re-approval. These are set to minimise the risk to the Combined Authority's funds but does also mean that interest earned on deposits is lower than taking a higher risk approach would be. It is therefore in the Combined Authority's interest to seek to utilise any cash balances to reduce the costs of long term borrowing and this policy will continue to be pursued to reduce external Counterparty risk.

Treasury Management Activity – Investments Criteria

- 13 In general it is intended there should be no long term investments by the Combined Authority with any surplus cash being invested short term up to a maximum term of one year. The level of future investments will fluctuate on a short-term basis due to cash flow requirements but will be maintained as low as possible. Any investments undertaken by the Combined Authority follow the guidance of the Department for Levelling Up, Housing and Communities (DLUHC, formerly MHCLG) having regard to the concept of security, liquidity

and then yield with emphasis being placed on the “return of funds” rather than the “return on funds”.

- 14 It is proposed that the existing policy of utilising external support for treasury management continues. At present this is provided by the Treasury Management Teams in Leeds City Council and Wakefield Council and it is expected that these services will continue to be provided by one of the local authority partners.
- 15 The Combined Authority has several rules in place for short term investments/borrowing, as set out below and that these should continue to be applied, with changes highlighted in bold below: -
- a. The Chief Finance Officer (Director for Corporate and Commercial Services) shall determine the amounts and periods.
 - b. The procedural document as approved for their Treasury Management Division by Leeds City Council shall be adopted in relation to the Combined Authority’s short-term investments encompassing the Council’s list of approved financial organisations and the maximum lending limits per organisation, as specified in that document from time to time.
 - c. No investment will be for a period exceeding 12 months other than with other local authorities and then only for a period not exceeding 36 months. The limits for each of the next three years are that for investments for a period greater than 364 days, that no more than £20 million will mature in each of 2022/23, 2023/24 and 2024/25.
 - d. Investments with Leeds City Council will not exceed £15 million, the interest rate for such deposits being agreed between the Chief Financial Officers of both organisations. This arrangement is a continuation of approved arrangements put in place some years ago to recognise the potential conflict of interest that could arise.
 - e. Investments with any one counterparty should not exceed £15 million
 - f. Investments with the Combined Authority’s bankers are specifically excluded from the limits set out, in recognition of the fluidity of such arrangements.
- 16 The proposals above would provide the flexibility for the Combined Authority to invest its surplus funds which, as they are expected to continue to increase, will become increasingly difficult to place on the market. As the capital programme progresses and new borrowing requirement increases it is anticipated that external investments will be internalised to fund this borrowing requirement pending locking into long term funding and also reducing external Counterparty risk. The proposals are deemed low risk and are in accordance with the criteria applied by Leeds City Council to its treasury arrangements.

CONSULTATION ON THE PRUDENTIAL CODES

- 17 During 2021 CIPFA began a consultation of the following codes and guidance documents:
- The Prudential Code for Capital Finance in Local Authorities
 - Treasury management in the Public Services Code of Practice and Cross sectoral Guidance Notes
 - Treasury management in the Public Services Guidance Notes for Local Authorities including Police bodies and fire and rescue authorities.
- 18 The first draft consultation closed in April 2021 after which a second consultation was undertaken after taking account of comments and feedback on the first consultation. This second consultation closed in November 2021. Following this the revised codes and guidance has been finalised and published on 20th December 2021 however this has introduced some timing issues resulting in the Codes being a “soft” launch. Recommendation from CIPFA is that these codes and guidance should be adopted at the earliest opportunity however given its close proximity to the budget and strategy setting process it is acknowledged that this may not be achievable for 2022/23.
- 19 The Codes and changes within them will be examined in detail and any changes will be considered and adopted once they have been fully identified and understood.
- 20 It should be noted that broad themes from the consultations were changes to:
- Investments primarily for yield.
 - Borrowing in advance of need primarily for yield
 - Introduction of new Prudential indicators (PI) in relation to investments
 - Introduction of a new PI called the Liability benchmark.
 - Changes to/removal of certain existing Prudential Indicators.
 - Changes to or redrafting of many sections of narrative to aid clarity or remove ambiguity.

PRUDENTIAL FUNDING ARRANGEMENTS

- 21 The principal purpose of the prudential system is to allow authorities as much financial freedom as possible whilst requiring them to act prudently. There is no formal requirement arising from this to set government borrowing approvals but government retains the power to do so and it has determined that Combined Authorities are required to agree a debt cap with government. The Combined Authority has agreed the proposal from government of a limit on the Authority’s total long-term external debt at the end of 2021/22 of £248.3 million. This limit has been derived from the current agreed long-term investment plans of the authority including those investment required for provision of policing services, with some significant headroom to enable flexibility.
- 22 The debt cap operates on long-term external debt and does not limit capital spending funded from internal cash flow or short-term external debt (less than 1 year). The agreement will be reviewed in light of emerging initiatives, local or national, which have a material impact on the Combined Authority borrowing

totals. Arrangements for 2022/23 will be agreed following the Government's conclusion of the Spending Review.

- 23 The projection of external debt figures outlined in this report falls well within the year end ceilings incorporated into the debt deal.
- 24 Irrespective of this cap restrictions are imposed through the CIPFA Prudential Codes which require every authority to set prudential indicators and limits and thus be satisfied that it can afford the results of its borrowing and to ensure investment is in line with its place making remit and not solely for financial yield. These limits, which must not be exceeded, must be formally agreed by the Authority before the start of each financial year.
- 25 The applicable codes governing our arrangements are the "Treasury management in the Public services – Code of Practice and the "Guidance notes 2021" and "The Prudential Code - for capital finance in Local Authorities 2021", as well as Treasury management in the Public Services Guidance Notes for Local Authorities including Police bodies and fire and rescue authorities 2021 which is now formally part of the CIPFA codes as well as recognising the DLUHC Investment guidance which has always had statutory underpinnings. In summary these Codes emphasise that local authorities must ensure that all its capital and investment plans and borrowing are prudent and sustainable. In doing so it will consider its arrangements for the repayment of debt and consideration of risk and the impact, and potential impact, on the authority's overall fiscal sustainability. While indicators for sustainability are required to be set over a minimum three year rolling period, indicators should be set in line with a capital strategy and asset management plan that is sustainable over the longer term.
- 26 A capital strategy should demonstrate that the Combined Authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability. The Capital Strategy, last approved in April 2021, is reviewed and updated regularly, and will be reviewed alongside the West Yorkshire Investment Strategy in the first part of this year.
- 27 The Code requires full capital and revenue plans to be prepared for at least three years forward in order to assess the financial effects of the planned capital investment. In the Combined Authority the three year financial strategy is considered by Members on a regular basis and to ensure a level of affordability it is currently the policy that borrowing to meet capital expenditure will be limited to proposed levels. Restricting borrowing in this way ensures that all debt charges are covered by the Combined Authority through its levy on the Districts or through other confirmed income sources.
- 28 The capital programme is considered in detail earlier in this report. It should be noted that in accordance with the above, overall capital expenditure will be met firstly by grants and other resources leaving the balance to be met by borrowing.
- 29 There are significant levels of grant provided to the Combined Authority under a range of programmes and with the prospect of future funds through any successor programmes. Recognising the demands upon infrastructure

investment it is proposed that other alternative methods of financing during the year remain under consideration as and when appropriate. The financial viability and value for money of such methods will require investigation and savings found within the budget to accommodate the costs involved. Members will be asked to approve any such methods before they are implemented.

- 30 The Combined Authority has in place a five year borrowing facility with the European Investment Bank (EIB) which provides a flexible financing offer to support the West Yorkshire Plus Transport Fund. Many of the schemes in the West Yorkshire plus Transport Fund meet the EIB funding criteria and this provides an attractive alternative to the traditional PWLB lending. The UK's withdrawal from the European Union does not preclude this arrangement taking place.
- 31 When Leeds City Council and the Combined Authority last reviewed the borrowing limits in the light of market rates they determined that they would allow the limit to be set at a level sufficient for the current year plus the equivalent of two years anticipated borrowing requirement which is derived from the capital allocations. This was intended to provide flexibility for fund management allowing borrowing to take place when rates are low rather than being tied into strictly annual borrowing.
- 32 The Annex initially creates limits set at the required level of borrowing for 2022/23 and 2023/24. To provide more flexibility in managing the funding operation it was previously agreed that approval be given to borrow to cover loan requirements for the current plus the following two years.
- 33 The attached Annex shows the calculation of the following prudential indicators:
- a. The ratio of debt charges to overall expenditure. This is not significant to the Combined Authority as it is effectively controlled through the level of the levy (as referred to above).
 - b. Gross external Borrowing requirement (Gross Debt and CFR). The gross borrowing requirement should not exceed the Capital Financing Requirement (CFR).
 - c. The operational boundary should reflect the maximum anticipated level of external debt consistent with budgets and cash flow forecasts. It should be seen as a management tool for on-going monitoring of external debt, and may be breached temporarily due to unusual cash flow movements.
 - d. The authorised limit represents the legislative limit on the Combined Authority's external debt under the Local Government Act 2003. It should be set with sufficient headroom above the operational boundary to allow flexibility for planned borrowing to be undertaken, in order for prudent treasury management decisions to be taken and temporary cash flow fluctuations to be managed.
 - e. The Combined Authority is required to set upper and lower limits for the maturity structure of its borrowings. This is designed to limit the risk of exposure to high interest rates by restricting the level of maturing debt in

any given year. The limits represent the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. It is proposed that these limits remain unchanged.

- 34 The Prudential Code requires Members to have an approved Treasury Management Policy (this is set out above) and to agree limits for variable and fixed rate loans. It is recommended that the maximum limit for variable rate loans continues to be set at 40% and the limit for fixed rate loans remains at 200%. This reflects the current position that arises from the increase in cash balances and investments resulting from an increase in advance grant funding.

Indicative Capital Estimates

Capital Expenditure	2021/22	2022/23	2023/24	2024/25
	£	£	£	£
Growth Deal - Economic Development	480,329			
West Yorkshire plus Transport Fund	86,025,688	102,395,761	115,196,453	117,555,161
Leeds Public Transport Investment Programme (LPTIP)	45,270,442	368,755		
Transforming Cities Fund	39,605,197	129,518,965	146,122,163	131,843,479
Integrated Transport Block / Highways Maintenance /Challenge Fund	52,450,545	4,281,941	225,446	
Corporate Projects	4,038,709	2,609,900		
Broadband	6,110,569	2,429,409		
Land Release Fund & One Public Estate	1,028,993			
Getting Building Fund	44,557,357			
Brownfield Housing Fund	13,554,997	29,178,719	20,321,836	3,000,000
Emergency Active Travel Fund (Revenue and Capital)	7,805,868			
British Library North	151,414	3,803,586	8,482,333	12,562,667
Other (inc. Business Accelerator Fund, Clean Bus)	1,000,000	3,070,000	2,289,000	3,702,000
New Station Fund	2,000,000	10,000,000		
<i>Police capital programmes - Estate, ICT and Fleet&Equipments</i>	25,182,000	45,847,000	23,866,000	14,258,000
A - Total Capital Spend	329,262,107	333,504,035	316,503,231	282,921,306

Capital Funding (includes c/fwd from 2020/21)	2021/22	2022/23	2023/24	2024/25
	£	£	£	£
Growth Deal / Transport Fund	(63,128,837)	(50,450,000)	(50,450,000)	(50,450,000)
Leeds Public Transport Investment Programme (LPTIP)	(44,685,761)			
Broadband	(6,865,522)	(1,674,456)		
Getting Building Fund	(44,557,357)			
Emergency Active Travel Fund	(7,805,868)			
Land Release / One Public Estate	(1,028,993)			
Integrated Transport Block, Highways Maintenance / Pothole (DfT)	(57,991,550)			
Transforming Cities Fund	(169,124,161)	(137,519,145)		
Brownfield Housing Fund	(19,955,552)	(29,178,719)	(14,000,000)	(3,000,000)
British Library North	(25,000,000)			
New Station Fund	(2,000,000)	(10,000,000)		
Single Investment Fund - TCF Commitment	(19,000,000)	(9,500,000)	(9,500,000)	
Ringfenced Reserves	(1,268,273)			
Capital Receipts	(32,535,959)	(1,038,764)	(711,760)	(555,049)
Other	(2,626,242)			(9,500,000)
<i>Police capital funding - Grants</i>	<i>(13,413,000)</i>	<i>(9,232,000)</i>	<i>(7,150,000)</i>	<i>(10,771,000)</i>
<i>Police capital funding - Capital Receipts</i>	<i>(4,403,000)</i>	<i>(2,379,000)</i>	<i>(2,200,000)</i>	
	(515,390,075)	(250,972,084)	(84,011,760)	(74,276,049)
	<i>(186,127,968)</i>	82,531,951	232,491,471	208,645,257

NB:

Figures have been included for unapplied capital from previous years, capital receipts and other available sources.
Balance to be funded by borrowing.

Calculation of Prudential Indicators:

	2021/22	2022/23	2023/24	2024/25
	£000	£000	£000	£000
AFFORDABILITY				
Ratio of financing costs to net revenue stream - CA General Fund				
Debt Charges	6,207	5,145	5,321	6,856
Levy	98,375	98,375	98,375	98,375
Resultant ratio:	6.3%	5.2%	5.4%	7.0%
Ratio of financing costs to net revenue stream - Police Fund				
Debt Charges	3,867	3,810	3,747	3,678
Net revenue stream - precept	138,222	146,941	155,117	163,443
Resultant ratio:	2.8%	2.6%	2.4%	2.3%

PRUDENCE

Net external borrowing does not exceed the total of capital financing requirement in previous year plus the estimate of any additional financing requirement for the current and later years.

	2021/22	2022/23	2023/24	2024/25
	£000	£000	£000	£000
Loans outstanding at 1 April - CA General Fund	75,000	75,000	75,000	75,000
Gross Market and PWLB Debt at 1 April - Police Fund	74,407	73,761	88,052	87,274
Total Loans outstanding at 1 April	149,407	148,761	163,052	162,274
Estimate of Capital Financing Requirement (CFR) - CA General Fund	77,594	101,350	152,214	212,905
Estimate of Capital Financing Requirement (CFR) - Police Fund	98,961	103,957	135,710	147,596
Additional borrowing requirement in year- CA General Fund	27,416	54,556	64,746	125,377
Additional borrowing requirement in year - Police Fund	7,366	34,235	14,516	3,487
Less debt repayments in year - CA General Fund	-3,660	-3,692	-4,055	-3,641
Less debt repayments in year - Police Fund	-2,370	-2,482	-2,630	-2,760
Estimate of (CFR) 31 March - CA General Fund	101,350	152,214	212,905	334,641
Estimate of (CFR) 31 March - Police Fund	103,957	135,710	147,596	148,323
Total Estimate of (CFR) 31 March	205,307	287,924	360,501	482,964
Calculated Operational Boundary	174,000	173,830	187,706	261,915
Safety factor	297,238	352,003	366,487	312,000
Forecast Authorised Limit	471,238	526,000	554,000	574,000

Maturity of Loan Structure	Minimum	Maximum	CA General Fund	Projected 31/03/2023	Police Fund	Projected 31/03/2023	
Loans up to 1 year	0%	30%	0	0%	0	0%	
Loans between 12 and 24 months	0%	20%	0	0%	0	0%	
Loans between 24 months and 5yrs	0%	50%	0	0%	0	0%	
Loans between 5 and 10 years	0%	75%	0	0%	4,860,687	7%	
Loans between 10 and 20 years			0	0%	0	0%	
Loans between 20 and 30 years			0	0%	51,900,000	70%	
Loans between 30 and 40 years	25%	100%	50,000,000	67%	0	0%	100%
Loans between 40 and 50 years			15,000,000	20%	17,000,000	23%	
Loans 50 years +			10,000,000	13%	0	0%	
			75,000,000	100%	73,760,687	100%	

The Police Fund CFR excludes other long term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, these types of scheme include a borrowing facility and so it is not required to separately borrow for these schemes.



Report to: West Yorkshire Combined Authority

Date: 3 February 2022

Subject: **Funding Priorities**

Director: Alan Reiss, Director of Strategy, Communications and Policing

Author: Emma Longbottom, Head of Policy and Strategy Coordination

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 approve indicative revenue funding envelopes to the Investment Priorities within the West Yorkshire Investment Strategy (WYIS) for the financial years 2021/22-2024/25.
- 1.2 To approve in principle funding allocations to each Local Authority and the Combined Authority to support capacity issues and enable pipeline development work to be undertaken against the Investment Priorities.
- 1.3 To note that these allocations will be made in line with the Combined Authority's Assurance Process.

2. Information

Background

- 2.1 At the Combined Authority in June 2021 the approach to the Single Investment Fund (SIF) and the West Yorkshire Investment Strategy (WYIS) were endorsed.

2.2 The WYIS sets out the Investment Priorities for the period 1 April 2021 to 31 March 2024 which are framed across six areas. In each, a number of priority project/programme areas have been identified that are the focus for intervention.

- Investment Priority 1:** Good Jobs and Resilient Businesses (including entrepreneurialism)
- Investment Priority 2:** Skills and training for people
- Investment Priority 3:** Creating Great Places and Accelerated Infrastructure
- Investment Priority 4:** Tackling the Climate Emergency and Environmental Sustainability
- Investment Priority 5:** Future Transport
- Investment Priority 6:** Culture and Creative Industries

2.3 These investment priorities are multi-dimensional and complementary. Programmes that are developed will in many cases contribute to the outcomes of more than one Investment Priority. They are underpinned by three cross cutting themes: tackling inequalities; inclusive growth; and tackling the Climate Emergency. These are embedded in the detail of the priorities. Schemes are expected to take these into account as they form part of the assessment criteria.

2.4 It should be noted that the Police Fund is made up of a ring-fenced grant from government and the policing precept, it is therefore held separately and is not included in the Single Investment Fund. Therefore policing and crime is not an Investment Priority within the WYIS. However, the Mayor’s non-policing pledges are embedded within the investment priorities, and programmes brought forward for the investment priorities might contribute towards the Mayor’s and partners’ objectives for safer communities in West Yorkshire.

2.5 The Investment Strategy will be reviewed at least annually to take account of changing local and national circumstances, integrate new funding and investment opportunities and determine the best use of the resources available to the Combined Authority to maximise potential.

2.6 During the development of the WYIS, in the 2020/21 financial year, the Combined Authority approved gainshare funding, which has subsequently become part of the SIF, to support economic recovery. In addition, at the June and July 2021 Combined Authority meetings funding from the Single Investment Fund was indicatively approved to enable progress to be made in key areas related to the Mayor’s pledges. All indicative approvals made are subject to Assurance Framework approval and are at different stages of the process. The previous approvals are detailed in the table, which is provided at appendix 1.

Proposed revenue funding envelopes for the Investment Priorities

2.7 It is intended that over the medium term, a pipeline of overarching programmes/projects for each investment priority will be developed across the region. In order to enable this it is proposed that initial revenue funding envelopes are agreed, however pipelines will be developed to respond to wider funding streams, including future funding such as UK Shared Prosperity Fund and all funding within the SIF. It is important to note that whilst the West Yorkshire Investment Strategy takes account of Combined Authority assured funding, the wider funding landscape including unknown future funding announcements will also be taken account of when considering the balance of the programme, recognising that these programmes also contribute to regional outcomes.

2.8 The proposed funding envelopes for the current investment period are provided in the table below. These figures have been developed in partnership between the Combined Authority and Local Authorities, with regular partnership meetings being held over a number of weeks to discuss and develop thinking. The total funding required shows the full ambition of the Investment Priorities and the estimated funding required to deliver them in full. The figures provided take into consideration:

- Any pipelines that already exist.
- Previous funding allocations e.g through Growth Deal etc.
- Gainshare allocations already made, as detailed at para 2.6.
- Funding to be allocated at a national level through Spending Review and national funding sources.
- Current expectations regarding how UKSPF will be allocated, though quantum and timescales are still to be determined.
- Ambitious plans for delivery and for the region.
- Proposed allocations offer overprogramming of up to 25% (One of the SIF principles is that funding should be over-programmed).
- Gainshare allocated to the region is £38m per year, of which 75% (£28.5m) is revenue and 25% (£9.5m) is capital. It is not currently proposed that any revenue is used during this period to allow borrowing to take place.
- All of the capital available during the period is currently allocated to TCF high scenario. This does not cover the full amount required. Borrowing is expected to be used from 2025 onwards.

Investment Priority	Detail	Funding profiles 2021-22 to 2024-25		Outcomes to be achieved (to be specified at WY level)
		Total Funding Required (£m's)	Proposed gainshare contribution (£m's)	
	Mayoral team and elections costs	11.75	11.75	
	Capacity and pipeline development funding – to be set against specific IP outputs.		11.4	As below

IP1 - Good Jobs and Resilient Businesses (including entrepreneurialism)	Strategic Inward Investment Fund (SIIF) Implement Business Productivity & Resilience Plan, Innovation Framework and Health Tech Strategy and trade strategy interventions Deliver enhanced WY Innovation Festival (inc digital skills focus) Design and launch Mayoral Challenge Competition and Implement Community Wealth Building options	107	21.5	Create good work Businesses innovate and export. Increase employer and individual investment in skills. Upskill those out of work. Create resilient supply chains. Increase the size of the WY business base Reduce levels of deprivation. Safeguard jobs and create new job opportunities. Connect vulnerable groups and deprived communities to economic opportunity. Improve skills and boost employment in growth sectors.
IP2 - Skills and training for people	Inclusive Growth programmes incl fair work charter Implement Green Jobs delivery plan and manage Green Jobs Gateway Pipeline of proposals for key priority sectors and groups Develop approach and proposals for a Digital Academy and Digital Skills Plan and support LDSP	115	21	Safeguard jobs and create new job opportunities. Support individuals to access learning through different formats and settings. Support new ways of curriculum delivery. Enable communities to become more resilient and sustainable. Employers manage job design and skills so that organisations can build resilience to change.
IP3 - Creating Great Places and Accelerated Infrastructure	Reducing Flooding and pre-empting /mitigating impacts including small scale projects to businesses Place-based regeneration/ community assets including urban design, places for people etc. Delivering housing including sustainable and affordable	180	12	Create healthier, positive and greener places. Accelerate the transformation of our towns and cities into successful, resilient, sustainable places. Strengthen existing places Increase flood resilience and enhance property level flood resilience for businesses Create new, future-proofed, well-designed developments. Increase access to gigabit-capable broadband in hard to reach and/or rural areas. Reduction in fuel poverty.
IP4 - Tackling the Climate Emergency and Environmental Sustainability	Implementation of proposals in West Yorkshire Climate and Environment Plan (2021 – 2024)	85	40	Reduction in regional emissions across all sectors of the economy. Recovery and enhancement of nature. Support the development of local supply chains, jobs and skills. Affordable and low carbon homes, energy efficient workplaces. Reduction in the proportion of households in fuel poverty. More local, clean, and flexible energy Reduction in energy and fuel costs. The region is resilient to the impacts of a changing climate. Improved health and productivity.
IP5 - Future Transport	Bus reform / BSIP / EP and Tendered bus services TCF High scenario Mass transit Transport Connectivity Strategy pipeline in particular, active travel programme and bus priority Maintenance of assets – CA and LA highways	2059	58	Transform access for our communities of persistent poverty to employment opportunities and skills centres. Improved air quality and reduction in car dominance. Ensure that people are enabled to make sustainable travel choices from housing and employment sites. Enhancements in ticketing and information An affordable, simple, integrated and accessible system for people to travel anywhere by public transport. Passenger growth on bus, rail and future transport networks. Bus is effective and affordable mode. Enhanced customer satisfaction with public transport.
IP6 - Culture and Creative Industries	Programme support for pan-WY activities including developing and implementing a pipeline of potential interventions Bespoke cultural community programmes Bringing buildings into creative use / prep work for film studio of north	26.4	11.5	Culture embedded within all place-based work and place planning. Culture is recognised and developed for its role in supporting the visitor economy. Cultural and creative businesses and their supply chains are developed and supported to maximise their potential. More people are actively engaged in cultural activity. Increase in employment in culture, sport and arts roles. Cultural activity that promotes clean growth and sustainability is developed and promoted.
		2584.15	187.15	

- 2.9 Investments with the highest potential contribution to the region’s targeted objectives and outcomes will be supported, with places and priorities expected to benefit in different ways and at different times over the investment period. In addition, there is collective agreement that we need to ‘level up’ West Yorkshire. It is expected that as programmes and projects are developed, they will be targeted at areas of need. Work is underway to explore how data and evidence, combined with local knowledge, can be used to target programmes towards areas of untapped potential effectively.
- 2.10 Once pipelines have been developed and the future capital funding requirements is understood, further work will be undertaken regarding how future gainshare allocations could be used to enable borrowing. This will enable the region to reap the benefits of having negotiated a large proportion of the gainshare as revenue.
- 2.11 During partnership discussions, it has been identified that there are significant capacity restraints across the region. Additional capacity is required within both the Combined Authority and the Local Authorities in order to develop a comprehensive pipeline of schemes and interventions to meet the ambitious collective priorities and objectives and ensure key outcomes are met. Robust pipelines are not just important to maximise future gainshare and to identify future borrowing needs, but are also key to ensure the region is in a strong position for future external funding, further devolution and government spending rounds.
- 2.12 To progress work to deliver this, indicative funding of up to £11.4m over the financial years 2022/23-2024/25 is requested to boost capacity and enable scheme and pipeline development to be undertaken. It is proposed that this funding would be split equally between the five Local Authorities and the Combined Authority with flexibility to spend across the three years in the most appropriate way for the organisation.
- 2.13 Capacity funding is expected to help facilitate and support the creation of new jobs across the partners, which will support delivery of the six Investment Priorities of the WYIS by increasing resources to:
- develop and accelerate a pipeline of activity at a local and sub regional level including development of intelligence led business cases for programme development where necessary, particularly in advance of 2023 funding end dates.
 - develop, plan, model and design wider area interventions to unlock development sites eg, for affordable housing and/or commercial use including the promotion of active travel, modal shift and public transport integration helping to address the climate emergency and reduce inequalities.
 - strengthen strategic relationships with key stakeholders – including partnership work between the local authority partners and the Combined Authority to enhance strategy and policy development.
 - fund additional technical consultancy, for example, to support design, planning applications and procurement of key infrastructure, as required.

- undertake primary and secondary research, providing a robust baseline of evidence and intelligence, to better understand the opportunities, gaps and impact of collective and individual interventions (annual assessments).
- provide resources to improve the interpretation of data and intelligence locally and at a regional WY level, to monitor, evaluate and challenge project delivery or to use this intelligence to update and strengthen new strategy and policy frameworks alongside pipeline project development.
- develop activity to build an inclusive economy, taking forward initiatives based on initial pilot work, including spatially focused activity.
- develop new approaches that embed fair work, inclusive economy and community wealth building and which lever in social value.
- improve local and regional propositions to attract external funding.

2.14 If the Combined Authority approves the recommended allocations, officers will further develop the propositions, with more detail on the delivery model and costings, to allow the projects to be assessed in line with the Combined Authority's Assurance Framework. This is with a view to additional capacity being in place as soon as is practically possible.

3. Tackling the Climate Emergency Implications

3.1 Tackling the Climate Emergency is at the heart of the SIF and WYIS as a key investment priority. All programmes will consider the carbon impacts as they are developed and taken through the Assurance Process.

4. Inclusive Growth Implications

4.1 Inclusive growth is core within the Investment Priorities of the West Yorkshire Investment Strategy to ensure everyone benefits from the investments made across the region. As such the schemes which are brought forward will be assessed to ensure they have considered the inclusive growth implications.

5. Equality and Diversity Implications

5.1 Reducing inequality is a cross cutting theme within the Investment Priorities of the WYIS to ensure that investments made across the region support equality and diversity. Equality Impact Assessments will be undertaken as part of scheme development to ensure that at schemes progress through Assurance Framework equality, diversity and inclusion is given due regard.

6. Financial Implications

6.1 Capacity funding sought is intended, at this stage, to be drawn from the Single Investment Fund. This will be confirmed when the projects' full proposal comes forward or the projects would not progress.

7. Legal Implications

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

8. Staffing Implications

8.1 The additional funding would allow for increased capacity within the Combined Authority and Local Authorities. Further details will be provided and approved, as the project passes through the Assurance Framework.

9. External Consultees

9.1 No external consultations have been undertaken.

10. Recommendations

10.1 That the Combined Authority indicatively approves the revenue funding envelopes (detailed at para 2.8) to the Investment Priorities within the WYIS for the financial years 21/22-24/25. Full approvals to spend will be granted once pipelines of projects have been developed. All schemes and pipeline will be progressed through the assurance process in line with the Combined Authority's Assurance Process.

10.2 That the Combined Authority indicatively approves £11.4m funding from the Single Investment Fund to the Combined Authority and Local Authorities to support capacity issues and enable pipeline development work to be undertaken against the Investment Priorities. Full approval to spend will be granted once the project has progressed through the assurance process in line with the Combined Authority's Assurance Process.

10.3 That the Combined Authority delegates to the Finance, Resources and Corporate Committee, the approval for programme to pass through Decision Point 2, totalling no more than £11.4m of funding from the Single Investment Fund.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Gainshare approvals to date

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	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £	Funding Type	Status	Approval
Balance brought forward from previous year	0	0	(23,643,396)	(51,793,396)	(79,943,396)			
Allocation - Revenue	(28,500,000)	(28,500,000)	(28,500,000)	(28,500,000)	(28,500,000)			
Allocation - Capital	(9,500,000)	(9,500,000)	(9,500,000)	(9,500,000)	(9,500,000)			
Funding Committed:								
MCA Ready (predominantly 2021 election costs)	3,000,000	1,750,000				Revenue	Full Approval	6 February 2020 and 4 February 2021 - Combined Authority
Support for COVID Local Authority Economic Recovery Plans	5,000,000					Revenue	Full Approval	4 February 2021 - Combined Authority
[Re]boot (adult re-skilling programme)	6,000,000					Revenue	Full Approval	3 February 2021 - Investment Committee
Employment Hub (employment brokerage programme)	7,500,000					Revenue	Full Approval	3 February 2021 - Investment Committee
Economic Recovery - Entrepreneurship programme (encouraging individuals to establish their own enterprise)	6,000,000					Revenue	Full Approval	8 June 2021 - Investment Committee
Economic Recovery - Health Innovation (collaboration towards a 'virtual healthtech cluster')	200,000					Revenue	Full Approval	8 June 2021 - Investment Committee
Economic Recovery - Net Zero Region Accelerator (accelerate measures to tackle the climate emergency)	800,000					Revenue	Full Approval	8 June 2021 - Investment Committee
Transforming Cities Fund - High Scenario	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	Capital	Indicative Approval	27 July 2020 - £140m indicatively approved, with some amounts being fully approved as the projects come forward*
Creative New Deal		310,000				Revenue	Full Approval	22nd October 2021 - Combined Authority
Beyond Bronte programme		190,000				Revenue	Full Approval	22nd October 2021 - Combined Authority
Begin Bus Franchising assessment incl legal & commercial advice		1,000,000				Revenue	Full Approval	6th January 2022 - Combined Authority
Develop and embed Fair Work Charter		200,000	200,000	200,000		Revenue	Full Approval	3rd Nov 2021 - Combined Authority
Green Jobs Taskforce and Gateway		500,000				Revenue	Full Approval	22nd October 2021 - Combined Authority
Support Loal Business (programme development)		500,000				Revenue	Full Approval	3rd Nov 2021 - Combined Authority
Inclusivity Champion role and inclusive growth pipeline development		100,000	150,000	150,000		Revenue	Indicative Approval	29th July 2021 - Combined Authority
Greener Together		306,604					Indicative Approval	9th December 2021 - Combined Authority
Total to carry forward to following year	0	(23,643,396)	(51,793,396)	(79,943,396)	(108,443,396)			

* Funding for TCF high scenario assumes Gainshare capital ringfenced for 5years - after which borrowing will be required.

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Report to: West Yorkshire Combined Authority

Date: 3 February 2022

Subject: **Transport Committee Review**

Director: Dave Pearson, Director Transport & Property Services

Author: Richard Crabtree, Rail Development 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 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this report

- 1.1 To update Combined Authority members on the Transport Committee Review, including proposed next steps.
- 1.2 To seek agreement in principle to the proposed Transport Committee terms of reference, membership, and role profiles for consideration by the Independent Remuneration Panel.

2. Information

Transport Committee Review

- 2.1 At its meetings in March and April 2021 the Combined Authority agreed the principle of governance changes as part of the transition to a Mayoral Combined Authority. These changes were implemented at the Annual Meeting in June 2021. Links to the relevant papers are provided in **Background Documents** section.
- 2.2 The changes resulted in the establishment of:
 - new thematic decision-making committees, chaired by the relevant Combined Authority Portfolio Holder, and with a membership

comprising relevant Constituent Council portfolio holders, LEP members and private sector and advisory members; and

- a new 16-member Transport Scrutiny Committee, alongside Corporate Scrutiny and Economy Scrutiny committees.

2.3 The Transport Committee Review was initiated in the context of these changes. The agreed scope is to:

- review the Terms of Reference of the Transport Committee and Scrutiny Committee to ensure no overlap;
- review membership and arrangements to ensure distinctive roles of the two committees, and make recommendations as to changes;
- review the role of District Consultation Sub-Committees; and
- give options for when these changes could be brought into effect – but not impacting on any appointments made for the 2021/22 municipal year.

2.4 The extent of and non-discretionary nature of the Mayor's and Combined Authority's transport powers mean it is appropriate to consider a bespoke set of arrangements for Transport Committee different from those applying to the other thematic committees.

2.5 The Mayor's and Combined Authority's transport powers are set out in Part 3 of the Constitution of the West Yorkshire Combined Authority; a link is provided in **Background Documents**.

2.6 An earlier update on the Transport Committee Review, and the issues under consideration was reported to Transport Committee at its September 2021 meeting (see **Background Documents**).

Current arrangements

2.7 Transport Committee has a structural legacy stemming from the previous Integrated Transport Authority governance and embodies advisory, decision making and scrutiny roles. The two Lead Members receive direct officer support and perform a range of duties between the normal cycle of meetings, including (but not limited to) regular structured engagement with a range of industry and transport provider partners. These roles, particularly the Lead Member Public Transport, are substantial and require regular commitment to the Combined Authority's transport activity.

2.8 The Committee's main strategic roles are advisory to the Mayor and Combined Authority, and it performs a valuable role in shaping policy development. The Committee's operational roles are mainly carried out through monitoring transport network activity, and through the activity of the Lead Member Public Transport. Its scrutiny role is performed principally through the Leader of the Opposition role on the Committee.

2.9 Whilst Transport Committee has some delegation in respect of the Combined Authority's transport capital investment programmes, this is relatively limited and generally not called upon at present. Regular transport capital programme updates are provided for information.

- 2.10 Transport Committee consists of a member of the Combined Authority, 15 members co-opted from Constituent Councils, a member co-opted from City of York Council, and two LEP Board members. Current membership and roles are shown at **Appendix 1**. This arrangement has secured broad member engagement in the transport activity of the Combined Authority and its predecessors.
- 2.11 Members of Transport Committee co-opted from the Constituent Councils (i.e. Bradford, Calderdale, Kirklees, Leeds and Wakefield) receive remuneration under the Combined Authority's Members' Allowances Scheme, as detailed in Part 6 of the Constitution (see **Background Documents**). Under that scheme members cannot receive an allowance from more than one authority for carrying out their duties.
- 2.12 Transport Committee has five District Consultation Sub-Committees (DCSCs), one per Constituent Council area. These are formal committees, chaired by a relevant Transport Committee member, with a membership consisting of elected members and nominated members of the public. The DCSCs have a consultation remit in respect of users of local public transport and facilities and an advisory role to Transport Committee.

Review process

- 2.13 The Review is internal. The Chair of Transport Committee has held discussions with key members of Transport Committee, the Chairs of the Transport and Corporate Scrutiny committees, and the transport portfolio holders from the Constituent Councils to understand expectations for the Review.
- 2.14 Officers have also undertaken research and had informal discussions with colleagues in other Mayoral Combined Authority areas regarding the operation of transport governance.

Lessons from other Combined Authority areas

- 2.15 The proposals are informed by lessons and experience from other Combined Authority areas that have transitioned from Integrated Transport Authority (ITA) arrangements.
- 2.16 Most (but not all) former ITA areas have retained some form of Transport Committee. However, there is a wide variation of practice, and no standard model has evolved.
- 2.17 The main points and lessons are:
- To ensure clarity of purpose, particularly in respect of strategic, operational and scrutiny roles.
 - The value of directly involving Constituent Council transport portfolio holders in securing co-ordination.

- Not to underestimate the value of Transport Committee members in securing local engagement in, and accountability for, Combined Authorities' 'frontline' transport roles.
- The importance of ensuring that transport-related governance does not become unwieldy.

2.18 Reference has also been made to work undertaken by the Centre for Governance and Scrutiny in combination with the Combined Authorities Network on transport governance in combined authorities (see **Background Documents**). This work confirms the main points and lessons above and highlights the importance of strong transport governance in making the case for further devolution of transport funding and powers.

Proposals

Proposed future role of Transport Committee

- 2.19 The new context for the Combined Authority and Mayor, including the Mayor's suite of pledges, means an evolving and growing prospective role for Transport Committee in:
- **Bus reform** delivering the Mayor's pledge to return buses to public control, including development of the Enhanced Partnership and the assessment of the case for franchising.
 - **Mass Transit** development and implementation, which is a substantial new area of work for the Combined Authority.
 - **Rail reform**, including defining West Yorkshire's local role in the rail network as the Williams-Shapps Plan for Rail proposals are implemented.
 - **Key Route Network** powers and responsibilities.
 - **Multi-modal integration**, including a growing role in promoting active travel choices as part of an integrated transport network for West Yorkshire.
- 2.20 This highlights the importance of ensuring Transport Committee is fit for purpose, and to secure effective co-ordination between the transport roles of the Combined Authority (particularly as local transport authority) and those of the Constituent Councils (particularly as highway authorities).
- 2.21 Further announcements of transport-related capital programmes, most recently for the City Region Sustainable Transport Settlement, means there will also be an increasing emphasis on capital transport programme development, approvals and monitoring. Co-ordination of this activity is important. It is proposed that Transport Committee will take an active role in overseeing capital programmes as part of these proposals, which is currently overseen by other thematic committees (notably the Place, Regeneration and Housing Committee).

- 2.22 The Review proposes a membership framework for Transport Committee that realises a clear executive role in the Combined Authority's transport activity¹. The proposed terms of reference would extend the Committee's remit to management and oversight of transport capital programmes, with a level of delegation from the Combined Authority that matches that of the other thematic committees.
- 2.23 The proposed membership framework for Transport Committee is set out at **Appendix 1**, with a comparison with the existing arrangements. Proposed role profiles are set out at **Appendix 2**. An indicative Terms of Reference is set out at **Appendix 3**. The terms of reference is set out in the same format adopted for the other thematic committees. The terms of reference will be put forwards for approval at the Annual Meeting in common with the practice for the other thematic committees.
- 2.24 The main changes proposed are:
- Incorporation of Constituent Council transport portfolio holders as voting members of the Committee, to secure more effective co-ordination between the transport functions of the Combined Authority and Constituent Councils.
 - Introduction of the role of Transport Engagement Lead, one co-opted from each Constituent Council. These roles replace the current District Consultation Sub Committee Chair roles, alongside removal of District Consultation Sub Committees as sub-committees of the Transport Committee.
 - Removal of the roles of Lead Member Public Transport and Lead Member Active Travel; replaced by two consolidated roles of Deputy Chair.
 - Removal of the role of Leader of the Opposition on Transport Committee. This supports the objective of securing distinct roles for Transport Committee and Transport Scrutiny Committee, which is chaired by a member from a political party different to the Mayor.
 - Introducing a voting role for one of the two LEP Board co-optees, in common with the other thematic committees to embed a private sector voice in the work of the Committee.
- 2.25 To maintain the input of a range of members from across West Yorkshire in the business to the Committee, it is proposed to retain the current balance of members across each Constituent Council and to add the transport portfolio holders from each Constituent Council as voting members of the Committee. In addition, two Deputy Chair roles with prescribed roles to support the Mayor and the Chair are included.
- 2.26 The Deputy Chair roles are substantial positions with a significant workload, recognising the growing scope and depth of the Combined Authority's transport activity. They will have an important role in supporting the Mayor and the Chair of the Committee. The nominations to the Deputy Chair roles

¹ Certain functions are reserved to the Mayor or Combined Authority, where Transport Committee's role will remain advisory. These are set out in Part 3 of the West Yorkshire Combined Authority Constitution.

will be agreed by the Combined Authority in consultation with the Mayor at its Annual Meeting. The remit of each Deputy Chair will be agreed from year-to-year to secure a balance of anticipated workloads.

- 2.27 The role profiles at **Appendix 2** set out in detail the expectations for each role at the Committee. The Transport Engagement leads will focus on securing local engagement in the transport activity of the Combined Authority as local transport authority, including through regular activity between meetings. The respective Constituent Council transport portfolio holders will secure increased co-ordination at the Committee of the Combined Authority's transport activity with the activity of the West Yorkshire highway authorities.
- 2.28 No advisory members are proposed, which is a variance from the model adopted for the other thematic committees. This is justified by the mature established network of industry and partner engagement that already exists, which is captured as part of the role profile attached to the Deputy Chairs. Partners will continue to be invited to contribute to Transport Committee meetings as required by the agenda, in line with current practice.
- 2.29 At present, the objective is for co-opted membership of Transport Committee drawn from the West Yorkshire Constituent Councils to broadly reflect the political composition of elected members in West Yorkshire, on a non-statutory basis. Under this proposal the Councils will nominate to the co-opted roles of Transport Engagement Lead and Ordinary Member as it sees fit.

Proposed future role of Transport Scrutiny Committee

- 2.30 The Review has focused on amending the role and membership of Transport Committee. The result is a set of proposals that consolidates transport scrutiny functions with the Transport Scrutiny Committee. This is intended to secure distinct roles for each committee, which can then focus on discharging those roles most effectively.
- 2.31 The Review does not identify any changes to the membership or terms of reference of Transport Scrutiny Committee necessary to achieve a distinct role for it in respect of Transport Committee. A copy of the existing Terms of Reference is provided at **Appendix 4** for reference.

Proposal for District Consultation Sub-Committees

- 2.32 The proposal is to remove the District Consultation Sub Committees (DCSCs) as part of the formal governance arrangements. It has continued to prove difficult to recruit public members that are representative, despite concerted efforts to promote wider participation. This model (which has its origins in the former Passenger Consultative Committees) has reached its limits, particularly considering much higher expectations for effective consultation and engagement, including the availability of multiple potential consultation channels.

- 2.33 However, it will be beneficial to have a less formal approach to engagement between the Transport Committee and other local members, stakeholders and interested members of the community. It is therefore proposed to retain these benefits by making it part of the role of the Transport Engagement Leads to facilitate local engagement, including via open local transport engagement forums at least twice per year, and for main issues arising to be recorded at Transport Committee. Combined Authority officers will support this role, with some freedom to tailor approaches in each Constituent Council area. It is suggested that relevant members of the Transport Scrutiny Committee are standing invitees to the local transport forums. These arrangements will end the formal role of DCSCs as sub-committees of Transport Committee.
- 2.34 Formal consultation, when required, will be carried out via the Combined Authority's consultation channels, which are designed to secure the views of a wide range of participants, and which seek to ensure all sections of the community are heard. The Combined Authority hosts all activity on a digital engagement hub, 'Your Voice' (see **Background Documents**), and people can register to be kept informed about upcoming projects. Digital consultation is complemented by a range of off-line methods to ensure accessibility for everyone. The Combined Authority is continuing to develop its consultation methods to ensure this objective is met. The recent consultation on the Connectivity Infrastructure Plan, for example, secured over 8,700 responses, and achieved a 'reach' of over 440,000 people via social media. The Consultation and Engagement team have carried out 50 consultations in 2021, with the majority of them being transport related.
- 2.35 Local transport engagement forums will be one channel available for consultation, but without the current expectation that they are the primary consultation channel for local public transport matters.

Next steps

- 2.36 Subject to agreement in principle of the proposed changes, it is recommended that an Independent Remuneration Panel (IRP) is convened to assess the level of allowances paid to the qualifying co-opted membership, comprising the Deputy Chairs, Transport Engagement Leads and Ordinary Members. The Transport Committee Chair and respective Constituent Council transport portfolio holders receive allowances from their Councils and would not be remunerated for their roles on the Committee. The IRP's review will be reported back to the Combined Authority at its meeting in March 2022 to seek final approval of the new arrangements and thus allow for their implementation for the 2022/23 municipal year.
- 2.37 Alongside, detailed operational proposals will be developed so that the package of changes can be worked up for implementation as part of the annual governance changes and nominations approved at the Annual Meeting in June 2022, for the 2022/23 municipal year.

2.38 Operational matters to be worked up include:

- The frequency and duration of meetings to ensure effective management of the workload.
- Proposals to manage meetings to ensure a balance of focus between transport policy, operational matters, and transport capital programme.
- Proposals to adapt existing officer support structures, including to ensure effective support to the Deputy Chairs and the Transport Engagement Leads.

3. Tackling the Climate Emergency Implications

3.1 The Review provides a mechanism to better integrate transport related Constituent Council Portfolio Holders into the Transport Committee's decision making, including by introducing them as voting members. This is intended to improve collaboration between the transport functions of the Combined Authority and Constituent Councils (particularly as Highway Authorities), with the intention of making decision making more effective. Co-ordination at this interface is essential for tackling the implications of the climate emergency, in which transport plays an important role. This will also deliver benefits for inclusive growth which relies on effective integration and co-ordination of initiatives.

3.2 The proposed terms of reference also draw out the important link between the Transport Committee and the Climate, Energy and Environment Committee.

4. Inclusive Growth Implications

4.1 The proposal retains and reinforces the roles of the LEP Board member co-optees on Transport Committee, including securing one as a voting member in line with the other thematic committees. This will ensure the voice of the private sector is embedded in the Committee's business.

5. Equality and Diversity Implications

5.1 A driver for the review of the role of the District Consultation Sub Committees has been a concern that the public members are not fully representative of the communities that the Combined Authority serves.

5.2 The alternative approach paves the way for ensuring that consultation takes place through multiple channels, that offers a wide range of opportunities for participation. The Review flags ongoing activity by the Combined Authority to ensure consultation and engagement across its activity is more inclusive.

6. Financial Implications

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

6.2 There will be subsequent financial implications once the outcome of the review by the Independent Remuneration Committee is known.

7. Legal Implications

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

8. Staffing Implications

8.1 The proposed changes will trigger a review of officer arrangements for supporting Transport Committee members. The new arrangements will require ongoing officer support, particularly to support the role of the Deputy Chairs, and to support the engagement activity of the Transport Engagement Leads.

9. External Consultees

9.1 The Transport Committee Review has been internal. However, officers had informal discussions with colleagues in other Mayoral Combined Authority areas, as set out at Section 2 above.

10. Recommendations

10.1 The Combined Authority **notes** the update on the Transport Committee Review.

10.2 That the Combined Authority **approves** in principle the proposed future role for Transport Committee set out at paragraphs 2.19 to 2.29.

10.3 That the Combined Authority **approves** in principle the proposed membership, role profiles and indicative terms of reference contained in Appendices 1, 2, and 3 respectively.

10.4 That the Combined Authority **approves** the recommendation to convene an Independent Remuneration Panel to assess the level of allowances paid to the Deputy Chairs, Transport Engagement Leads, and Ordinary Members.

10.5 That a **further report** be submitted to the Combined Authority following receipt of the recommendations of the Independent Review Panel seeking approval of the new arrangements for Transport Committee in line with the next steps set out at paragraphs 2.36 to 2.38.

11. Background Documents

Future Scrutiny Arrangements, Item 13, West Yorkshire Combined Authority meeting, 9 March 2021. Available here:

<https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CIId=133&MIId=1070>

MCA Committee Arrangements, Item 9, West Yorkshire Combined Authority, 22 April 2021. Available here:
<https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CIId=133&MIId=967>

Committee Arrangements and Appointments, Item 7, West Yorkshire Combined Authority, 24 June 2021. Available here:
<https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CIId=133&MIId=968>

Transport Committee Review, Item 12, Transport Committee, 17 September 2021. Available here:
<https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CIId=138&MIId=1126>

The West Yorkshire Combined Authority Constitution can be accessed online via this link: <https://www.westyorks-ca.gov.uk/about-us/governance-and-transparency/governance-information-for-the-combined-authority/>

“Transport Governance in Combined Authorities”, April 2020. A report by the Centre for Governance and Scrutiny, available here:
<https://www.cfgs.org.uk/?publication=transport-governance-in-combined-authorities>

The **‘Your Voice’** consultation hub can be accessed online via this link:
<https://www.yourvoice.westyorks-ca.gov.uk/>

12. **Appendices**

Appendix 1 – Existing and proposed membership

Appendix 2 – Proposed role profiles

Appendix 3 – Proposed indicative terms of reference

Appendix 4 – Existing Terms of Reference of Transport Scrutiny Committee (provided for information)

Transport Committee: Existing membership framework

19 members distributed as follows -

Member			Member				
Member		Member <i>(Leader of Main Opposition Group in 2021/22)</i>	Member				
Member	Member	Member <i>(Lead Member Active Travel in 2021/22)</i>	Member <i>(Lead Member Public Transport and Deputy Chair in 2021/22)</i>	Member			LEP Board member *
DCSC Chair	DCSC Chair	DCSC Chair	DCSC Chair	DCSC Chair	York Transport Portfolio Holder – York Council *	Chair / CA Portfolio Lead for Transport	LEP Board member *
Bradford	Calderdale	Kirklees	Leeds	Wakefield	York	West Yorkshire	LCR Enterprise Partnership

Notes:

- The Combined Authority Portfolio Lead for Transport is a member of the Committee and is the Committee Chair (shown in green). All other members are co-opted.
- The 15 co-opted members from West Yorkshire constituent councils are remunerated by the Combined Authority (shown in pale blue), under the Combined Authority’s Members’ Allowances Scheme.
- The Combined Authority Portfolio Lead for Transport / Chair (shown in green) and York Transport Portfolio Holder (shown in dark blue) are not remunerated by the Combined Authority because the postholders are separately remunerated. LEP Board members (shown in orange) are not remunerated.
- The following roles are assigned from amongst the 15 co-opted members from West Yorkshire constituent councils:

1x Lead Member Public Transport and Deputy Chair 1x Lead Member Active Travel 1x Leader of Main Opposition Group 5x Chair of District Consultation Sub-Committee (1 per West Yorkshire constituent council area)	}	The distribution of these roles in the 2021/22 municipal year is shown above in italics
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- Non-voting members are indicated by an asterisk, as follows:
 - York Transport Portfolio Holder (shown in dark blue)
 - the LEP Board members (shown in orange).

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Transport Committee: Proposed membership framework

26 members distributed as follows

Ordinary member				Ordinary member			
Ordinary member		Ordinary member	Ordinary member	Ordinary member			
Ordinary member	Ordinary member	Ordinary member	Ordinary member	Ordinary member		Deputy Chair	
Transport Engagement Lead	Transport Engagement Lead	Transport Engagement Lead	Transport Engagement Lead	Transport Engagement Lead		Deputy Chair	LEP Board member
Transport Portfolio Holder – Bradford Council	Transport Portfolio Holder – Calderdale Council	Transport Portfolio Holder – Kirklees Council	Transport Portfolio Holder – Leeds Council	Transport Portfolio Holder – Wakefield Council	Transport Portfolio Holder – York Council *	Chair / CA Portfolio Lead for Transport	LEP Board member *
Bradford	Calderdale	Kirklees	Leeds	Wakefield	York	West Yorkshire	LCR Enterprise Partnership

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Notes:

1. The Combined Authority Portfolio Lead for Transport is a member of the Committee and is the Committee Chair (shown in dark green). All other members are co-opted.
2. The following roles held by co-opted members from West Yorkshire constituent councils are proposed for remuneration by the Combined Authority (shown in pale blue):
 - 2x Deputy Chair
 - 5x Transport Engagement Lead
 - 10x Ordinary members
3. The Combined Authority Portfolio Lead for Transport / Chair, Transport Portfolio Holders from West Yorkshire constituent councils (shown in pale green) and York Transport Portfolio Holder (shown in dark blue) are not remunerated by the Combined Authority because the postholders are separately remunerated. LEP Board members (shown in orange) are not remunerated.
4. Non-voting members are indicated by an asterisk, as follows:
 - York Transport Portfolio Holder (shown in dark blue)
 - One of the LEP Board members (shown in dark orange)

WEST YORKSHIRE COMBINED AUTHORITY TRANSPORT COMMITTEE

PROPOSED ROLE PROFILE: CHAIR

Role occupied by Combined Authority Portfolio Lead for Transport.

Purpose

The main purpose of the Chair is to:

- Chair and manage the business of the Transport Committee in accordance with its Terms of Reference, the Constitution of the Combined Authority and with the Members Code of Conduct and with the highest standards of legal and ethical behaviour and probity.
- To ensure that meetings are effectively and inclusively conducted in line with the agreed agenda.
- Ensure an effective link between the Combined Authority and Transport Committee, as the Combined Authority's Transport Portfolio Holder.
- Together with the relevant Local Enterprise Board member, act as a link between Transport Committee and the activity of Transport for the North, where relevant.

Key duties and responsibilities

The main duties and responsibilities of the Chair are to:

- Lead the work of the Committee and ensure it carries out its business effectively and efficiently within its terms of reference and in liaison with other Members and Officers.
- Maintain a strong working relationship with the Mayor and Deputy Chair on transport matters.
- Maintain effective working relationships with Officers of the Combined Authority including attendance at meetings outside the cycle of Transport Committee.
- Liaise with Officers and the Deputy Chair in setting the agenda for meetings of the Committee
- Chair meetings of the Committee impartially and in such a way as to facilitate open discussion and fair and respectful debate.
- Oversee in conjunction with Officers that the meeting is quorate.
- Ensure that the meeting commences at the specified time, that it proceeds in a focused and timely manner without undue delay or disruption and is closed appropriately at the conclusion of the formal meeting business.
- Welcome Members and Officers to meetings and in the case of unfamiliarity make any appropriate introductions of meeting participants.
- Request and receive apologies for absence and nominations of alternative Members.
- Request and receive any declarations of interest of Members.
- Sign the minutes of the previous meeting following approval by the Committee.

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- Follow the Chair's Note where provided and introduce each agenda item and ask appropriate Officers to present the submitted report or comment otherwise on the item.
- Invite Members to speak on items where they have indicated that they wish to do so and encourage equal participation and contribution from all Members.
- Ensure clarity and understanding amongst Members and summarise any discussion held on an item of business, in particular where the issue is complex.
- Ensure, following the discussion on any item, that the Committee is aware of any recommendations of Officers.
- Promote where possible the generation of consensus amongst Members.
- Exercise control over Members acting inappropriately or in a disorderly manner and if necessary, putting forward a motion to remove them from the meeting.
- Warn and if necessary, take the appropriate action to exclude unruly Members of the public.
- Call for the adjournment of meetings if circumstances require and to make the required arrangements for the resumption of proceedings ensuring that all Members are aware of such arrangements.
- Monitor the outcome of Committee decisions and any follow up action points.

Key skills and knowledge

Key skills and knowledge required of the Chair are:

- Good leadership skills.
- Chairing skills including the ability to manage conflict and promote consensus.
- Good listening and questioning skills.
- Good presentation and public speaking skills.
- The ability to build effective relationships within and outside the Combined Authority.
- Knowledge of the Combined Authority Constitution, Members Code of Conduct and Terms of Reference of the Transport Committee.

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WEST YORKSHIRE COMBINED AUTHORITY TRANSPORT COMMITTEE

PROPOSED ROLE PROFILE: DEPUTY CHAIR

Two roles.

This role profile is in addition to the Ordinary Member role profile, as appropriate.

On an annual basis a thematic role for each Deputy Chair will be agreed, and the duties and responsibilities listed below shared as appropriate, with the objective of securing a balanced and manageable workload for each.

Purpose

The main purpose of the Deputy Chairs is to:

- Support the leadership role of the Mayor on local transport matters in West Yorkshire, with a particular focus on the Combined Authority's transport related delivery roles.
- Support the leadership role of the Chair and Combined Authority Portfolio Lead for Transport, including to facilitate effective decision making on transport matters through consensus building across partners in West Yorkshire.
- Act as a member lead for the Combined Authority's day-to-day relationships with transport operators and other key partner organisations as relevant.

Key duties and responsibilities

The main duties and responsibilities of the Deputy Chairs are to:

- Correspond regularly with the Transport Engagement Leads and Transport Portfolio Holders to maintain a good working knowledge of local transport matters across West Yorkshire, as relevant.
- Maintain a close and effective relationship with the Mayor in respect of local transport matters to actively support the Mayor's transport role, including to facilitate consensus building on transport objectives and priorities across West Yorkshire.
- On behalf of the Mayor and Combined Authority Portfolio Lead for Transport, develop, maintain, and lead strong working relationships with transport providers and partner organisations. This will include attendance at and offering political input into multi-operator meetings with a West Yorkshire focus, including from time-to-time chairing these sessions at the request of the Mayor or Combined Authority Portfolio Lead for Transport. At present these meetings include:
 - West Yorkshire Bus Alliance
 - Bus Expert Panel
 - Train Operators' Forum
 - Rail Expert Panel
 - West Yorkshire Strategic Rail Partnership
- Attending and leading political input to transport related forums and working groups as might exist from time to time, including regular contact with Combined Authority Officers. At present this includes:
 - Decarbonisation and Emissions Working Group
 - Active Travel Working Group
 - Local Bus Working Group

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- Mass Transit Working Group
- TransPennine Route Upgrade Working Group
- Act as Chair of the Transport Committee when the Chair is unavailable.
- Together with the Chair, liaise with Officers to influence the agenda of Transport Committee meetings.
- In advance of meetings, establish personal familiarity with and understanding of matters and documents to be considered by Transport Committee.

Key skills and knowledge

Key skills and knowledge required of the Deputy Chairs are:

- Excellent leadership skills.
- The ability to identify challenges and to build consensus amongst partners to secure effective decision-making.
- Specific knowledge and understanding of the different transport roles and functions of the Mayor, Combined Authority, and the Constituent Councils.

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WEST YORKSHIRE COMBINED AUTHORITY TRANSPORT COMMITTEE

PROPOSED ROLE PROFILE: TRANSPORT ENGAGEMENT LEAD

Five roles, one per Constituent Council area.

This role profile is in addition to the Ordinary Member role profile, as appropriate.

Purpose

The main purpose of the Transport Engagement Lead is to:

- Act as a representative of the Combined Authority and the Mayor on local transport matters in the respective Constituent Council area.
- Act as a local engagement lead on local transport matters in the respective Constituent Council area, to ensure local engagement in the Combined Authority's transport activity.
- Facilitate effective joint working between the Combined Authority and the respective Constituent Council on transport matters, in partnership with the respective Portfolio Holder.

Key duties and responsibilities

The main duties and responsibilities of the Transport Engagement Lead are to:

- Attend meetings of the West Yorkshire Transport Committee.
- Maintain effective working relationships with Officers of the Combined Authority including attendance at meetings outside the cycle of Transport Committee.
- Hold and lead a minimum of two regular open local transport forums in the respective Constituency Council area to secure engagement in the local transport activity of the Combined Authority, including amongst local elected representatives, respective members of the Transport Scrutiny Committee and other local stakeholders and community groups.
- Report back to Transport Committee a summary of the main finding of local transport forums.
- Correspond regularly with the Deputy Chair to ensure that the Deputy Chair maintains a good working knowledge of local transport matters across West Yorkshire.
- Maintain an effective working relationship with the respective Portfolio Holder for the Constituent Council.

Key skills and knowledge

Key skills and knowledge required of the Transport Engagement Lead are:

- Good leadership skills.
- Good listening and questioning skills.
- The ability to build effective relationships within and outside the Combined Authority.
- Knowledge of the Combined Authority Constitution, Members Code of Conduct and Terms of Reference of the Transport Committee.

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WEST YORKSHIRE COMBINED AUTHORITY TRANSPORT COMMITTEE

PROPOSED ROLE PROFILE: ORDINARY MEMBER

10 roles.

Purpose

The main purpose of Ordinary Members is to:

- Ensure that the business of the Transport Committee is informed by the broad range of transport issues, opportunities, and challenges across West Yorkshire.
- Secure broad engagement in the transport activity of the Combined Authority, including the fostering of joint working with the Combined Authority's Constituent Councils.
- Ensure effective transport policies and programmes are developed to meet the identified transport needs and agreed objectives for West Yorkshire.

It is not the purpose of Ordinary Members to review or scrutinise the transport activity of the Combined Authority; this role is undertaken by members of the Transport Scrutiny Committee.

Key duties and responsibilities

The main duties and responsibilities of Ordinary Members are to:

- Attend meetings of the West Yorkshire Transport Committee.
- Through active contributions to the Transport Committee's business, ensure that a range of relevant interests are being addressed by the Transport Committee.
- Maintain effective working relationships with Officers of the Combined Authority as necessary, including occasional participation in meetings and workshops to inform transport policymaking.
- Attend Member working groups that may be established on specific topics from time-to-time.
- Participate in the respective local transport forum activity managed by the Transport Engagement Lead.

Key skills and knowledge

Key skills and knowledge required of the Ordinary Members are:

- Good listening and questioning skills.
- The ability to build effective relationships within and outside the Combined Authority.
- Knowledge of the Combined Authority Constitution, Members Code of Conduct and Terms of Reference of the Transport Committee.

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WEST YORKSHIRE COMBINED AUTHORITY TRANSPORT COMMITTEE

PROPOSED ROLE PROFILE: CONSTITUENT COUNCIL TRANSPORT PORTFOLIO HOLDER

Five roles, one per Constituent Council.

Purpose

The main purpose of the Constituent Council Transport Portfolio Holder is to:

- Act as a representative of the respective Constituent Council at West Yorkshire Transport Committee.
- Facilitate effective joint working between the Combined Authority and the respective Constituent Council on transport matters, in partnership with the respective Transport Engagement Lead.

Key duties and responsibilities

The main duties and responsibilities of the Constituent Council Transport Portfolio Holder are to:

- Attend meetings of the West Yorkshire Transport Committee.
- Through contributions to the Transport Committee's business, ensure that opportunities are realised for co-ordination of the transport activity of the Combined Authority and respective Constituent Authority.
- Correspond regularly with the Deputy Chairs to ensure that the Deputy Chairs maintain a good working knowledge of local transport matters across West Yorkshire.
- Maintain effective working relationships with Officers of the Combined Authority including attendance at meetings outside the cycle of Transport Committee.
- Maintain an effective working relationship with the respective Transport Engagement Lead for the Constituent Council area.
- Attend as required any local transport forums organised by the respective Transport Engagement Lead.

Key skills and knowledge

Key skills and knowledge required of the Constituent Council Transport Portfolio Holder are:

- Good leadership skills.
- Good listening and questioning skills.
- The ability to build effective relationships within and outside the Combined Authority.
- Knowledge of the Combined Authority Constitution, Members Code of Conduct and Terms of Reference of the Transport Committee.

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WEST YORKSHIRE COMBINED AUTHORITY TRANSPORT COMMITTEE

PROPOSED ROLE PROFILE: CITY OF YORK TRANSPORT PORTFOLIO HOLDER

One role.

Purpose

The main purpose of the City of York Transport Portfolio Holder is to:

- Act as a representative of the City of York at West Yorkshire Transport Committee.
- Facilitate effective joint working between the Combined Authority and the City of York on transport matters.

Key duties and responsibilities

The main duties and responsibilities of the City of York Transport Portfolio Holder are to:

- Attend meetings of the West Yorkshire Transport Committee.
- Through contributions to the Transport Committee's business, ensure that opportunities are realised for co-ordination of the transport activity of the Combined Authority and the City of York, as necessary.
- Correspond regularly with the Deputy Chairs to ensure that the Deputy Chairs maintain a good working knowledge of local transport matters in the City of York, as necessary.
- Maintain effective working relationships with Officers of the Combined Authority including attendance at meetings outside the cycle of Transport Committee, as necessary.

Key skills and knowledge

Key skills and knowledge required of the City of York Transport Portfolio Holder are:

- Good leadership skills.
- Good listening and questioning skills.
- The ability to build effective relationships within and outside the Combined Authority.
- Knowledge of the Combined Authority Constitution, Members Code of Conduct and Terms of Reference of the Transport Committee.

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WEST YORKSHIRE COMBINED AUTHORITY TRANSPORT COMMITTEE

PROPOSED ROLE PROFILE: LOCAL ENTERPRISE PARTNERSHIP BOARD MEMBER

Two roles. One of the two members will hold voting rights.

Purpose

The main purpose of the Local Enterprise Partnership Board Members is to:

- Act as a representative of the Local Enterprise Partnership Board at the Transport Committee.
- Ensure that the interests of the private sector are represented in the business of the Transport Committee.

One of the Local Enterprise Partnership Board Members will have a particular regard to:

- Ensure that the needs of the private sector are considered as part of strategic transport policy matters.
- Secure a link between the Transport Committee and Transport for the North Board, also being the Local Enterprise Partnership's nomination to that body.

One of the Local Enterprise Partnership Board Members will have a particular regard to

- Ensure the needs of the private sector are being considered as part of the operation and priorities for the local transport network.

Key duties and responsibilities

The main duties and responsibilities of the Local Enterprise Partnership Board Members are to:

- Attend and contribute to meetings of the West Yorkshire Transport Committee.
- Correspond with the Deputy Chairs to ensure that the Deputy Chairs maintain a good working knowledge of local transport matters of importance to the private sector across West Yorkshire.
- Maintain effective working relationships with Officers of the Combined Authority.

Key skills and knowledge

Key skills and knowledge required of the Local Enterprise Partnership Board Members are:

- Good listening and questioning skills.
- The ability to build effective relationships within and outside the Combined Authority.
- Knowledge of the Combined Authority Constitution, Members Code of Conduct and Terms of Reference of the Transport Committee.

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An indicative Terms of Reference is set out below in the format used in the Combined Authority Constitution.

The Terms of Reference would be subject to formal agreement at the Annual Meeting of the Combined Authority as part of the standard annual governance process.

Part 3

Section 2.3 - Terms of Reference

Transport Committee

The Transport Committee is authorised:

1. To carry out any Non-Mayoral transport function¹ of the Combined Authority or any other Non-Mayoral function² related to transport, including:
 - a) progressing the elements of the Strategic Economic Framework that fall within the remit of this committee, by
 - approving, amending or revoking any policy, investment priorities, strategy or plan³
 - delivering, monitoring and reviewing the outcomes and impact of any policy, investment priorities, strategy or plan,
 - b) progressing those elements of the Mayor's pledges that fall within the remit of this committee, ensuring alignment with the Strategic Economic Framework where appropriate,
 - c) submitting bids for devolved and other funding,

¹ Functions in this context include any function of the Combined Authority in its role as local transport authority, travel concession authority or transport authority and are to be construed in a broad and inclusive fashion, and as including the exercise of the ancillary powers under Section 113A Local Democracy, Economic Development and Construction Act 2009

² Including those conferred on the Combined Authority by the West Yorkshire Combined Authority (election of Mayor and Functions) Order 2021

³ With the exception of any major policy, investment priorities, strategy or plan reserved to the Combined Authority - see further Section 2.2 of Part 3 of the Constitution - and subject to any direction by the Mayor that any decision on a policy, investment priorities, strategy or plan be referred to the Combined Authority for determination

Item 8, Appendix 3

- d) working with key partners to develop and promote a shared understanding, approach and coherent strategies and policies, and
- e) delivering and overseeing any project or programme in accordance with the Leeds City Region Assurance Framework⁴, including the following where authorised by a bespoke approval pathway and approval route for a scheme (after decision-point 2 only):
 - making a decision to progress the scheme⁵ ⁶or
 - making any recommendation to the Combined Authority⁷ or the Mayor⁸ about progressing the scheme, and
 - reviewing the scheme's impact,

with the **exception** of

- any function which requires a Statutory Consent⁹ where that consent has yet to be given¹⁰,
- any matter related to a Non-Mayoral Function conferred by the 2021 Order, which the Mayor has directed should be referred to the Combined Authority for determination¹¹, or
- any function which is reserved to the Combined Authority¹².

⁴ Or otherwise, where the project or programme does not fall to be considered under the Assurance Framework

⁵ Including determining change requests

⁶ With the exception of any decision which would result in a revised financial approval which exceeds the cumulative total of the financial approval and tolerance threshold agreed by the Combined Authority at decision point 2 (or decision point 3) by more than 25%, in which case the decision must be referred to the Combined Authority.

⁷ Or to any other committee or relevant officer with delegated authority to make the decision

⁸ The Mayor will determine any aspect of a scheme which is a Mayoral Function

⁹ These are specified functions conferred by the West Yorkshire Combined Authority (Election of Mayor and Functions) Order 2021 - see further the Access to Information Rules in Part 4 of the Constitution

¹⁰ In relation to any function in respect of which a Statutory Consent has been given, the Committee must exercise their authority in accordance with the terms of any Statutory Consent

¹¹ The 2021 Order provides that these matters require the support of the Mayor

¹² The functions reserved to the Combined Authority are set out in Section 2.2 of Part 3 of the Constitution, and include the approval of any major policy, investment priorities, strategy or plan

Item 8, Appendix 3

2. To advise the Combined Authority in respect of any Non-Mayoral Function which is a transport function or function related to transport.
3. To advise the Mayor in respect of any Mayoral General Function¹³ which is a transport function or other function related to transport, including the preparation of the Local Transport Plan and related strategies, and bus franchising functions.
4. To liaise with the Climate, Energy and Environment Committee and the Place, Regeneration and Housing Committee to secure the decarbonisation of transport infrastructure including planning for sustainable development and flood risk management.
5. To promote, in collaboration with other committees,
 - equality and diversity,
 - inclusive growth,
 - tackling the climate emergency, and
 - the strategic alignment of the Combined Authority's policies, investment priorities, strategies and plans.
6. To respond to any report or recommendation from an overview and scrutiny committee¹⁴.

Document version control	
Municipal Year:	2022-23
Version:	
Document approved by:	<i>The Combined Authority</i>
Date:	
To be of effect from:	

¹³ Mayoral General Functions are the functions of the Combined Authority which are exercisable only by the Mayor, other than PCC Functions. These are conferred by the 2021 Order (see further Table D in Section 3.1.1 of Part 3 of the Constitution), or other legislation

¹⁴ That is, any overview and scrutiny committee of the Combined Authority (in accordance with Scrutiny Standing Orders in Part 4 of the Constitution) or of any Constituent Council

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The existing agreed Terms of Reference for Transport Scrutiny Committee are provided for information only.

Part 3

Section 2.3 - Terms of Reference

Transport Scrutiny Committee

The Transport Scrutiny Committee is authorised in respect of any **transport function**¹ or **function related to transport**²:

1. To review or scrutinise any decision made, or other action taken, in connection with any Non-Mayoral Function or Mayoral General Function of the Combined Authority.³
2. To make reports or recommendations to the Combined Authority, with respect to any Non-Mayoral Function of the Combined Authority.
3. To make reports or recommendations to the Mayor, with respect to any Mayoral General Function of the Combined Authority.
4. To make reports or recommendations to the Combined Authority or the Mayor on any matter that affects the Combined Authority's Area or the inhabitants of the Combined Authority's Area.
5. To receive and monitor responses to any report or recommendation made by the Transport Scrutiny Committee.

¹ functions in this context include any function of the Combined Authority in its role as local transport authority, travel concession authority or transport authority and are to be construed in a broad and inclusive fashion, and as including the exercise of the ancillary powers under Section 113A Local Democracy, Economic Development and Construction Act 2009.

² Including those conferred on the Combined Authority by the West Yorkshire Combined Authority (election of Mayor and Functions) Order 2021, and the decarbonisation of transport.

³ In relation to a decision made but not implemented, this includes:

- the power to direct that a decision is not to be implemented while it is under review or scrutiny by Transport Scrutiny Committee, and
- the power to recommend that the decision be reconsidered in accordance with the Scrutiny Standing Orders

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Report to: West Yorkshire Combined Authority

Date: 3 February 2022

Subject: **Healthtech Strategy**

Director: Liz Hunter, Director Policy and Development

Author: Stephanie Oliver-Beech, Healthtech Regional Lead

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this report

- 1.1 To update the West Yorkshire Combined Authority on work to develop the region's Health Innovation agenda and approve the partnership Healthtech Strategy.

2. Information

Health Innovation – Background

- 2.1 West Yorkshire has the raw ingredients to be an engine of health ideas and innovation that can drive levelling up, not only for the region's economy, but the nation. This will also help us to make a step change in tackling entrenched health and economic inequalities as well as supporting our overall economic growth and health outcomes.
- 2.2 According to Office for Life Sciences (OLS) [data](#) there are substantially more value-adding med-tech firms in the Leeds City Region than in any other UK LEP area (c.25% more, n=208). OLS data also show that the region ranks within the top 10 LEP areas for both core (high value-adding) biopharma (7th), and for digital health (4th), clearly positioning the region as a major contributor to the UK's overall healthtech business base.

- 2.3 As the strategy sets out, West Yorkshire is well placed to unlock that potential meaningfully and sustainably because of the strengths and uniqueness of our industry assets, university assets and health system assets. The West Yorkshire and Harrogate (WYH) ICS 5 year plan has also identified this critical opportunity. 'Better health and wellbeing for everyone' highlights the transformative opportunities that healthtech and innovation can bring to deliver a healthier economy.

Strategy Development

- 2.4 The Healthtech Strategy has been developed to convene partners under a shared narrative and direction of travel. It has been developed in conjunction with the Healthtech Cluster (formerly known as the Healthtech Leadership Group), which is facilitated by Leeds Academic Health Partnership. The cluster comprises a wide range of partner organisations including representatives from:
- West Yorkshire Integrated Care Partnership representing NHS organisations
 - Regional universities (Universities of Bradford, Huddersfield, Leeds, Leeds Beckett and York)
 - The Yorkshire and Humber Academic Health and Science Network (AHSN)
 - National and regional infrastructure support organisations and trade bodies, including the Association of British Healthtech Industries (ABHI), Medilink and Medipex.
- 2.5 The former Business Innovation and Growth Panel received presentations during the earlier stages of development. Both the Business, Economy and Innovation Committee and the LEP Board have provided feedback on the draft strategy during development. The strategy was presented to LEP Board on 30 November and received both support in principle and robust, constructive feedback. Follow-up engagement has taken place with a number of LEP Board members to develop and respond to the feedback around priorities, next steps and deliverables. The action plan section of the strategy has been refined as a result of the feedback and subsequent helpful engagement with LEP Board members. All of the actions relate to the overarching objective of reducing barriers to healthtech innovation, to deliver our vision of being the number one place for healthtech innovation.
- 2.6 The Healthtech Strategy builds directly from the recently adopted Innovation Framework Priority 2: Health Innovation and develops the narrative and the detailed action plan for the region.

Other activity

- 2.7 The Combined Authority has allocated £200,000 of funding to recruit a Regional Healthtech Lead to deliver the shared ambitions of the Healthtech Strategy. The postholder, who started in October 2021, is now working across the partnership to convene partners and ensure a joined-up approach to discovery, development and adoption of opportunities.

2.8 In May 2021, the WYH ICS agreed a partnership with the Yorkshire and Humber Academic Health Science Network to deliver a system wide programme for innovation for health & care partners. The WYH Innovation Hub will be a central resource for all WYH partners and has four specific aims: Matching innovation to un-met need; Promoting a culture of continuous improvement; Targeted single point of contact; Signposting. A Director lead for the hub is currently being recruited and the intention is that both this resource and the Combined Authority Lead will work closely across the ecosystem to support and match innovation with health system needs.

2.9 In September 2021, the Leeds Academic Health Partnership on behalf of the regional Healthtech Leadership Group launched the regional Healthtech Catalyst, a networking programme aimed at providing support across the system and brokering connections across and between the ecosystem.

3. Tackling the Climate Emergency Implications

3.1 Supporting the development of new innovations and adoption into the health system has well evidenced benefits in support of cleaner greener outcomes. The new strategy will prioritise investment and activity to support the climate emergency.

4. Inclusive Growth Implications

4.1 Supporting the deployment of new to world innovations into the health and care system is critical to achieving our post covid economic and health ambitions and reducing inequalities. The strategy has a clear focus on using health innovation to address health inequalities.

5. Equality and Diversity Implications

5.1 As set out in the Innovation Framework 'Innovation For Everyone', there is a focus across both strategies to ensure greater diversity across innovation – both in developing new healthtech products and involving a diverse range of stakeholders in prioritising those innovations. The new Innovation and Improvement Hub at the centre of the strategy will be key to achieving this.

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 Consultation has taken place via the original Innovation Framework YourVoice consultation exercise, Leeds City Region Healthtech Cluster (Leadership Group), and Business Communications Group.

10. Recommendations

- 10.1 That the Combined Authority notes the progress made to support the Health Innovation agenda.
- 10.2 That the Combined Authority approves and endorses the vision and direction for the partnership set out by the West Yorkshire Healthtech Strategy and that the Combined Authority adopts it as part of the Strategic Economic Framework.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Healthtech Strategy

Appendix 2 – Healthtech Strategy Action Plan and Next Steps

Appendix 3 – Plan on a page

Healthtech Strategy

2022–2027



Tracy Brabin
 Mayor
 of West Yorkshire



Leeds City Region
 Enterprise
 Partnership

Working in
 partnership
 with the

West
 Yorkshire
 Combined
 Authority

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Tracy Brabin
Mayor of West Yorkshire

Foreword

Health innovation and healthtech transforms health and care services. It improves health outcomes and patient wellbeing. It can even save lives. As we emerge from the pandemic, there are deepening inequalities in health that we must address.

By working together, pursuing innovation that recognises and builds upon diversity, we have the potential to tackle health inequalities that blight the lives and opportunities of many in our region – and far beyond it. I am passionate about supporting the best and brightest ideas of clinicians, academics and business innovators to make a difference in a health and care system which is precious to us all. Therefore I am delighted to endorse our region's first ever Healthtech strategy and welcome the pivotal contribution it promises towards better health for everyone.



Sir Roger Marsh OBE DL,

Chair of the Leeds City Region
Enterprise Partnership

Foreword

Healthtech runs deep and wide across West Yorkshire. Our clinical, academic and business innovators have a remarkable track record in developing world-class healthtech that makes a difference to treatment and care – building highly successful businesses in the process.

Years of research document the cluster of strengths we have in healthtech, around both medtech and digital health. We also know there is more we can do in partnership to create the best environment for success for our innovators, and to ensure we are finally recognised fully as a leading player in this field. We have a truly unique opportunity to capitalise on our assets, and one which must be acted upon with pace and determination. I welcome this strategy as the next step towards realising our healthtech ambitions and delivering long-term economic growth across our region.

Introduction

This strategy aims to capitalise on the exceptional regional Healthtech strengths across West Yorkshire and the Leeds City Region to drive both future economic prosperity and improve health outcomes. Ultimately improving population health and wealth through healthtech innovation.

The Covid-19 crisis has laid bare the need and desire for a step change in tackling entrenched health and economic inequalities. Tackling this with new health innovations – accelerated into the health system – will support both economic (business) growth and the health outcomes of patients.



Introduction

West Yorkshire has all the vital components to be an engine of health ideas and innovation that can drive levelling up; not just for the region's economy, but for the nation's health. It is able to contribute significantly to the post COVID economic and health recovery.

The West Yorkshire Health and Care Partnership 5 year plan has already identified this critical opportunity. 'Better health and wellbeing for everyone' highlights the transformative opportunities that healthtech and innovation can bring across health provision to deliver a healthier economy.

Our region has a unique healthtech innovation ecosystem with its strengths across medtech, digital and data – and connectivity across and between these strengths – and is leading the way with the translation of research into commercialisation.

The region has been recognised by central government as a high potential opportunity area for woundcare, regenerative tissue, AI and data analytics. However we are not currently seen as the leading Healthtech cluster nationally, due to the fragmented nature of the system and the lack of adoption of products and services into practice. This means our region does not currently reach its full potential for residents and businesses.

There are other well-known health and innovation clusters across the country. However, **none boast the level of assets that we possess in West Yorkshire and Leeds City Region** – assets across industry and academia, plus unique strengths within our public sector infrastructure. The Opportunity section of this strategy focuses on these assets, demonstrating the **prime opportunity** for West Yorkshire and the City Region to become *the leading healthtech cluster* nationally and to partner, where appropriate, with other healthtech clusters across the UK and globally.

We must act now to capitalise on these strengths, the market opportunity and to deliver the health and wellbeing outcomes needed post COVID.

In 2019, the global healthtech market was worth an estimated \$175 (US bn), expected to rise to \$660 billion by 2025. Even before COVID, which sharply increased the need for digital health tools to be used, adoption has been steadily increasing.

The healthtech sector faces significant challenges post COVID and the City Region with its dominance of micro businesses and SMEs is no exception. To achieve the full potential of this market, collaboration between the NHS, industry, universities, the third sector and government requires a unified approach. Only through collaboration and connection will we overcome barriers to healthtech innovation, translation and adoption.

Driving excellence in science and innovation will play a key part in addressing the Leeds City Region productivity gap, and the challenges that underpin this.

Introduction

This strategy provides the framework for that unified approach. It sets out a common language, a shared vision and priorities, and a framework for activity and investment in healthtech, which all partners can work towards.

It is not intended to displace or disrupt all the existing initiatives and programmes underway, but to add value by setting out an agreed roadmap to reach our ambitions.

This is a regional partnership strategy and therefore engagement across partners has been critical throughout the development of this strategy and agreement of the vision and approach.

Our region is not coming to this from a standing start. This strategy builds on the Science and Innovation Audit in 2017, and the subsequent regional healthtech Memorandum of Understanding developed in 2019. This underpinned the region's first cross-sector healthtech partnership, comprising senior representation from the healthtech industry, the health and care system, five universities and the LEP. The MoU functions as a call to action for the range of stakeholders in the region involved in supporting and growing the healthtech ecosystem.

The Healthtech Cluster

The Region's first cross-sector Healthtech Leadership Group (now titled the Healthtech Cluster), which evolved from the MoU, continues to grow and thrive. Facilitated by Leeds Academic Health Partnership, the Healthtech Cluster involves numerous regional partners, supports shared healthtech programmes, events, promotion and partnerships with other regions, and reduces duplication of work.

This strategy outlines *how* we (the whole partnership/ecosystem) will align our strategic and collaborative approaches. This will begin to reduce fragmentation and bring together the region's universities, health and care system, LEP, Combined Authority and healthtech industry to develop an integrated healthtech innovation system in West Yorkshire.

It will position the region as a locus of healthtech expertise, that will deliver **both high quality patient outcomes, alongside economic and productivity gains**. The strategy sets out high-level ambitions, which will be underpinned by a detailed accompanying 'live' and dynamic action plan owned by the partnership.

Defining Healthtech

The 2018 Digital Health and Healthtech study agreed definitions of healthtech, medtech and digital health based on a review of existing definitions. A working definition was agreed as:

Healthtech the broadest possible definition of new products and/or services relating to the health sector and/or the health and wellbeing of individuals.

Within the umbrella of healthtech are the following:

Med-tech

A subset of healthtech that involves the design and manufacture of physical products or technologies used primarily in medical settings, encompassing medical devices, and medical equipment as defined by the World Health Organisation.

Digital health

A subset of health technology that involves the use of electronic or mobile digital technologies via applications, software and / or online platforms.



Put simply, it is about innovation in healthcare **through the improved use and application of technology to better support patient outcomes.**

West Yorkshire Driving NHS Innovation

Below are examples of innovations driven nationally by NHS England and the Academic Health Science Network (AHSN) which have been adopted across the region, showing how effective adoption and deployment can be achieved with the right conditions in place.

Medtech

Minimally-invasive approach: Urolift

Leeds City Region was one of the early adopting sites of this new innovation (requiring pathway redesign) to convert a three day urology intervention into minimally-invasive day case surgeries. £33k was secured from the Pathway Transformation fund for this innovation to support the pathway re-design.

Non-invasive approach: GammaCore and SecurAcath

GammaCore and SecurAcath are also in use in the region. These are all examples of innovations endorsed nationally by NHS England and driven into the system by the AHSN, with West Yorkshire and Harrogate being particularly receptive.

Digital Health

Transfer of Care Around Medicines (TCAM)

TCAM has been adopted in Leeds City Region for some time now, creating an IT bridge between acute and community care. This ensures patients being transferred out of hospitals into the community have their medication reviewed by a community pharmacist – preventing medicines errors and unplanned re-admissions.



An evaluation toolkit to further support the adoption and use of the **TCAM system** was developed by the **University of Bradford** in 2021. This offers a step by step approach to evaluate the successful use of this system within our hospitals, promoting sustainability in practice.

The Impact of COVID

The COVID-19 crisis has laid bare the need and desire for a step change in tackling health and economic inequalities. Health outcomes and economic performance are intrinsically linked, and this forms a central part of our wider regional economic recovery plan. There needs to be a focus across the UK in tackling these issues and, within this, West Yorkshire can play a significant role through our unique strengths in health innovation.

We have all of the vital components to be an engine of health ideas and innovation that can drive levelling up, not just for our region's economy, but the nation; and contribute significantly to the post COVID economic and health recovery.



This strategy will provide a focus for making these **ambitions a reality.**

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The Opportunity

The opportunity for our region is clearly set out in the following reports:

[Science and Innovation Audit \(2017\)](#)

[Digital Health Sector Report \(2019\)](#)

The region has a high concentration of knowledge-based, innovative health sciences organisations, alongside broader healthcare industries. It has recognised strengths and pedigree in digital health innovation and the manufacture of medical and dental instruments.

-  Industrial Strengths
-  Academic Strengths
-  Public Sector Assets

ECONOMY **OPEN** **NHS**
CORPORATES **SCALABLE**
HOSPITALS **INFRASTRUCTURE**
UNIVERSITIES **COLLABORATIVE**
LEADERS **HERITAGE** **SME'S**
INDUSTRY **PASSIONATE**
CO-LOCATION

Workshop findings strengths and assets

In December 2020, a workshop was convened to support the development of this strategy. The following sets out the strengths and assets as previously identified by the group.

Joined up approach, collaboration across sectors

- Co-location
- Aligned strategic intent
- Strong leaders
- Culture of openness
- Willing to partner
- Passion across sectors to become world leading region

Known areas of excellence across healthtech

- Niche areas/specialisms
- Digital
- Orthopaedics, robotics, surgery and many others...

Size & scale

- Real world, whole system evidence
- Manageable
- Scalable
- Big but self contained

History & heritage

- Hospitals
- Industry – corporates, SME's
- Inventions

Rich in healthtech assets

- Research infrastructure
- Academia/universities
- NHS and Industry

“ This is the place where **innovation** happens, where the relationships are established and where attitudes **enable** rather than block.

“ Big enough to matter, small enough to care.

Industrial strengths

The region is a nationally regarded leader in healthtech research and development, and healthtech firms in the region have enjoyed steady growth in recent years. The Office for Life Sciences has published data showing there are substantially more value-adding med-tech firms in the region than in any other UK Local Enterprise Partnership (LEP) area – over 20% more.

Traditional industry strengths in the region include implants, surgical instruments, and devices, e.g. DePuy Synthes, Surgical Innovations, Xiros and Brandon Medical.

More recent start-ups and high growth companies are based on emerging technology areas, including biological materials and digital health, e.g. Tissue Regenix, Neotherix and Avacta; TPP and EMIS.

The Yorkshire and the Humber Region, and particularly Leeds City Region, is **one of the foremost UK locations for digital health business.** The combination of a solid digital health business base, and associated leadership and cross-sectoral strengths, mean that the area has a vital role to play in the development of the UK's digital health industry.

Over three-quarters of the region's digital health firms deliver either healthcare provider communication solutions (internally oriented), or data collection, management and interoperability products and services.

Known firm revenues in the healthcare provider and data collection categories amount to just under £500m, with employment of just under 5,000 (almost 90% of total revenues and just over 90% of employment).

These businesses proactively chose Leeds City Region because of the broader strengths of the region set out in this strategy:

- ✓ Data
- ✓ Fintech
- ✓ Environmental tech
- ✓ Agritech
- ✓ Talent and job opportunities
- ✓ NHS Digital, EMIS & TPP
- ✓ YHCR
- ✓ Data-CAN
- ✓ NPIC

Digital health businesses in particular have seen considerable growth in the last two financial years (pre pandemic), of which almost half is within data services businesses (£55m), one third are among businesses that deliver healthcare provider products and services, and one fifth are among more client facing products and services.

The two categories of interoperability and healthcare provider solutions include some of the region's most significant businesses, such as:

- Egton Medical Information Systems (EMIS)
- The Phoenix Partnership (TPP).

They clearly represent strengths in the region and **provide a critical advantage because they are also the foundation for advancing other sub-sectors.** The world leading Yorkshire and Humber Care Record for example has interoperability as a core aspect.

The region is home to some of the most innovative patient-facing digital health businesses, including '**Advanced Digital Innovation**', which offers a broad portfolio of patient facing solutions such as:

- 'Mypathway' A secure patient/clinician/service provider digital communication channel
- 'Painsense' A persistent pain self-management application
- 'Medsfinder' A medication self-management application
- 'Stepup' co-produced digital service for supporting young people's mental health
- 'LMSU' A digital platform supporting transition of young people with disabilities from child to adult services

Similarly, the region has several examples of **innovative health system management solutions**, including:

- Smartgate Solutions (now Radar Healthcare) quality and compliance focussed software,
- Lablogic detection and measurement of radioactivity,
- DocAbode clinician resource management software
- RX Systems (now part of EMIS) pharmacy prescription and supply chain management software.

Investment data suggests that these two digital health categories (patient facing solutions and health system management solutions) represent major future growth areas, and have the potential to advance the UK's position as a world-leading digital health economy. (Healthtech and Digital Health report, 2020)

Academic strengths

Regional universities, and a broad base of wider research and business incubation actors, have played and will continue to play a major role in advancing the region's healthtech sector in areas such as remote patient monitoring, patient engagement, AI, data etc.

West Yorkshire universities have been responsible for securing nationally significant levels of academic and health research funding. They hold the knowledge and expertise required to maintain the region's position nationally, and the UK's position on the international stage. Since 2009, universities within Leeds City Region have attracted c.£675m in academic research funding for innovation from UKRI bodies relevant to the healthtech ecosystem, including:

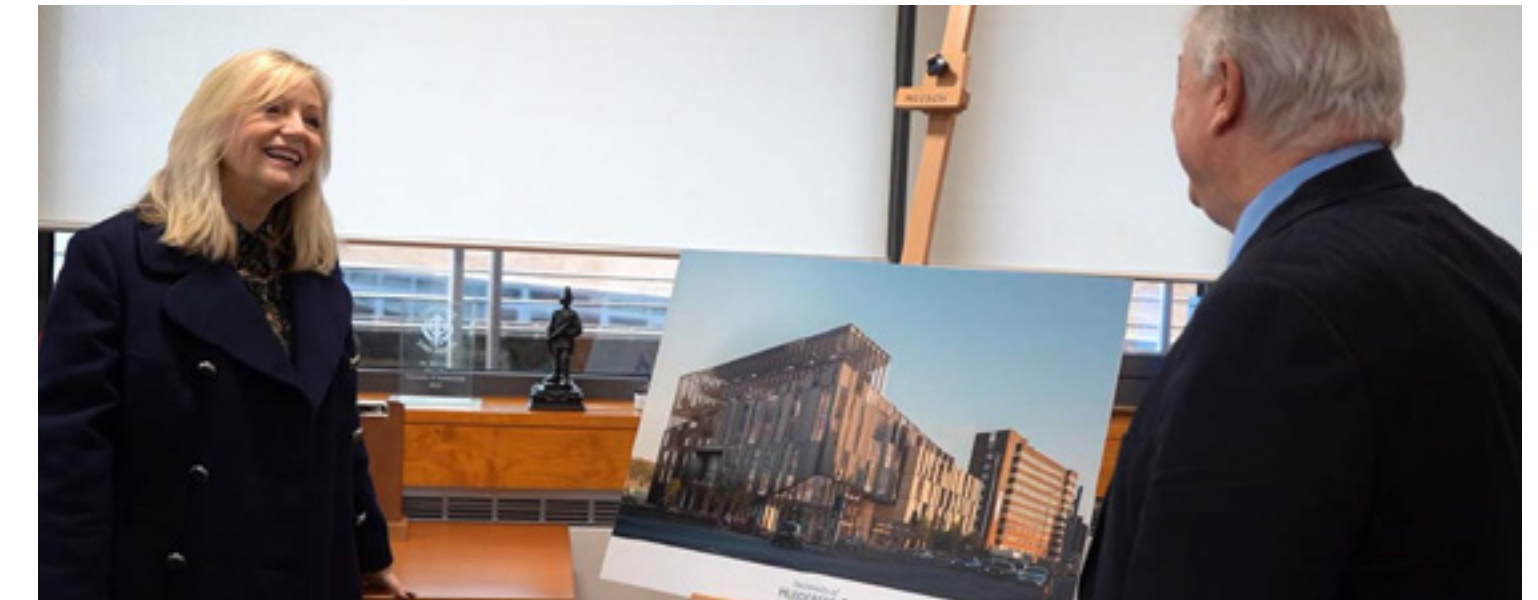
- Engineering and Physical Sciences Research Council (EPSRC)
- Innovate UK (IUK)
- Medical Research Council (MRC)
- Directly from UKRI

Since 2006, Yorkshire and the Humber has attracted a total of 447 NIHR research projects to the value of £278m, spanning every aspect of NIHR funding. The region has delivered more Health Technology Assessment (HTA) projects; hosted more NIHR fellowships; delivered more Health Service and Delivery Research (HS&DR) projects; and delivered more Public Health Research (PHR) projects than any other region outside London. Per head of population, the region has received the highest proportion of NIHR funding outside of London (£163php compared to the next highest proportion £140php in the West Midlands).

Our region has been recognised by central government as a high potential opportunity area for woundcare and regenerative tissue. Regenerative tissue technologies were pioneered by University of Leeds.

Underpinning everything is the move to digital and remote care. **West Yorkshire is well placed to lead the way here, with significant assets and a long history of academic excellence** in AI, machine learning and data analytics. . Another recognised strength of our region is in evaluation of digital healthcare solutions to effect system change, improve system performance and enhance patient health and wellbeing. We have Europe's first AI-powered hospital command centre in Bradford; researchers at the city's university have contributed expertise to analyse the influence on safety and patient health and, more widely, analysis of the effect of computerised decision support systems on healthcare professional performance and patient outcomes.

We also have **significant strengths in longitudinal data studies** such as the groundbreaking Born in Bradford programme. This world-leading initiative is helping to unravel the reasons for the high level of childhood illness in the UK, and bring new scientific discovery to the globe – now rolling out to Leeds, Wakefield and Doncaster, and expanding through the recently-announced Age of Wonder study.



The University of Huddersfield welcomed Tracy Brabin, Mayor of West Yorkshire, to share their vision and plans for the forthcoming National Health Innovation Campus. (November 2021)



Born in Bradford (BiB) programme
Launched in 2007 and now one of the biggest and most exciting health research studies in the world

Public sector assets

The region is uniquely positioned as home to a cluster of national health organisations. Our public sector assets – hospitals and universities - double up as assets for the private sector; **Leeds City Region is home to no fewer than seven significant government health headquarters**, including NHS England, NHS Digital, Public Health England, NHS Leadership Academy, Health Education England, NIHR Clinical Research Network, and NHSX.

As such it is the decision-making centre for national policy and c.£130bn in funding for NHS commissioning, leadership and digital advancement (via major initiatives such as NHS Spine), as well as education and training of England's health and public health workforce and the protection of public health and wellbeing. There is a significant opportunity around increased collaboration to drive the region's health innovation ambitions.

West Yorkshire Health and Care Partnership

In May 2021, the West Yorkshire Health and Care Partnership (WYHCP) formally signed a partnership with the Yorkshire and Humber Academic Health Science Network (AHSN) to **deliver a system-wide program for innovation and improvement for its health & care partners**. The Health and Care Bill puts this on a statutory footing. The new **Innovation and Improvement Hub** formed between the WYHCP and AHSN will provide

strategic direction, leadership and guidance around the innovation agenda.

The Hub will consolidate existing work across key players in the region to better understand and coordinate health care need, and match these to innovative technologies and improvement methodologies.

The partnership works on a subsidiarity model, performing activities at a regional level where most appropriate with area-specific work driven locally. In this way, areas within the partnership will be supported to articulate the needs of the local area and, where needs align, will work via the Hub to achieve economies of scale.

It is the region's ambition for the WYHCP to be the leading ICS on innovation and improvement. **Developing, implementing and adopting innovation, and striving for continuous improvement, leads to improved care;** and to better health and wellbeing, greater service efficiency and improved workforce capability and capacity.

West Yorkshire is ideally placed to realise this ambition, with a vibrant life sciences industry in the footprint and a wealth of expertise and enthusiasm that is not only within the WYHCP but across our partners, including the voluntary and community sector.

The commitment to collaborate across all these assets is a significant strength for the region. Via the Healthtech Cluster and its expansion, there is real commitment and drive to further develop and deepen collaborative relationships - to drive activity as a collective, rather than operating in isolation.



The Challenge

There is no doubt that West Yorkshire boasts the assets and the opportunity to lead in the healthtech space – particularly in the whole-system approach to discover, develop and deploy.

However, the nature of the system, with the array of organisations and bodies involved has historically at times resulted in fragmentation and lack of coherence.

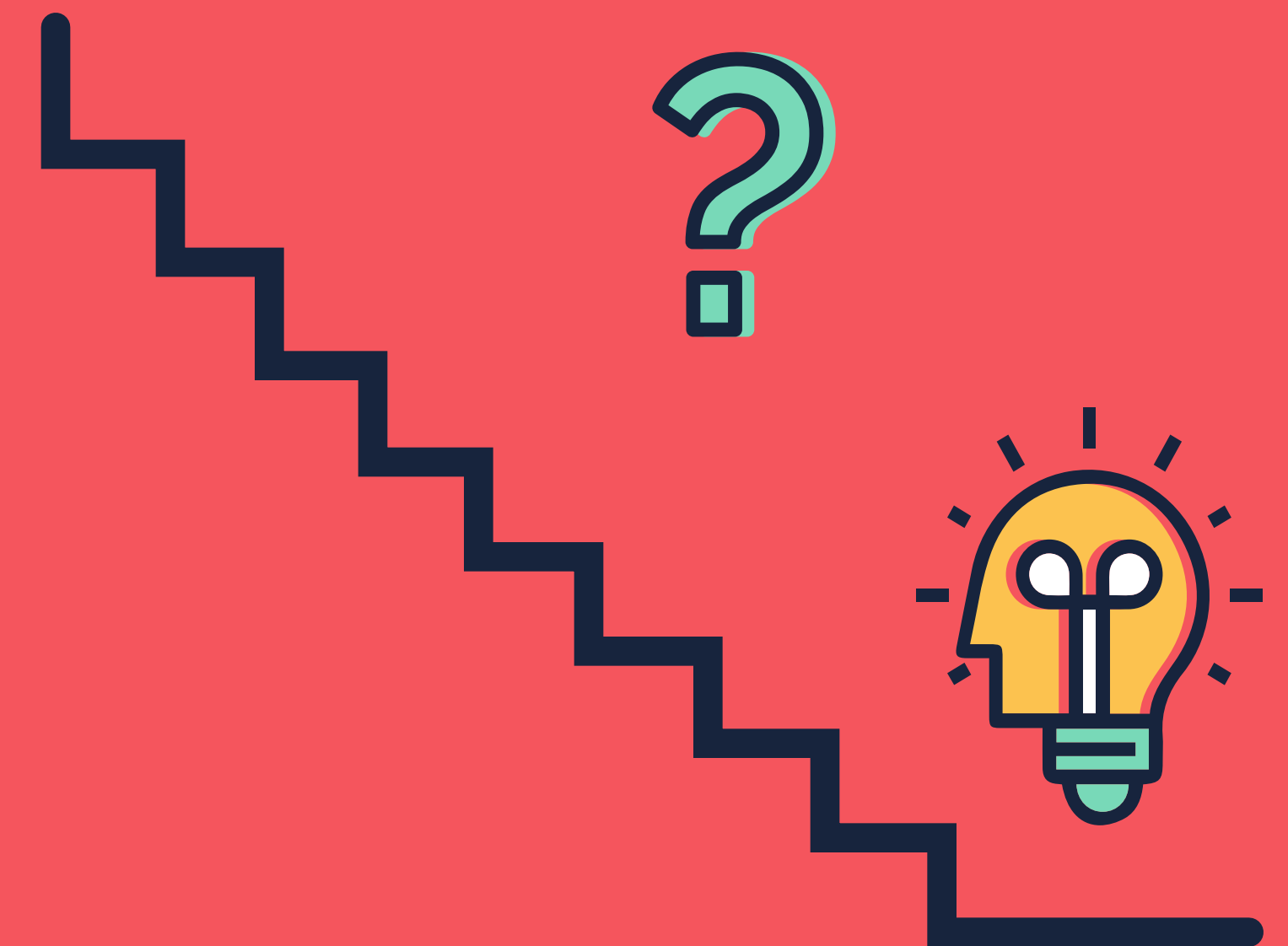
Despite significant health sector leadership and a very strong base of health sector assets in the region, efficiently and effectively navigating the health and care system presents a significant challenge, particularly to start-up and smaller scale businesses (note that this has been identified as both a regional and national issue). This assertion is borne out in the survey data (Digital Health report) collected from regional businesses, in which none of the micro businesses (1-9 employees) identified public procurement as a route to market. As one micro business respondent put it: “selling into the NHS is too hard for start-ups”.

Numerous consultees highlighted the need for an agreed and obvious way of accessing the NHS health system, or a ‘front door’ that would support smaller firms to develop and test new and / or alternative digital health and care solutions.

Consultees also suggested that **finding an effective solution to this challenge was more likely within this region** than in other parts of England because of the well-connected and significant influence of the regional ecosystem. **Regionally, the challenge to date has been in co-ordinating and effectively positioning the region’s assets so that they are widely known among innovators and businesses.**



“Selling into the NHS is too hard for start-ups”



Healthtech Leadership Group

To begin to tackle this, and building on the recommendations of the Science and Innovation Audit, a Healthtech Leadership Group was established in 2019, bringing together the key stakeholders in the region to reduce fragmentation and maximise the opportunities identified above.

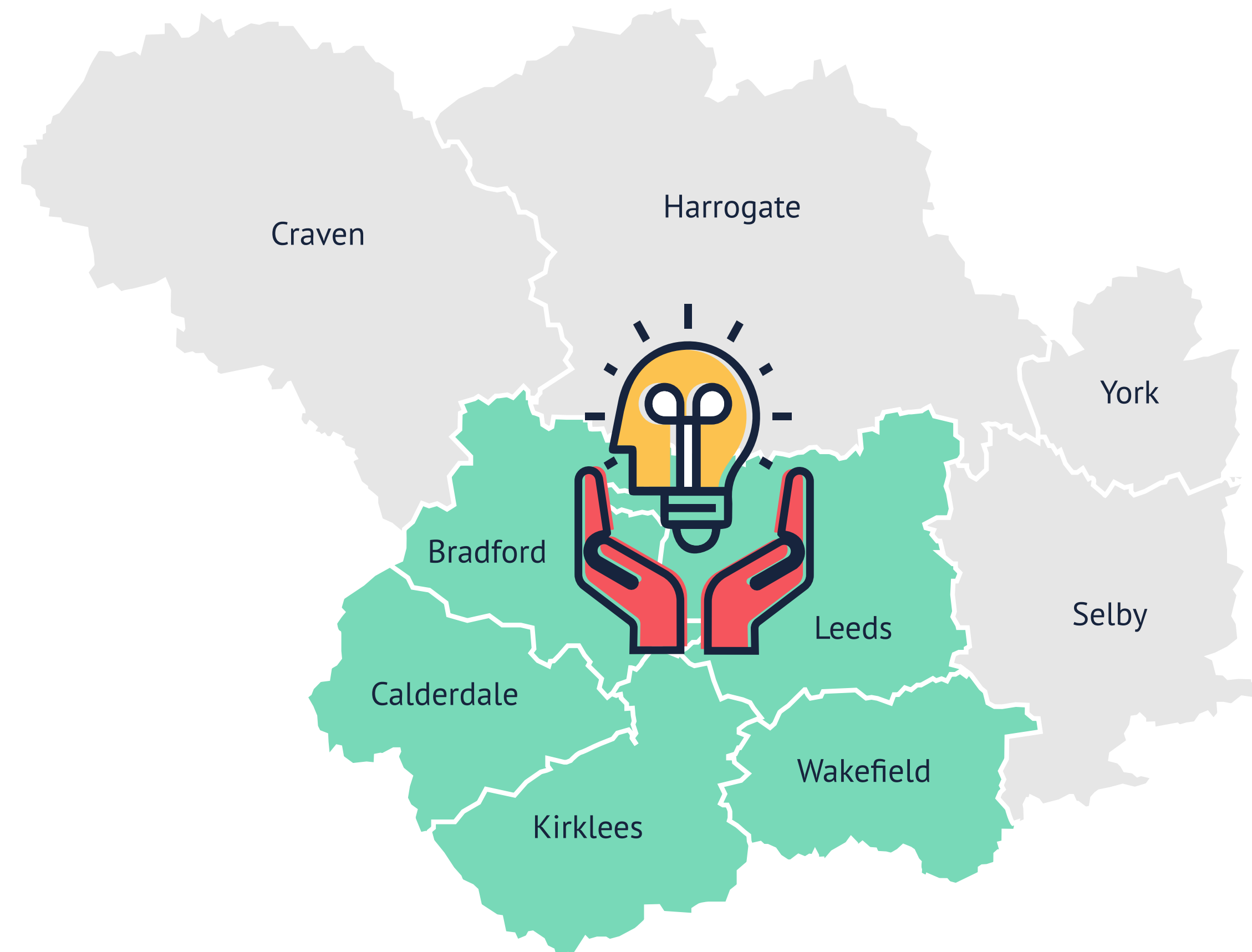
The group identified the following problem statement:

The region has a strong history of innovation in healthtech, however it is not systematic or at scale. There is an opportunity as a partnership to learn from successes and build on these as a region to create spin outs, support existing SME; trade internationally and secure investment – whilst also adopting our home grown innovations.

There is also more to be done to create and support a more diverse pool of healthtech innovation-driven enterprises in the region.

Misaligned objectives and resources are the major issues preventing the initiation and success of programs, as is a focus on piloting rather than deploying at scale, all hindering potential partnerships.

Collectively this means the innovation culture required needs support to strengthen. The ecosystem misses out on opportunities as industry does not always see the region as a magnet for healthtech innovation, regarding other global systems as potentially being easier to navigate.



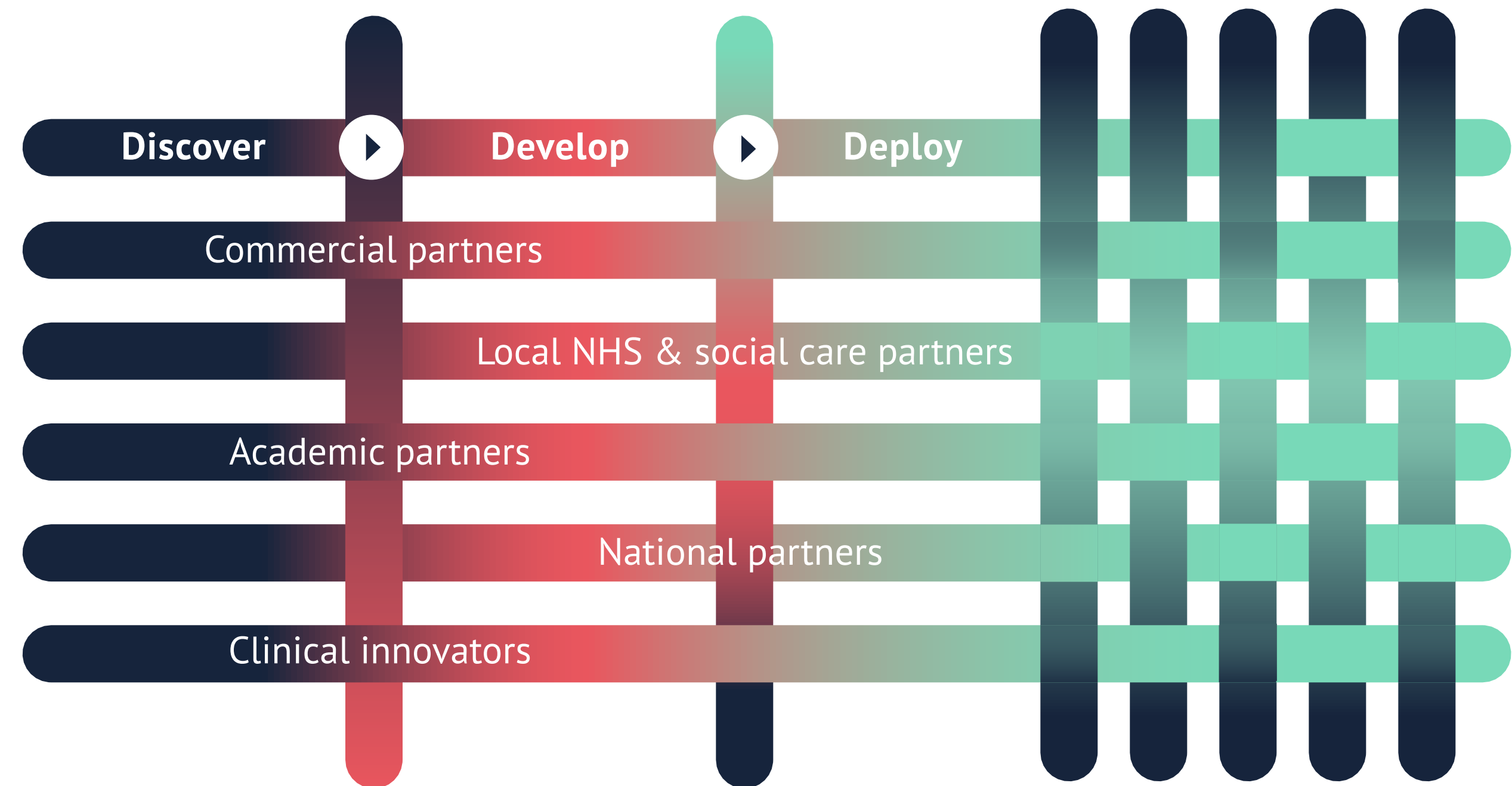
The Ecosystem

It is important to clearly articulate the range of partners involved in delivering against our regional healthtech ambitions. Each partner has a different role to play in each of the stages and in creating an effective journey through from discovery to deployment.

Connectivity and the creation of a shared purpose and knowing ‘who does what’ across our assets is essential. Good connectivity drives innovators to the right place at the right time – and partners need to have effective referral routes to ‘hand on’ where appropriate.

Central to this is the new West Yorkshire Innovation Hub. The West Yorkshire Health and Care Partnership, working with the AHSN through the new Hub, will clearly set out the innovation needs and challenges of the health system in the region. In doing so, **the clear articulation of unmet needs will drive discovery and development in the region**, supporting local SMEs and start-ups and attracting inward investment. This clear **system pull** will drive the adoption of innovation and help with strengthening the system wide culture.

The West Yorkshire Health and Care Partnership operates on a principle of subsidiarity where each of the five places in the region will articulate the specific health and care needs of their area. **Organisations such as Leeds Academic Health Partnership will support health and care businesses in this needs-driven approach** and more broadly support the discovery of new and novel ideas across academia and the business base, which may be globally scalable or of global relevance.



A Collaborative Model for the Whole System

Our HealthTech USP

Capitalising on the opportunity

No other country is as well placed as the UK to foster innovative product development in both medical technology and digital health solutions (Healthtech) at scale, largely because of the potential within the NHS.

No other region is as well placed to unlock that potential meaningfully and sustainably because of **the strengths and uniqueness of our cluster of industry assets, university assets and public health assets.**



The West Yorkshire offer

Discovery, development, evaluation and adoption of proven innovation that delivers improved health outcomes and reduces inequalities

Vision for Healthtech in West Yorkshire

We will be the number one place for Healthtech entrepreneurs, innovators and industry.

Our Healthtech ecosystem will be the best-connected and most innovation-driven in the country, providing unrivalled prospects to partner, locate and grow.

We will be the national engine of ideation, development and adoption of proven healthtech innovation. Through connectivity and synergy in our systems, we will drive levelling up – in economic and health terms.

The positive impact of our Healthtech ecosystem will be felt by citizens and communities across the region, the country and the world.



High Level Priorities

To achieve this vision, our focus needs to be twofold;

Business Enablement:

We must focus on developing and supporting connectivity across our regional Healthtech cluster to focus on start-ups, SMEs and inward investment opportunities for economic growth.

Improved Health Outcomes:

Given the assets we have in the region, we must focus on the opportunity for translation and diffusion into the health system across the region (and beyond) to support patient and end user health benefits and reduce health inequalities.

To deliver against these priorities we will commit, as a regional partnership, to driving activity in the following areas. Details are set out in the linked action plan.



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Outline action plan

The Challenges	Fragmented ecosystem, difficult for innovators to navigate	Innovations are not designed with system need in mind, or are unable to be adopted at scale due to process / system barriers	The profile of the region is not commensurate with its strengths and opportunities
The Goals	A well-aligned, innovation-driven healthtech ecosystem in our region	Innovation is driven by regional NHS system need, and innovations are adopted at scale across West Yorkshire	West Yorkshire is recognised as a leading place for healthtech innovation
What We Will Do	<ol style="list-style-type: none"> 1. We will develop and strengthen our Healthtech Cluster partnership 2. We will map healthtech innovation support provision and work to reduce fragmentation and address gaps † 3. We will develop a collective understanding of regional projects and how they fit together in a cohesive narrative 	<ol style="list-style-type: none"> 4. We will use the Innovation and Improvement Hub (West Yorkshire Health and Care Partnership) as the mechanism to signal the needs of the health system and drive a cultural shift towards innovation, integrated with AHSN innovation pipeline 5. We will identify barriers to innovation, including the role of funding and options for addressing these ‡ 	<ol style="list-style-type: none"> 6. We will continue efforts to attract the best inward investment opportunities, whilst making the most of the national assets within our region 7. We will put resources into championing and leading on behalf of the sector, working through our Healthtech Cluster partnership and Healthcare Innovation Communications Group
How We Will Measure Success	<ul style="list-style-type: none"> • Feedback from stakeholders – qualitative research with business, innovators and academics, and with Healthtech Cluster members • Annually monitor number of new healthtech startup companies • Track number of healthtech SMEs supported through the various partnership programmes annually • Track number and value of funding bids/investments secured to support regional activity and projects over time 	<ul style="list-style-type: none"> • Monitor engagements with communications programme around system innovation needs • Track value of funding granted towards proof of concept / early evidence projects • Track number of locally-developed innovations trialled • Monitor number of patents* • Health economics / impact of innovations* • Revisit research around barriers at 2.5 yr 	<ul style="list-style-type: none"> • Monitor number of regional healthtech inward investment wins annually • Track number and impact of regional marketing and comms opportunities realised

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*Metrics to be developed / where feasible † Dependencies – please refer to next slide

Outline action plan

Our action plan will be a live document and can be found here:

www.westyorks-ca.gov.uk/healthtech-cluster

It will be owned and maintained by the Regional Healthtech Lead working with partners within the Healthtech Cluster.

Dependencies

† **Digital and tech skills** constitute a broad dependency for a successful healthtech ecosystem e.g. the availability of an appropriately-skilled workforce. Skills are also critical for certain innovations to be effective and inclusive e.g. digital skills and accessibility for end users.

The Healthtech Cluster will build and maintain a link with related partnerships / organisations – particularly the West Yorkshire Combined Authority Employment and Skills Committee - to ensure that there is a shared focus on the skills needed for successful healthtech innovation, and that this dependency is taken into account in future work around skills.

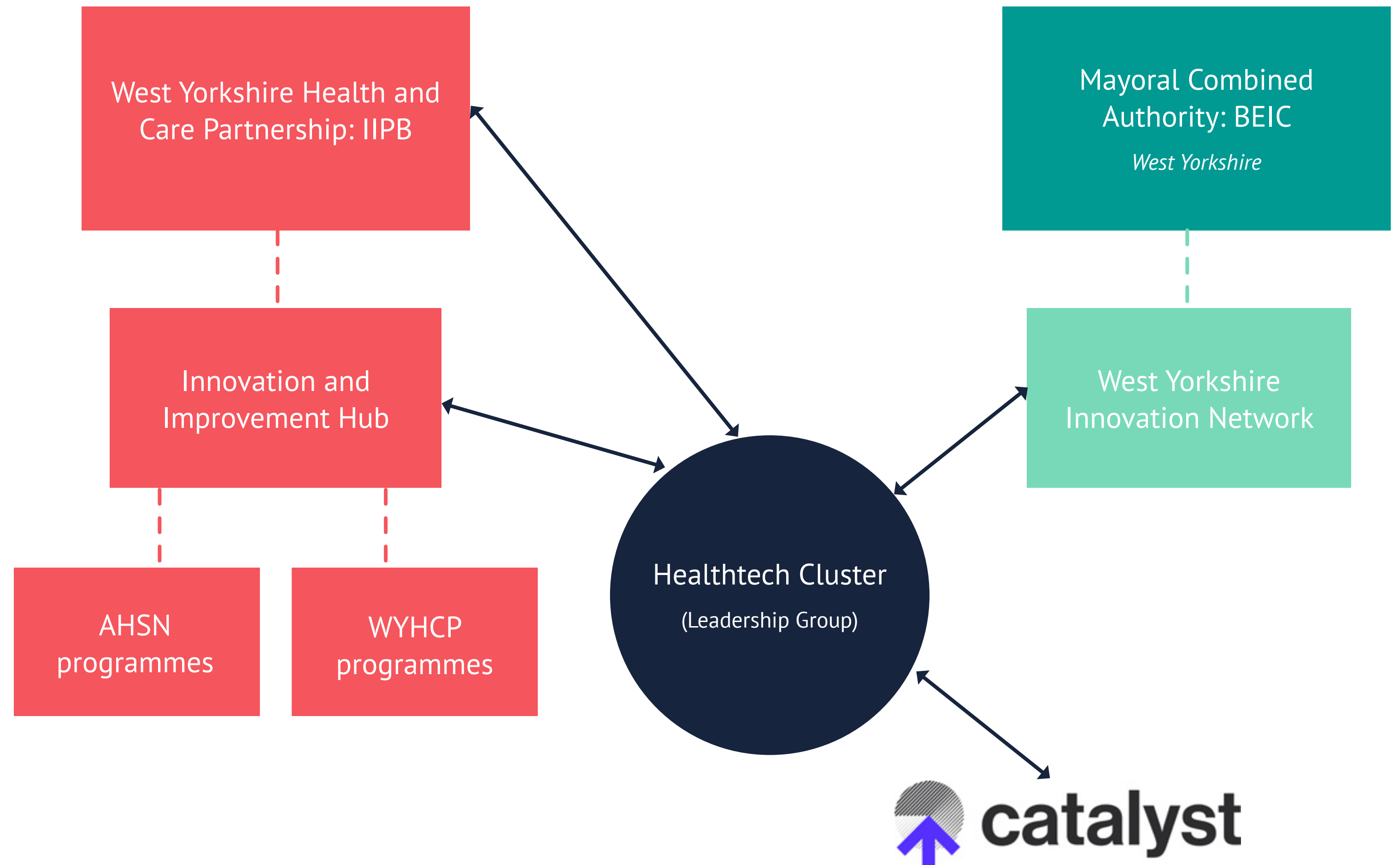
‡ **Public involvement** is one of the hallmarks of high quality research/innovation. We recognise the deep rooted factors that result in a lack of representation of marginalised communities in innovation; we also recognise that this leads to innovation gaps. Therefore, one of the constants throughout delivery of this strategy will be engagement with and input from a broad range of stakeholders, including patients and cross sector frontline practitioners. We will work to engage and support innovators from more diverse communities, including women, people living with disabilities, people from Black, Asian and ethnic minority communities and people from LGBTQI+ communities.

Governance

The Mayoral Combined Authority’s Business, Innovation and Economy Committee will have a particular interest in overseeing discovery and development (innovation) activities aligned to this strategy, ensuring that business support needs and gaps are addressed.

The West Yorkshire Health and Care Partnership Innovation and Improvement Programme Board will set the direction of travel to support needs-based innovation in the region, focusing particularly on the adoption agenda to improve health outcomes.

The **Healthtech Cluster** will bring together stakeholder across discovery, development and deployment and be the ultimate owner of this regional strategy. This group will also function as expert advisory group for healthtech in the region.



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Contact us

Keep in touch:

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HEALTHTECH STRATEGY ACTION PLAN – JAN/FEB 2022

OVERALL DRIVER FOR THE STRATEGY: TO REMOVE THE BARRIERS TO HEALTHTECH INNOVATION

CHALLENGE: Fragmented ecosystem, difficult for innovators to navigate		
GOAL 1: A well-aligned, innovation-driven healthtech ecosystem in our region		
WHAT WE WILL DO:	1. We will develop and strengthen our Healthtech Cluster partnership	
NEXT STEPS:	Review membership of the Healthtech Cluster, identify gaps and invite further members as appropriate – including strengthening business voice and insight from entrepreneurs /innovators (working through the Healthtech Catalyst)	Timescale: ongoing Lead: LAHP / WYCA
	Increase networking and communication opportunities within the partnership, and develop links with other regional clusters e.g. STFC NW HealthTec Cluster	Timescale: ongoing Lead: LAHP / WYCA
WHAT WE WILL DO:	2. We will map healthtech innovation support provision and work to reduce fragmentation and address gaps†	
NEXT STEPS:	Map healthtech innovation support provision for entrepreneurs, businesses and academics, across organisations throughout the region – including physical/infrastructure	Timescale: short/medium term, and underway Lead: AHSN, I & I Hub / WYHCP
	Agree clear roles across the ecosystem to ensure access points for business are effective and easy to navigate, and duplication and fragmentation are reduced (working with the I & I Hub, and the West Yorkshire Innovation Network)	Timescale: short Lead: AHSN, WYHCP and all Healthtech Cluster members
	Specify need and scope resources to address priority gaps in support (<i>including physical/infrastructure</i>)	Timescale: medium/long term Lead: Healthtech Cluster to agree lead/s
WHAT WE WILL DO:	3. We will develop a collective understanding of regional projects and how they fit together in a cohesive narrative	
NEXT STEPS:	Collate a narrative of Healthtech projects taking place across the region, and develop new links between projects as appropriate. Examples of projects include (not limited to) – e.g. National Health Innovation Campus, ActEARLY, potential for a UK Centre of Excellence in Regulatory Science and Innovation, scoping of Healthtech Innovation Corridor across West and South	Timescale: short / medium term Lead: WYCA (working through Healthtech Cluster Partnership)

	Yorkshire, programmes of support events for innovators taking place within partner organisations	
	Form task and finish / working groups where appropriate for project development	Timescale: short/medium Lead: As appropriate per project
HOW WILL WE MEASURE SUCCESS?	<ul style="list-style-type: none"> • Feedback from stakeholders – business, innovators and academics • Feedback from stakeholders - Healthtech Cluster • Monitor number of new healthtech startup companies • Monitor number of regional healthtech inward investment wins • Track number of healthtech SMEs supported through the various partnership programmes • Track number and value of funding bids/investments secured to support regional activity and projects • Number and impact of regional marketing and comms opportunities realised 	<p>Qualitative research – focus group/s with businesses and innovators via Healthtech Catalyst / WYCA engagement routes</p> <p>Qualitative research – focus group with Healthtech Cluster members</p> <p>Annual KPI reporting, comparison to baseline</p> <p>Annual KPI reporting, comparison to baseline</p> <p>Annual KPI reporting and comparison year-on-year</p> <p>Annual KPI reporting and comparison year-on-year</p> <p>Tracked by partnership Comms group</p>

CHALLENGE: Innovations are not designed with patient / health practitioner needs in mind, or are unable to be adopted at scale due to process / health system barriers		
GOAL 2: Innovation is driven by regional NHS system need, and innovations are adopted at scale across West Yorkshire		
WHAT WE WILL DO:	4. We will use the Innovation and Improvement Hub (West Yorkshire Health and Care Partnership) as the mechanism to signal the needs of the health system and drive a cultural shift towards innovation, integrated with AHSN innovation pipeline	
NEXT STEPS:	Establish Innovation and Improvement Hub across WYHCP and AHSN (I & I Director appointed and will start mid-Feb 2022)	Timescale: short-medium term Lead: AHSN / WYHCP
	Develop process to identify regional system innovation needs (including reference to health inequalities)	Timescale: medium term Lead: Innovation and Improvement Hub

	I&I Director will support adoption and testing of AHSN innovation pipeline projects via attendance at qualification meetings, seeking opportunities to conduct real-world evidence studies and via early introduction to relevant innovations on AHSN accelerator programmes.	
	Develop programme to communicate system innovation needs to academics, innovators and business, working through the AHSN, Healthtech Catalyst, Healthcare Innovation Communications Group etc	Timescale: medium term Lead: Innovation and Improvement Hub
	Develop process to support innovative interventions which meet articulated needs and tackle barriers to entry	Timescale: medium/long term Lead: Innovation and Improvement Hub
WHAT WE WILL DO:	5. We will identify barriers to innovation, including the role of funding / gaps and options for addressing these‡	
NEXT STEPS:	Research / scoping exercise around barriers to innovation particularly around funding, venture capital and equity. Recognising the deep rooted factors that result in lack of representation of marginalised communities in innovation, and working to engage and support innovators from more diverse communities‡	Timescale: medium-term Lead: Innovation and Improvement Hub WYHCP, WYCA
	Develop response to scoping exercise / evidence around funding opportunities and issues. Explore opportunities to establish an early stage proof of concept funding pot to support ideas development / early evidence	Timescale: medium-term Lead: WYCA
HOW WILL WE MEASURE SUCCESS?	<ul style="list-style-type: none"> • Monitor engagements with communications programme around system innovation needs • Track value of funding granted towards proof of concept / early evidence projects • Track number of locally-developed innovations trialled* • Track number of innovations generated / supported to uptake that directly meet an expressed need* • Monitor number of patents* • Health economics / impact of innovations* 	

	<ul style="list-style-type: none"> • Revisit research around barriers at 2.5 yr 	
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CHALLENGE: Profile of the region is not commensurate with its strengths and opportunities		
GOAL 3: West Yorkshire is recognised as a leading place for healthtech innovation		
WHAT WE WILL DO:	6. We will continue efforts to attract the best inward investment opportunities, whilst making the most of the national assets within our region, focusing activity around three core sub sectors: woundcare and regenerative tissue, diagnostics and personalised medicine, and digital health	
NEXT STEPS:	Develop regional proposition documents across core sub sectors of Healthtech and actively use in targeted lead generation in specific markets	Timescale: ongoing and cyclical Lead: WYCA
WHAT WE WILL DO:	7. We will put resources into championing and leading on behalf of the sector, working through our Healthtech partnership and Healthcare Innovation Communications Group	
NEXT STEPS:	Showcase exemplar activity / projects – event/s and publications, case studies and demonstrator projects	Timescale: short-term and ongoing Lead: AHSN and Cluster members
	Enable and support the Healthtech Cluster to champion and make the case for change where it is needed	Timescale: ongoing Lead: WYCA
HOW WILL WE MEASURE SUCCESS?	<ul style="list-style-type: none"> • Monitor number of regional healthtech inward investment wins • Track number and impact of regional marketing and comms opportunities realised 	

- Metrics to be developed / where feasible

Dependencies:

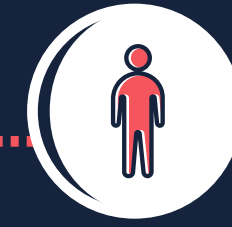
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Healthtech Strategy:

Building health & wealth through innovation



Our Vision

Outline Action Plan

We will be the number one place for Healthtech entrepreneurs, innovators and industry.

¹⁴⁵Our Healthtech ecosystem will be the best-connected and most innovation-driven in the country, providing unrivalled prospects to partner, locate and grow.

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The Challenges	Fragmented ecosystem, difficult for innovators to navigate	Innovations are not designed with system need in mind, or are unable to be adopted at scale due to process / system barriers	The profile of the region is not commensurate with its strengths and opportunities
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How We Will Measure Success	<ul style="list-style-type: none"> • Feedback from stakeholders – qualitative research with business, innovators and academics, and with Healthtech Cluster members • Annually monitor number of new healthtech startup companies 	<ul style="list-style-type: none"> • Monitor engagements with communications programme around system innovation needs • Track value of funding granted towards proof of concept / early evidence projects 	<ul style="list-style-type: none"> • Monitor number of regional healthtech inward investment wins annually • Track number and impact of regional marketing and comms opportunities realised

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Report to: West Yorkshire Combined Authority

Date: 3 February 2022

Subject: **West Yorkshire Mass Transit Resourcing**

Director: Ben Still, Managing Director

Author: Ben Still, Managing Director

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this report

- 1.1 To seek the CA's approval for the creation and appointment of a Director of the West Yorkshire Mass Transit Programme for the Combined Authority.

2. Information

- 2.1 The CA in collaboration with partner councils published the West Yorkshire mass transit vision in January 2021, which offers a new bold and ambitious public transport option for West Yorkshire. Looking beyond district boundaries this vision considers corridors linking communities, employment and other local and regional assets.
- 2.2 Alongside cycling, walking, bus and rail, mass transit will be essential in helping our communities thrive and the economy to flourish, bringing people and places closer together. By offering a new public transport option and attractive alternative to car travel, we expect mass transit to:
- Help combat climate change and provide climate resilient infrastructure.
 - Connect West Yorkshire's important places.
 - Support levelling up and help rebalance the economy.
 - Improve health and wellbeing.
 - Support economic recovery.

- 2.3 The Mass Transit Vision was published as part of a wider West Yorkshire Connectivity Infrastructure Plan consultation. There were 430,000 social media views of the engagement material. We received 7,800 responses to our surveys, polls, the interactive map and other stakeholder feedback. Overall, the support for our Mass Transit Vision was strong. Around 80% of respondents said they supported the Vision, either fully or in part, and the updated vision following the engagement is anticipated to be considered at the March Combined Authority Meeting.
- 2.4 During 2021, a programme level Strategic Outline Business Case for West Yorkshire Mass Transit has been developed. It is structured to follow the conventional Treasury Green Book 'Five Case' model, with the focus on the strategic dimension, which sets out the need for intervention and why transit is the preferred way to meet that need. The business case establishes the rationale for the Mass Transit project. Depending on the assurance process, the aim is for the Combined Authority to review the case and agree next steps at the March Combined Authority meeting.
- 2.5 This is a large and complex programme and future pipeline to design and deliver benefiting the whole of the region. Lessons learnt from other schemes demonstrate the importance of the early strategic work activities and that decisions undertaken during the front-end planning stage of projects play a vital role in defining the need for a project and determining whether it's a success. Work to date has put the programme onto a good footing. The programme is now at a crucial point as the strategic outline business case mentioned above is assessed and work continues into the next stages of design, with the intention for the next stage in public engagements to start during 2022.

Impact of Covid-19

- 2.6 Covid-19 social distancing requirements, restrictions on people's day-to-day behaviours and on how businesses operate have led to significant changes to how West Yorkshire's transport networks are used and how they function. They have led to reduced demand for travel by public transport and reduced public transport capacity. Government has had to step in and provide financial support to bus, rail and light rail operators. Through working from home many workers and their employers have experienced new remote working practices. Issues around the use of public transport, such as perceptions around ability to socially distance, have made private car use more appealing.
- 2.7 It is too early to say what the medium to long term impacts of the Covid-19 crisis on the volume and patterns of travel will be and what this will mean for the case for investment in transport interventions, whether they be focused on active modes, public transport or road traffic. What is clear, however, is the policy imperatives – to grow the West Yorkshire economy, to have a more equitable distribution of the benefits that growth will bring, to have lasting improvements to air quality and to tackle the climate emergency – will remain and that changes to the way transport is provided will be an integral part of the future policy mix.

- 2.8 As the work continues on bus reform and mass transit in particular, sensitivity tests on the economic, commercial and financial cases will be needed to understand how changing travel patterns will impact the business case.

Funding Mass Transit

- 2.9 The CA has an indicative allocation of £830 million from the City Region Sustainable Transport Settlement (CRSTS) for the five-year period 2022/23 to 2026/27, following a submission in September 2021. Within this submission the CA set out the case for mass transit and included development costs required in the next five years for the first phases of the network. A further business case is being submitted to Government which includes further details on mass transit and seeks £200m for development and initial delivery. This business case is over-programmed and so the exact amount to be spent on mass transit over the next five years will depend on the pace of the project and the management of the rest of the Settlement.
- 2.10 In November 2021 the Government published the Integrated Rail Plan. This confirms the 'in principle' funding for West Yorkshire Mass Transit. *"We commit today to building a Mass Transit System for Leeds and West Yorkshire, and to supporting West Yorkshire Combined Authority over the long term to ensure that this time, it gets done. That work begins now, with £200m of immediate funding to plan the project and start building it, with the first services operational in the second half of this decade."* (Page 7). The IRP also references that *"We intend for some parts to be in service by the second half of this decade. The cost for the initial network, over ten years, is expected to exceed £2bn."* (Page 88). It was subsequently confirmed by officials that the £200m referenced in the IRP is the funding we have sought via CRSTS.
- 2.11 The IRP also identifies that there may be an additional £100m for Rail Studies, including mass transit. It is not yet clear on the split of funding.

Governance for Mass Transit

- 2.12 It is proposed that the Transport Committee and CA will continue to be the formal decision-making bodies. Learning lessons from other places, it is proposed that a Members Working Group to help oversee the details is established. The officer Programme Board, which is currently comprised on CA and District officers will be reviewed and updated, including integration with industry partners as needed.

Resourcing Mass Transit

- 2.13 Work continues on mass transit with a Strategic Outline Business Case currently being assured through the assurance framework process. Thereafter, Government will carry out the assurance process as set out in their letter to the Mayor in November on the City Region Sustainable Transport Settlement:

'Whilst most schemes supported by this funding will be appropriate for you to develop and appraise locally, to maintain the appropriate oversight which taxpayers would expect, investment for the following types of schemes will require a separate business case and approval from my Department:

- any scheme which requires funding after 26/27*
- any single scheme which costs £50m or more*
- any scheme where my department has concerns about value for money, delivery or integration with national networks.'*

- 2.14 As part of their assurance, Government typically ask other agencies to peer review the programme. Local Partnerships, joint venture between the Local Government Association, HM Treasury and the Welsh Government, is one such organisation. As such, the CA invited them to consider the current programme and provide recommendations.
- 2.15 The Local Partnerships Team found that *"excellent preparatory work has been done researching the technologies and Mass Transit systems being used both within the UK and beyond. The lessons learnt data and wider information from this work has been effectively used to establish a strong foundation for the programme and obtain support for the Mass Transit programme across the West Yorkshire area. Work is progressing well developing the SOBC and the WYCA programme team is confident it will be submitted to DfT on time prior to the end of 2022. Currently there is only a small in-house programme team and we understand plans are well advanced to urgently supplement this staff resource."*
- 2.16 Each programme reviewed by Local Partnerships is given a Delivery Confidence Assessment (DCA), and for Mass Transit an "Amber" score was given on the basis that this *"reflects the significant issues and risks such as funding, programme team resources, communication and ongoing support. If the current SOBC is successful and adequate funding is approved to progress the programme, we would expect this to improve to Amber Green."*
- 2.17 A summary of their conclusions is at Appendix 1 and an action plan is being developed. One of their essential recommendations was to *'Ensure that adequate resources are in place as the Mass Transit programme develops to create a strong inhouse client team able to effectively manage the programme and act as an "intelligent client" supported by additional capacity and specialist skills from private sector consultant partners.'*
- 2.18 There are currently three people working full time on mass transit within the Combined Authority. Based on the scale of our current funding, attempts have been made to strengthen the inhouse team with specialisms in engineering, environment and place and project management and to create a new Head of Service. It has been challenging to attract potential candidates with the relevant experience in these posts. The confirmation of funding from Government will help to spark more interest.
- 2.19 In the meantime, consultants have filled some of the gaps and are giving advice on the appropriate structures that are needed now that Government

has committed funding and as the project moves beyond the Strategic Outline Business Case. This advice, lessons learnt from elsewhere and the success to date on recruitment, all points to needing a dedicated senior resource who can lead a significantly enhanced project team that includes a greater inhouse capacity alongside the specialist consultancy support all these types of projects have.

- 2.20 The proposal is to appoint a Director of the Mass Transit Programme to lead the programme development of the West Yorkshire Mass Transit scheme and to support an expanded team. Key outputs for this Director would include the next phases of the business case work, public engagement, the production of the commercial and delivery strategy and undertaking the necessary planning stages to progress the project. This is likely to take three to four years for the first phase of the programme at which point the project enters construction phase and, funding dependent, further phases of the network can be developed. Key workstreams would include the following and the team would need to be developed to bring in these expertise:
- Commercial programme;
 - Route and engineering programme;
 - Communications;
 - Engagement and partnership programme;
 - Environmental programmes;
 - Business case / transition programme;
 - Leadership and political liaison.
- 2.21 Ideally the Director would have experience of working on mass transit systems, particularly taking projects from concept through development and planning phases. Having someone who knows the issues when projects are in delivery can also help ensure we plan for these in the development stages. As a Director within the CA, the person would also have the same corporate responsibilities as other Directors to take an active part in the decision making of the organisation.
- 2.22 This is a competitive market and a fairly niche set of skills given the number of mass transit systems in existence. However, creating this team at pace is a priority if the project is to continue with momentum and to reach the milestones set out to Government that the funding is predicated on. It is therefore proposed that in the interim this post is filled by a private sector consultant or contractor who can continue the work and support the building of the team whilst a full recruitment to the post can take place. Over the life of the programme and its pipeline of projects, the team will be comprised of a mix of an in-house team and consultants and contractors to ensure the team has the appropriate expertise.

Other options considered

- 2.23 **Retain the current arrangements** - currently the mass transit work sits with the Policy and Development Directorate. This Directorate currently has three teams; Business, Innovation, Skills and Culture Policy; Place and Environment Policy; and Transport Policy. Since the last update to the CA, the first two

teams have been formally created and new appointments made to the Heads of Service.

- 2.24 The work of Policy and Development Directorate has also grown in scale and complexity. There is now a greater focus on ensuring the CA and partners have projects designed and developed and ready to either bid for funding or to make use of existing funding streams. The CA also published its intention to consider franchising through an assessment last year and the Government's Integrated Rail Plan announcements has placed greater need on the CA being able to work with them on the next steps with that – both delivering on schemes on such as TRU and on the review of connectivity and capacity around Leeds and to Bradford.
- 2.25 Therefore the scale, complexity and pace at which the mass transit project needs to progress means a separate dedicated Project team led by a Director would give it the best chance of success. A previous proposal to recruit a Head of Service for transport development and mass transit, was unsuccessful. If the recommended option of a new Mass Transit Project Director is agreed, a review of resourcing requirements within transport development and policy would take place.
- 2.26 **Appoint a consultant/contractor** - this is an option in the short term whilst a permanent person is appointed. The rationale for this not being a permanent solution is that the project is a long term endeavour and having consistency as far as possible between now and at least beyond the public inquiry would be beneficial and would support ownership of the programme. Obviously this can't be guaranteed with a permanent employee either, but it is less of a risk than if a consultant or contractor is appointed.
- 2.27 **Recruit a Head of Service instead of a Director** - a recruitment process has been run to find a person to fill a Head of Service covering transport development and mass transit. There was a particular focus on mass transit in the advert and in the interview process. This process failed to recruit anyone.
- 2.28 Based on the above conclusions it is proposed that a Director of the Mass Transit Programme is created to lead an enhanced team to continue the work of the programme. It is proposed that the City Region Sustainable Transport Settlement would fund the costs of the Director and team. Whilst this person is recruited, it is proposed that an interim contractor or consultant fills the role.

3. Tackling the Climate Emergency Implications

- 3.1 Carbon emissions generated by transport are currently at levels that, without significant intervention and changes to processes, a net zero carbon future by 2038 will not be achievable. Road transport is the biggest contributor to roadside air pollution with cars being the largest source of emissions. To meet the 2038 net zero target, and even with a shift to zero/low emission vehicles, analysis suggests that a reduction of total vehicle kilometres exceeding 20% is necessary, accompanied by an increase in the use of sustainable modes (walking and cycling) and public transport. Transit also has the opportunity

to support improvements to air quality and contribute to carbon reduction goals by providing an attractive lower carbon, lower emission transport option. Increased capacity provided by transit will allow for additional capacity on congested corridors, which affords the opportunity to improve vehicle flows which in turn will improve air quality.

4. Inclusive Growth Implications

- 4.1 A central common theme of the Connectivity Plan, and Mass Transit Vision as part of that, is that investment in transport accessibility will make a positive contribution to driving forward inclusive growth. Our approach to transport seeks to provide practical alternatives to the private car that will help to tackle air quality issues and help provide access to jobs and education, especially for people currently less likely to access these opportunities. Our plans particularly focus on how to support the hardest to reach communities to realise economic opportunities.

5. Equality and Diversity Implications

- 5.1 Through the Combined Authority's role in managing the delivery of the Transport Strategy, the Connectivity Plan and bidding for funding, focus will be placed on ensuring that equality and diversity needs are addressed, with a particular emphasis on improving accessibility for all.
- 5.2 The Mass Transit programme has set out a number of design principles that will support the CA's EDI objectives including the following. These will be part of the ongoing design work and include:
- Designed for people of all ages and abilities – easily accessible low floor vehicles
 - Reflect the region's diverse communities and cultures
 - Multiple doors for quick and easy boarding
 - Inclusive safe spaces around stops
 - Affordable, easy to use, enjoyable and stimulating
- 5.3 Building the team for mass transit also gives us the opportunity to support diversity. This will be a challenge as the sector is not traditionally reflective of the population. We will also use our procurement strategy as an opportunity to ensure our suppliers also champion diversity and inclusion.

6. Financial Implications

- 6.1 The costs of the new post will be met by the City Region Sustainable Transport Settlement.

7. Legal Implications

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

8. Staffing Implications

- 8.1 It is proposed to create a new Director of the Mass Transit Programme. A role profile is in development and a draft is attached at Appendix 3 with the expectation that this will be within the Director grades.
- 8.2 If approval is given to create the post the most appropriate route of recruiting to the post would be considered. This may involve seeking specialist support in order to identify and attract suitably qualified and experienced candidates to apply, particularly given the specialist skill required. This may involve the procurement of an executive or technical search company. They may also support with the final role profile.

9. External Consultees

- 9.1 No external consultations have been undertaken.

10. Recommendations

- 10.1 To create a new role of Director of the West Yorkshire Mass Transit Programme within the Combined Authority and recruit to the post.
- 10.2 To delegate to the Managing Director the recruitment process, including convening an interview panel (with member representation) and, in consultation with the Mayor and the Chair of the Transport Committee, to make an appointment in accordance with the recommendation of the interview panel.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Summary of Local Partnerships Review

Appendix 2 – Senior Officer Structure with addition of a Director of the Mass Transit Programme

Appendix 3 – Draft role profile

SUMMARY PRESENTATION

West Yorkshire Combined Authority

West Yorkshire Mass Transit

The contents of this presentation are a summary of the full
Gate 0 Review - Report findings



Local Partnerships

Who we are, what we do,

Local Partnerships is a joint venture between Her Majesty's Treasury, the Local Government Association and the Welsh Government.

We work with Government, Local Authorities, local public bodies including blue light services and the community focused third sector to support them deliver investment in local infrastructure and local services.

Through our ownership, and joint activities with other parts of the Local Government Group, we form part of the local government family.

We work only for the public or third sectors, and solely for public benefit. This ensures we operate without the limitations of commercial conflict, and can (and do) share our intellectual capital freely across the public sector.

Our offering is additional, and we are not seeking to displace commercial or specialist advisers, instead our focus is on making the public sector client side's commercial and delivery capability stronger.

Our charging model is based on cost recovery (not maximising profit).

For further information contact 020 7296 6777 or visit www.localpartnerships.org.uk



NATIONAL ASSURANCE PROGRAMME

Experience & Credibility with Stakeholders

- Government Assurance accreditation
- Quality assured process by government – only one in local public sector
- Regularly recommended by Government departments
- 95% Satisfaction rating for reviews

Independence

157

- Access to Local Partnership's reviewer community
- Over 300 active reviewers – public and private sector
- Covers a wide range of skills and experience

Experienced Review team

- review team selected for relevant experience

Flexibility – reviews tailored to clients needs

- Range of fully tested Assurance products
- Every review tailored to needs of client and process.



TERMS OF REFERENCE FOR REVIEW

The primary purposes of this Local Partnerships Gateway Review 0 was to review the outcomes and objectives for the programme.

In particular, this review assessed the overall outcomes and objectives for the Mass Transit programme, the way the elements fit together. To this end we:

- evaluated the level of support from key stakeholders.
- evaluated the current progress and plans of the Mass Transit programme to ensure:
 - they are realistic
 - are properly resourced with individuals of appropriate experience
 - they have the potential to succeed in the wider context of the WYCA Transport Strategy 2040
- Reviewed governance and programme management arrangements for monitoring leading, managing, monitoring the programme
- Reviewed the arrangements for identifying and managing the main programme risks
- Assessed the early considerations of programme delivery options

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WEST YORKSHIRE COMBINED AUTHORITY

Local Partnerships Gate 0 Strategic Assessment review

Format

- Interviewed between 13 and 15 September 2021 to analyse and discuss the Mass Transit programme.
- 33 people were interviewed during the review
- $\frac{15}{64}$ person review team

Review team

- Review team leader - Paul Monaghan, LP Assurance Programme Director
- Review team members – Graham Hughes, Linda Raynor, Tony Lawson,
- All the members of team have extensive experience of overseeing and delivering major programmes and projects.

NAME	ROLE
Ben Still	Managing Director, WYCA
Tom Gifford	Head of Mass Transit, WYCA
Sir Roger Marsh, OBE	Chair, Leeds City Region LEP Board, Deputy Chair Investment Committee
Julian Jackson	Assistant Director, Planning, Bradford Council
Sir Roger Marsh, OBE	Chair, Leeds City Region LEP Board, Deputy Chair Investment Committee
Cllr Kim Groves	Chair, WYCA Transport Committee
Nicola Small	Senior Rail Programme Manager (Very Light Rail Programme Manager), Coventry Council
Liz Hunter	Head of Transport Policy, WYCA
Ginny Leonard	Account Director, Balfour Beatty
Steven Lee	Assistant Director Strategic Infrastructure, Calderdale Council
Neville Ford	Service Manager Planning and Transportation, Wakefield Council
Neil Chadwick	Director, Steer Group, Leeds Office
Leighton Cardwell	Cities Director- Leeds & Northern Powerhouse lead, Jacobs
Cllr Susan Hinchcliffe	Chair, Combined Authority
Dave Haskins	Head of Transport Implementation, WYCA
Alison Gillespie	Policy Manager - Spatial Planning, WYCA
Alex Hornby	Chief Executive Officer, Transdev Blazefield
James Hammett	Managing Director, UKTram
Martin Farrington	Director, City Development, Leeds City Council
Simon Coulthard	Head of Light Rail Knowledge & Development, Network Rail
Paul Matthews	Managing Director, First Bus
Richard Perry	Head of Northern Engagement, North and Devolution Division, Department for Transport
Martin Hamilton	Director, Leeds Civic Trust
Gwen Thomas	Leeds Civic Trust
James Riley	Leeds Civic Trust
Howard Dews	Leeds Civic Trust
Steve Hemingway	Turner Townsend
Kevin Trickett	President, Wakefield Civic Society
Nigel Foster	Chair of the Leeds Expert Panel / Director at Fore Consulting
Chris Dunderdale	WYCA – Mass Transit Policy Officer
Daniel Vaughan	Head of Metrolink – TFGM
Alastair Gordon	Arup & Leeds Chamber of Commerce transport board
Jake Morris	Policy & Representation Executive, West and North Yorkshire Chamber of Commerce
Anthony Whiteing	Senior Lecturer at the Institute for Transport Studies, the University of Leeds



REVIEW SUMMARY

The Review Team finds that excellent preparatory work has been done researching the technologies and Mass Transit systems being used both within the UK and beyond.

The lessons learnt data and wider information from this work has been effectively used to establish a strong foundation for the programme and obtain support for the Mass Transit programme across the West Yorkshire area.

160 Work is progressing well developing the SOBC and the WYCA programme team is confident it will be submitted to DfT on time prior to the end of 2022.

Currently there is only a small in-house programme team and we understand plans are well advanced to urgently supplement this staff resource.



AMBER DCA

We have given the programme an Amber DCA rating which reflects the significant issues and risks such as funding, programme team resources, communication and ongoing support. If the current SOBC is successful and adequate funding is approved to progress the programme, we would expect this to improve to Amber Green.

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DELIVERY CONFIDENCE RATING (DCA)

Amber definition - Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and if addressed promptly, should not present a cost/schedule overrun



REVIEW SUMMARY

The next stage of the programme, developing a first phase, and defining the detailed routes and proposed technology will be critical to its success and in maintaining stakeholder support.

Based on previous mass transit systems in other areas, it may take ten years before the first phase of a Mass Transit system is fully operational. Central to retaining support will be strong leadership, excellent communications and ensuring plans are in place to continue to upgrade the current transport network by improving bus and heavy rail systems.

We have recommended WYCA enhance their governance systems to help ensure this continued support.

RECOMMENDATIONS

Priority level

Twelve recommendations in this report – four are critical and eight are essential.

Critical (Do Now) – To increase the likelihood of a successful outcome it is of the greatest importance that the programme should take action immediately.

Essential (Do By) – To increase the likelihood of a successful outcome of the programme should take action in the near future.

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RECOMMENDATION 1

1: Policy and organisational context: preconditions for success

1. Strengthen governance of the Mass Transit programme to prepare for the next stages of delivery by:
 - establishing a Mass Transit political steering group
 - reviewing the membership of the TPB
 - formalise the expert advisory panel.

(Essential)

RECOMMENDATIONS 2,3 & 4

1: Business case and stakeholders

2. WYCA to commission the necessary resources to enable smooth transition from SOBC to OBC through to FBC stage to enable immediate start in January 2022. *(Essential)*
3. Expedite the next phases of work to determine routes and modes of transport to avoid delays. This should be accompanied by a factual summary of statistical data and evidence to support decision making and in a visual format that is engaging and can be understood by a range of audiences and can also feed into communications plans. Once defined, an outline benefits realisation strategy should be prepared so that elected Members, residents and stakeholders can be convinced that the benefits will not be left to chance, but carefully controlled and monitored. *(Essential)*
4. Revisit the current mechanism and timeframes for engaging partner stakeholders as the OBC evolves. Design and implement a refreshed and tailored engagement strategy enabling informed information dissemination and joint decision making to ensure deliverability. *(Essential)*

RECOMMENDATIONS 5,6 & 7

3: Review of Current phase

5. Stakeholder relationships should be maintained and enhanced to continue the wide level of support for the Mass Transit programme and also to provide a firm base for cooperative discussions should changes be needed to the current scheme outline.
(Essential)
6. Introduce a mechanism which brings WYCA together with bus operators and NPR and other relevant partners at key stages to inform sustainable and integrated transport solutions and to inform the OBC and acceleration towards FBC.
(Essential)
7. Early consideration as part of the SOBC should be given to the regulatory regime for buses that will underpin the Mass Transit scheme to ensure that the maximum benefit can be gained for the proposals across the West Yorkshire area.
(Critical)

RECOMMENDATIONS 8, 9 & 10

4: Management of intended outcomes

8. Continue to develop a wider set of transport network improvements alongside the Mass Transit programme Phase 1 to deliver improvement across the wider West Yorkshire area to other transport modes, especially buses and enhanced connectivity.
(Critical)
9. Enhance communications plan to ensure that there is a common understanding of the programme, what it aims to achieve and how it will be delivered amongst all stakeholders and ensure that as this evolves, all stakeholders understand the changes.
(Essential)
10. WYCA should develop a clear procurement strategy.
(Critical)

RECOMMENDATION 11

5: Risk Management

11. There should be continuing early engagement with the contracting community to help shape the development of the scheme and to prepare a procurement strategy that will deliver value and reliability to WYCA.
(Essential)

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RECOMMENDATION 12

5: Readiness for next phase

12. Ensure that adequate resources are in place as the Mass Transit programme develops to create a strong inhouse client team able to effectively manage the programme and act as an “intelligent client” supported by additional capacity and specialist skills from private sector consultant partners.

(Essential)

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170

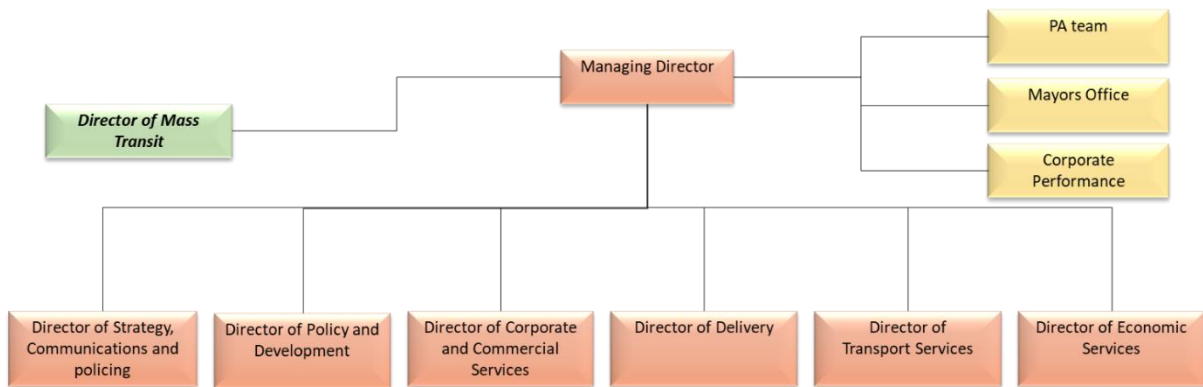
THANK YOU



**LOCAL
PARTNERSHIPS**

localpartnerships.org.uk

Appendix 2 – Senior Officer Structure with addition of a Director of the Mass Transit Programme



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DRAFT

DRAFT ROLE PROFILE

Job Title:	Director, West Yorkshire Mass Transit Programme	Job Code:	Draft - tbc
Department:	Directors	Version:	
Reports To:	Managing Director	Date Created:	January 2022
No. of direct reports:	4-6	Member of:	Leadership Team
No. in Directorate:	TBC	Grade:	
		Budget:	£200m – with potential to be £1-c.3bn

Is this a politically restricted Post?	Yes/ No <i>(*if yes, see our policy on what this means)</i>
Is this a Vetted Post?	Yes/ No Level: NPPV L2 (abbreviated)

ORGANISATIONAL CONTEXT

Our Vision as an organisation is:

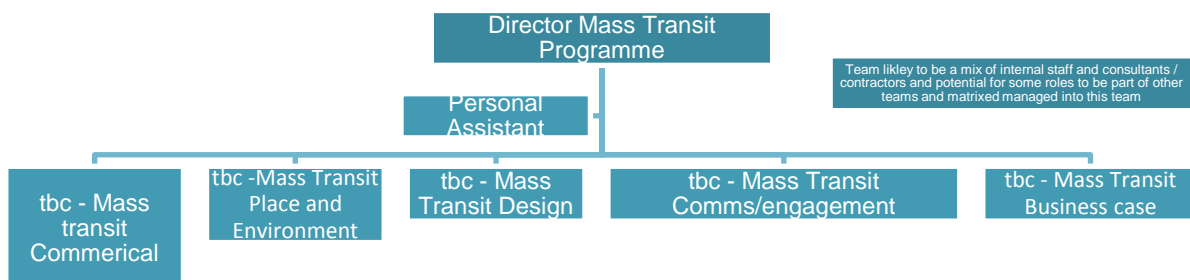
To be a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone.

To achieve this we will:

Secure the means to deliver projects and services needed for growth in West Yorkshire, be its voice nationally and internationally, and build the partnerships to ensure the best economic outcomes.

Our directorate contributes to this by:

Developing and implementing the Mass Transit Programme for West Yorkshire



Job Overview:

- Lead and manage the West Yorkshire Mass Transit Programme, responsible for defining and developing the programme for the region and its successful progression. Ensuring that it meets the needs of future customers, taxpayers, funders and other stakeholders in accordance with the organisation’s overall strategy.
- Ensure the programme supports the achievement of the organisation’s objectives, including the cross-cutting aims of clean and inclusive growth.

- Lead the programme from concept through to delivery, securing the necessary powers and funding, in partnership with Partners.

- © Deliver effective functional strategies, programmes and systems to ensure the delivery of the vision and business plan for mass transit.
- © Provide broad organisational leadership, working cohesively with other Directors to ensure teams work across organisational boundaries for the achievement of shared objectives.
- © Operate as part of a cohesive senior leadership team for the Combined Authority to inspire, lead and set the standards for the organisation.
- © Be a visible, proactive leader for the organisation and region both internally and externally, shaping policy and influencing, developing and motivating the team and stakeholders.

CRITICAL SUCCESS FACTORS

We break each job down to explain the critical areas for success, ranked by importance. These indicate the end result or outputs for which the role holder is responsible.

People Management:

- © Integrate the work of the function to the wider organisation and develop policies to support the achievement of the Combined Authority's objectives for mass transit.
- © Provide clear direction to your teams, via your direct reports, developing, motivating and rewarding them appropriately in line with our values and behaviours.
- © Create and demonstrate a strong performance management culture, ensuring that people are accountable for the delivery of results.
- © Create the right working environment for your teams, with a solid ethic of achievement of our vision, utilising the Combined Authority's policies and procedures.
- © Ensure appropriate communication channels are in place and effective between you and your direct reports.

Technical Duties:

- Lead the development of the mass transit programme from concept through to delivery, on behalf of the Mayor, Combined Authority and the LEP, working with other Directors as appropriate.
- Be accountable for the team designing a deliverable, value for money, and integrated mass transit solutions, across a range possible technology options including Bus Rapid Transit, Light Rail, Ultra-Light Rail and Tram-Train, drawing on national and international best practice.
- Ensure that mass transit integrates into the planning and operation across other modes
- Lead an effective governance model to oversee the programme and to ensure it can make appropriate and timely decisions, with Members and Partners.
- Be accountable for effective public and stakeholder engagement for the programme
- Lead engagement with national government on securing approvals, including planning and funding for the programme.
- Accountable for ensuring that the programme delivers to time, budget and quality.
- Lead and direct the programme including developing team structures that evolve as the work requires, commercial and procurement options, information management, approvals processes, risk and financial management arrangements and ensuring quality control through programme delivery.

- Ensure mass transit fits in a unified and consistent plan for projects in the Combined Authority including transport and economic schemes to maximise benefits and minimise impacts such as disruption.
- Lead and support colleagues in driving the cultural change needed to embed EDI, Inclusive Growth and carbon reduction across the programme.
- Build and develop strong working relationships with private and public sector stakeholders
- Responsible for ensuring all relevant guidance and standards are met through the project lifecycle and effectively championed and implemented across the Directorate

- © Accountable for developing and delivering on KPIs and business plan for the directorate, linked to the organisation’s vision and business plan, including ensuring that outputs are on time, to budget and of high quality. Advise or take remedial action where necessary.
- © Ensure your function has the right procedures in place to achieve your strategic objectives, developing and amending processes as required.
- © Forward plan the workload of the function, thinking through potential contributions, identifying appropriate solutions and acting accordingly.
- © Lead by example on health & safety matters, ensuring compliance with the Combined Authority’s health and safety policy.

Financial:

- Lead the approach to identifying and securing funding sources and developing proposals and business cases for the development and delivery of the mass transit programme.
- Lead negotiations with developers and others to secure funding

- © Accountable, with other members of the leadership team, for taking a strategic overview of the organisation’s finances and ensuring that these are well controlled.
- © Direct the organisation’s resources to secure and manage funding streams that fit with the organisation’s vision and business plan.

Impact & Influence:

- Lead and direct the engagement of the public, businesses and stakeholders in the development and implementation of the programmes.
- Develop strong relationships at senior levels with partner local authorities and external partners.

- © Form and maintain effective senior level working relationships with Members, Government, Local Authorities and partner organisations.
- © Use highly developed communication skills to lead, influence and challenge to ensure that the best interests of the Combined Authority are represented.
- © Manage communication challenges effectively in a dynamic and politically pressured environment.

The above lists of accountabilities are not exhaustive. The role holder will be required to undertake such tasks as may reasonably be expected commensurate with the scope and grading of the role.

THE PERSON

To be fully successful in the role, we believe the following knowledge, skills and experience are required.

When recruiting, we are looking for the best candidate match to this, however we know that there are some elements that can be trained and this will be taken into account during the recruitment process.

Knowledge:

- Ⓞ Experience in the leadership, development and delivery of mass transit programmes
- Ⓞ Educated or experienced to master degree/ postgraduate professional qualification level.
- Ⓞ Strong understanding of the national, regional and local policy landscape covering both transport and economic growth.

- Experience of working in a high level political environment, including influencing funding decisions.
- Highly developed communication skills, with strong writing fluency and experience of managing complex relationships.

People:

- Ⓞ Experience of managing large complex and multi-disciplinary teams including performance management and delivery of results against targets.
- Ⓞ Experience of leading, inspiring and engaging people towards the achievement of strategic business objectives.
- Ⓞ Experience of engendering a culture that drives the achievement of strategic business objectives.
- Ⓞ Actively work to achieve our goals of a diverse and inclusive organisation.

- Substantial demonstrable experience of managing high end relationships with multiple stakeholders at a senior level, demonstrating gravitas, drive, passion and determination.
- Highly developed communication skills with the proven ability to strongly lead, influence and challenge.
- Experience of working with senior political leaders, nationally and regionally.
- Experience of working in a public - private sector partnership context, within a local government environment.

Technical:

- Ⓞ Strong negotiation skills.
- Ⓞ Highly developed communication skills with the proven ability to strongly lead, influence and challenge.

- Proven record of developing and overseeing mass transit programmes
- Excellent experience of designing and managing complex programmes at a city-scale
- Proven track record of leading and delivering complex commercial and procurement strategies

Financial:

- Ⓞ Demonstrable experience of successfully managing large scale budgets.
- Ⓞ Experience identifying and acquiring appropriate funding streams.

- Comprehensive experience of leading funding negotiations

Impact & Influence:

- Ⓞ Comprehensive experience of leading, negotiating and influencing stakeholders.
- Ⓞ Experienced in forming effective senior level working relationships with Members, Government and partner organisations.
- Ⓞ Comprehensive experience of providing leadership in a complex public-private sector partnership context.

- Highly experienced in managing challenges in a fast paced and highly pressurised environment.
- Excellent presentational (written and verbal) skills, with the ability to present complex issues with clarity and provide appropriate solutions to issues and problems.
- Strong negotiation skills

OUR VALUES & BEHAVIOURS

**Championing Our Region | Working Intelligently | Easy to Do Business With |
Positive About Change | Working Together**

These are our values. We shaped them together and we're proud of them.

We also created a set of behaviours for each of our values. Our behaviours provide us with a way of working and they are our minimum expectations of everyone here.

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Report to: West Yorkshire Combined Authority

Date: 3 February 2022

Subject: **Capital Spending and Project Approvals**

Director: Melanie Corcoran, Director of Delivery

Author: Craig Taylor, Head of Portfolio Management and Appraisal

1 Purpose of this report

- 1.1 To report on proposals for the progression of, and funding for, West Yorkshire Combined Authority supported projects that have been considered at stages 1, 2 or 3 of the Combined Authority's assurance process.
- 1.2 The schemes being considered for approval today have come directly to the Combined Authority due to expediency of delivery. The schemes will be reported to the relevant thematic Committee as appropriate.
- 1.3 The recommendations can be found in Section 13 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.

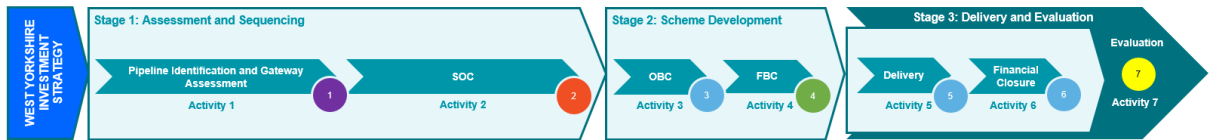
3 Tackling the Climate Emergency Implications

- 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 to refine the toolkit methodology is continuing and is currently finalising the results from assessments of a selection of existing capital schemes progressing through the assurance process. The results of these assessments along with explanatory reporting are currently being prepared for publication. It is anticipated that this will be in March 2022. 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 Report

- 4.1 This report presents proposals for the progression of one scheme. This scheme has a funding value of £7,010,000 when fully approved, of which £6,100,000 will be funded by the Combined Authority. A total expenditure recommendation to the value of £1,810,000 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.
- 4.2 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.
- 4.3 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

- 4.4 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 West Yorkshire Investment Strategy (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).
- 4.5 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

- 4.6 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.
- 4.7 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.

- 4.8 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

- 4.9 Once a scheme gains FBC approval and the conditions set have been met, the scheme can progress into Activity 5 (Delivery).
- 4.10 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.
- 4.11 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.
- 4.12 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.
- 4.13 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

- 4.14 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.
- 4.15 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.

- 4.16 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.
- 4.17 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.
- 4.18 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.

Scheme Summaries

<p>CIP - Calderdale - A629(North)–Ogden to Orange Street Roundabout</p> <p>Calderdale</p>	<p><u>Scheme description</u></p> <p>The scheme will improve access for walking, cycling and buses. This will make it easier to use, cross and travel along the A629 corridor with the aim of reducing journey delays for all road users.</p> <p>The scheme is to be delivered through the Corridor Improvement Programme Phase 2 funded from the West Yorkshire plus Transport Fund (WY+TF)</p> <p><u>Impact</u></p> <p>This scheme will deliver improved walking and cycling provision. It will make it easier for pedestrians to safely travel on this stretch of road and will also make the public areas more attractive and inviting for users.</p> <p>The scheme supports the inclusive growth principle of better quality of life by reducing congestion, improving air quality and enhancing connectivity from the north through to Halifax Town Centre.</p> <p>The value for money assessment reflects a benefit cost ratio (BCR) of 1:0:60. This is categorised as low value for money, however, this is not uncommon for schemes of this nature. The scheme has a strong strategic case, which Government advises is of importance in deciding whether a scheme should be progressed.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 3 (OBC) and work commences on activity 4 (FBC).</p> <p>Total value of the scheme - £7,010,000</p> <p>Total value of Combined Authority funding - £6,100,000</p> <p>Funding recommendation sought - £1,180,000</p> <p>A decision by the Combined Authority is sought as part of this report</p>
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- 4.19 Since the Combined Authority’s meeting on 09 December 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 Finance, Resources and Corporate Committee. Under the delegation a total expenditure of 2,147,000 has been approved. The decisions were made by the Finance, Resources and Corporate Committee following a recommendation from Combined Authority Programme Appraisal Team.

<p>Bus Franchising Needs Assessment West Yorkshire</p>	<p><u>Scheme description</u></p> <p>This scheme will investigate the options for the proposed bus franchising scheme. This will include a thorough needs assessment, incorporating an assessment of the benefits and impacts of bus franchising, a comparison of these against other bus reform options, an audit of the proposed scheme, and the preparation and launch of public consultation. The outcomes will form the basis for a full business case.</p> <p>This scheme supports the Mayor’s pledge to bring buses back into public control. This assessment forms a key part of this pledge and is a statutory process.</p> <p>The scheme will be funded by Combined Authority Gainshare funding.</p> <p><u>Impact</u></p> <p>The key benefit of this scheme is to provide an evidence base upon which the Combined Authority can make a fully informed decision on whether to progress with a bus franchising scheme for West Yorkshire which would bring buses back into public control.</p> <p><u>Decision</u></p> <p>The Finance, Resources and Corporate Committee gave approval on 6 January 2022 for the scheme to proceed through decision point 2 (strategic outline case) and for work to commence on activity 4 (full business case).</p> <p>Total value of the scheme - £7,000,000</p> <p>Total value of Combined Authority funding - £7,000,000</p> <p>Funding recommendation sought - £1,000,000</p>
<p>Scheme York Castle Gateway Location: York</p>	<p><u>Scheme description</u></p> <p>This scheme is part of the wider York Castle Gateway Masterplan, which will be delivered in two phases. Phase 1 will include a new pedestrian cycle bridge, creating new strategic routes into and across the city for pedestrians and cyclists. Phase 2 includes enhancements to public spaces, involving reducing the number of car carrying roads, replacement and upgrading of bus stops and an upgraded pedestrian and cycle crossing.</p> <p>This scheme is funded from the West Yorkshire plus Transport Fund (WY+TF).</p> <p><u>Impact</u></p>

	<p>The scheme supports the Mayor's pledges of supporting businesses and being a champion for the regional economy and tackling the climate emergency and protecting our environment.</p> <p>The scheme presents a benefit cost ratio (BCR) of 0.81:1. This is categorised as poor value for money, however, it is not uncommon for schemes of this nature to return a low BCR. The scheme has a strong strategic case, which Government advises is of importance in deciding whether a scheme should be progressed.</p> <p>The wider benefits include health benefits through promotion of healthy active travel plus improvements to air quality by reducing motor vehicle use in the city centre. The new public park will enhance the setting of a number of popular visitor attractions.</p> <p><u>Decision</u></p> <p>The Finance, Resources and Corporate Committee gave approval on 6 January 2022 for the scheme to proceed through decision point 3 (outline business case) and for work to commence on activity 4 (full business case).</p> <p>Total value of the scheme - £5,429,960</p> <p>Total value of Combined Authority funding - £4,600,000</p> <p>Funding recommendation sought - £0</p>
<p>Armley Gyratory Leeds</p>	<p><u>Scheme description</u></p> <p>The Armley Gyratory scheme has been identified for delivery through the £78,800,000 Leeds City Centre Package (LCCP) programme funded by the West Yorkshire plus Transport Fund (WY+TF).</p> <p>The scheme will increase highway capacity through increasing lane numbers and widening approach roads. Signal upgrades will improve the operational efficiency of the gyratory and better accommodate re-routed traffic following closure to City Square.</p> <p>It will also replace the existing footbridges over the A58 and A643 with a new four-metre-wide bridge for pedestrians and cycle (compliant with LTN1/20 design standards) and widen the existing footpaths at the gyratory.</p> <p><u>Impact</u></p> <p>Enhancement to the highway capacity is considered necessary to accommodate the additional traffic following the planned closure to City Square. This is forecast to increase carbon emissions by 184,038 tonnes over a 60-year appraisal period (3,067 tonnes per annum). However, early indications suggest that as we expect to see an increasing number of electric vehicles on the road in future years, this should reduce to approximately 111,000 tonnes (1,850 tonnes per annum). Furthermore, it is anticipated that following the implementation of all planned activities within Leeds city centre across the LPTIP, TCF, City Connect, and LCCP funding programmes, that overall local air quality benefits will be realised.</p> <p>The scheme will reduce congestion levels and reduce journey times for motorists, including bus services. Buses, especially core city services will further benefit from the implementation of MOVA adaptive signal control which features virtual bus priority measures.</p>

	<p>The scheme will also improve walking and cycling connectivity and safety, by replacing the existing footbridges with LTN1/20 compliant shared provision and landscaping treatments, making users more visible to motorists.</p> <p><u>Decision</u></p> <p>The Finance, Resources and Corporate Committee gave approval on 6 January 2022 for the scheme to proceed through decision point 4 (full business case) and work commences on activity 5 (delivery).</p> <p>Total value of the scheme - £41,970,000</p> <p>Total value of Combined Authority funding - £41,970,000</p> <p>Funding recommendation sought - £27,930,000</p>
<p>Harrogate Road New Line</p> <p>Bradford</p>	<p><u>Scheme description</u></p> <p>This scheme will improve the existing junction at Greengates and includes the widening of the existing highway on all four arms of the junction, signal upgrades, junction improvements and improvements for pedestrians and cyclists.</p> <p><u>Impact</u></p> <p>This scheme has encountered unexpected difficulties due to the discovery of previously unmapped water utility infrastructure during construction. This exceptional circumstance has caused unforeseen delay and increase in cost.</p> <p>The project's wider benefits include improved facilities for pedestrians and cyclists, a reduction in the number and/or severity of accidents and improvements to air quality. Moreover, the scheme enhances quality of life through improved access to hubs such as Bradford city centre and Leeds Bradford Airport.</p> <p>The scheme benefit cost ratio is now 9.83:1 as a result of this change. This is categorised as very high value for money based on the Department for Transport's criteria.</p> <p><u>Decision</u></p> <p>The Finance, Resources and Corporate Committee gave approval on 6 January 2022 for change request to the Harrogate Road – New Line scheme to increase the total value of Combined Authority funding from the current approval of £7,665,000 to £8,812,000 (increase of £1,147,000) due to exceptional circumstances. Bradford Council match funding has been increased from £2,736,000 to £3,016,000 (increase of £280,000). The total project value is £13,754,000.</p> <p>Bradford Council undertook a value engineering exercise to reduce the cost impact to the value requested in this report.</p> <p>Total value of the scheme - £13,754,000</p> <p>Total value of Combined Authority funding - £8,812,000</p> <p>Funding recommendation sought - £1,147,000</p>

4.20 Since the Combined Authority’s meeting on 9 December 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 Climate, Energy and Environment Committee. Under the delegation a total expenditure of £5,062,000 has been approved. The decisions were made by the Climate, Energy and Environment Committee following a recommendation from Combined Authority Programme Appraisal Team.

<p>Social Housing Decarbonisation Fund – Wave 1 West Yorkshire</p>	<p><u>Scheme description</u></p> <p>This scheme will upgrade the energy efficiency of some of the most in need social housing stock within the West Yorkshire area. It will deliver warm, energy-efficient homes, reduce carbon emissions and fuel bills, tackle fuel poverty, and support green jobs. This scheme will provide energy efficiency improvements to 1,316 houses of the most in need homes over a 12-month period</p> <p>This scheme is funded by Wave One of the government’s Social Housing Decarbonisation Fund (SHDF), a £3.8bn national fund, running over a 10-year period to improve the energy performance of social rented homes, on the pathway to Net Zero 2050.</p> <p>The Combined Authority is expecting to be awarded £5,062,000 from Wave 1 to be delivered by 2023. The Combined Authority has partnered with nine registered housing providers (RPs) from the West Yorkshire Housing Partnership and secured a further £5,319,000 in match funding.</p> <p><u>Impact</u></p> <p>This scheme aligns with Mayoral Pledge; to tackle the climate emergency and protect our environment, the West Yorkshire Combined Authority’s inclusive growth agenda, and Strategic Economic Framework Priority 3; Tackling the climate emergency and protecting our environment.</p> <p>Due to the differences in circumstances of each household, an accurate benefit cost ratio (BCR) is accepted to be impossible without asking tenants for personal and sensitive information. Previous case studies including Glasgow City Region indicate a BCR range of 2.0 to 6.0 :1 is achievable with a probability that this scheme will deliver within this range or better.</p> <p>This scheme will provide energy efficiency improvements to 1,316 houses of the most in need homes over a 12-month period and therefore will reduce bills and go some way to tackling fuel poverty. Social benefits include improvements to comfort, health, and well-being of social housing tenants.</p> <p>Potential economic and carbon benefits include the following estimated savings (on average):</p> <ul style="list-style-type: none"> • Bill reduction of £317,000 per annum, potentially £8,000,000 over the lifetime of the measures; reducing the number of households in fuel poverty.
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	<ul style="list-style-type: none"> • Potential saving in carbon of 451 CO₂e tonnes per annum, over 11,000 tonnes CO₂e over the lifetime of the measures. • Energy savings 2.383 GWh per annum, a potential saving of 85 GWh over the lifetime of the measures • 834 homes using less than 90 kWh/m²/year (63% of the homes treated) • 185 jobs and 5 apprentice placements supported • The primary purpose of the SHDF is to raise the energy performance certificate (EPC) rating of social homes to a minimum of EPC Band C; or to EPC Band D where Band C is not possible for EPC Band F/G homes and justification has been provided. <p>Decision</p> <p>The Climate, Energy and Environment Committee gave approval on 11 January 2022 for the scheme to proceed through decision point 2 (Strategic Outline Case) and decision point 4 (Full Business Case) and work commences on activity 5 (Delivery) subject to SHDF funding being secured</p> <p>Total value of the scheme - £10,381,000</p> <p>Total value of Combined Authority funding - £5,062,000</p> <p>Funding recommendation sought - £5,062,000</p>
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5 Information

5.1 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.

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

Projects in Stage 1: Assessment and Sequencing

5.3 There are no schemes to review at this stage.

Projects in Stage 2: Development

Project Title	CIP - Calderdale - A629 (North) – Ogden to Orange Street Roundabout
Stage	2 (development)
Decision Point	3 (outline 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Background

- 5.4 This scheme will be funded from the West Yorkshire plus Transport Fund. This is a £1 billion fund, covering West Yorkshire and York. The objectives of the West Yorkshire plus Transport Fund are to enable key employment and housing development areas and will help to create about 20,000 new jobs over the next 10 years. These strategic transport projects will be delivered to facilitate the growth priorities identified in the Leeds City Region Economic plan.
- 5.5 The A629 (North) – Ogden to Orange Street Roundabout scheme is part of the Corridor Improvement Programme (CIP) Phase 2. The CIP Phase 2 programme aims to deliver benefits for all road users, with an emphasis on reducing journey times to improve connections and access to economic growth sites, including those located in spatial priority areas. The programme also aims to improve air quality and contribute towards tackling the climate emergency.
- 5.6 The proposed scheme will provide new and improved infrastructure to improve bus journeys and make it easier for people to travel by bike or on foot on, around and across the A629 corridor, reducing delays for all road users. The improvements will enable inclusive growth by make access to educational, training and employment opportunities simpler for residents.
- 5.7 The scheme will involve:

- The introduction of a new one-way system at Wrigley Hill, between the A629 and Whitehill Drive making the junction safer for turning motorists, reducing congestion and improving journey times;
- The prevention of unlawful street parking on Wrigley Hill junction to facilitate new crossing and footpath widening;
- Upgrade of existing signals at A629 / Nursery Lane to include an additional pedestrian crossing and MOVA adaptive signal technology. This technology continually adjusts to the traffic to reduce congestion and improve traffic flow, benefitting all traffic;
- Introduce bus priority at three key signalised junctions: A629 / Ovenden Way, A629 / Shroggs Road, and Cross Hills / North Bridge to improve bus travel times and reduce journey delays;
- Improvements to signage, CCTV, and path upgrade on subways/paths on the western side of Orange Street Roundabout (Great Albion St, St James Rd, Richmond Court); and
- a new quiet lane/segregated cycle route in the valley floor (following Old Lane from the A629 to Mill Lane, then following a segregated route along the valley floor to Lee Bridge).

5.8 By encouraging and enabling more people to travel by bike or on foot, the scheme supports health improvements and reduces health inequalities by increasing physical activity and improving air quality by reducing the number of trips by car.

5.9 A summary of the scheme's business case and location map is included in **Appendix 2**.

Tackling the Climate Emergency Implications

5.10 The scheme seeks to encourage more people to travel on foot, by bike and by public transport which should improve air quality by reducing carbon emissions and other harmful particulates on the A629 corridor.

5.11 The scheme aims to contribute to the CIP Phase 2 target of reducing carbon emissions by 10% and journey times for cars. At this stage indications are that the scheme would result in increases for both indicators, however, the scheme offers the potential to act as a catalyst to encourage more walking and cycling, which would reduce carbon emissions and improve local air quality.

5.12 Further work to establish the climate emergency implications will be undertaken as part of the full business case development.

Outputs, Benefits, and Inclusive Growth Implications

5.13 The scheme outputs and benefits include:

- A new two-kilometre high-quality cycle route linking north Halifax to the town centre.

- New pedestrian crossings at Wrigley Hill and Shay Lane / Nursery Lane junctions
- Improved and widened footpaths at these junctions
- Street lighting and other attractive landscaping to maximise safety for new cycle route and improvements to underpasses at Orange Street Roundabout
- Traffic calming / speed reduction measures
- More trips by bike and on foot, increasing levels of physical activity and improving peoples' health
- Reduction in motor vehicle kilometres travelled
- Increased accessibility by active modes
- Reduce journey times for all users including bus

5.14 The benefit cost ratio for this scheme has been identified as 0.60 corresponding to 'Poor' Value for Money. A low BCR was envisaged at an early stage in the development of the outline business case. The CIP programme supports all CIP Phase 2 schemes with low BCRs where the strategic benefit is clear. The scheme proposed provides the highest economic benefits and strongest alignment with the strategic purpose and objectives of the A629 Corridor Improvement Programme.

Equality and Diversity Implications

5.15 An Equality Impact Assessment (EqIA) has been undertaken for the scheme and equality and diversity impacts taken account of as part of the development of the scheme and the business case development.

Risks

5.16 The scheme risks include:

- Land costs and or any other associated compensation claims by property owners exceed estimates, impacting on total scheme costs, mitigated by early engagement with landowners and local residents / businesses and ability to progress alternative cycle path route.
- The need for a Compulsory Purchase Order (CPO) for land required for the scheme and potentially a Public Inquiry as a result of any CPO, mitigated by early engagement with landowners.
- Recent cost increases in materials mitigated by using flexible design and alternative materials.

Costs

5.17 The total scheme costs are £7,010,000. The Combined Authority's contribution is £6,100,000 from the West Yorkshire plus Transport Fund. Calderdale Council will fund the remaining £910,000. The total scheme cost remains

within the Corridor Improvement Programme Phase 2 budget allocated to this scheme.

- 5.18 At decision point 2 (strategic outline case) £630,000 of development costs were approved to develop the outline business case. A further £1,180,000 of development costs are now required to develop the full business case, bringing the total development costs and scheme approval to £1,810,000.
- 5.19 The Combined Authority will need to enter into an addendum to the existing funding agreement with Calderdale Metropolitan District Council for expenditure of up to £1,810,000 from the West Yorkshire plus Transport Fund.

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
3 (outline business case)	Recommendation: Place, Regeneration and Housing Committee Decision: Combined Authority	03/02/2022
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	05/07/2023
Approval to Proceed	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/10/2023
5 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	29/11/2024
6 (financial closure)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	29/11/2024
7 (evaluation)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	27/11/2025

Other Key Timescales

- 5.20 Start on site – Quarter 1 2023/24
- 5.21 Completion on site – Quarter 4 2023/24

5.22 Defects Liability Period / Agreement of Final Account – Quarter 1 2025/26

Assurance Tolerances

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

Appraisal Summary

- 5.23 The scheme involves improvements for pedestrians, cyclists and buses which will make it easier and safer to travel along, and to cross the A629 corridor. This will reduce journey delays for all road users and improve the appearance and attractiveness of the area.
- 5.24 This scheme is well aligned with the policies and strategies for the Combined Authority and Calderdale and is a part of the wider Corridor Improvement Programme (CIP) and links to other activities within the Leeds City Region, for example Transforming Cities Fund (TCF).

Recommendations

- 5.25 The Combined Authority approves that:
 - (i) The CIP - A629(N) – Ogden to Orange Street Roundabout scheme proceeds through decision 3 (outline business case) and work commences on activity 4 (full business case).
 - (ii) An indicative approval to the Combined Authority’s contribution of £6,100,000 is given. The total scheme value is £7,010,000.
 - (iii) Additional development costs of £1,180,000 are approved in order to progress the scheme to decision point 4 (full business case), taking the total scheme approval to £1,810,000.
 - (iv) The Combined Authority enters into a funding agreement with Calderdale Metropolitan Borough Council for expenditure of up to £1,810,000.
 - (v) 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.

Projects in Stage 3: Delivery and Evaluation

There are no schemes to review at this stage.

6 Tackling the Climate Emergency Implications

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

7 Inclusive Growth Implications

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

8 Equality and Diversity Implications

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

9 Financial Implications

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

10 Legal implications

- 10.1 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.

11 Staffing implications

- 11.1 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.

12 External consultees

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

13 Recommendations (Summary)

CIP - Calderdale - A629 (North)–Ogden to Orange Street Roundabout

- 13.1 The Combined Authority approves that:
- (i) The CIP - A629(N) – Ogden to Orange Street Roundabout scheme proceeds through decision 3 (outline business case) and work commences on activity 4 (full business case).
 - (ii) An indicative approval to the Combined Authority's contribution of £6,100,000 is given. The total scheme value is £7,010,000.

- (iii) Additional development costs of £1,180,000 are approved in order to progress the scheme to decision point 4 (full business case), taking the total scheme approval to £1,810,000.
- (iv) The Combined Authority enters into a funding agreement with Calderdale Metropolitan Borough Council for expenditure of up to £1,810,000.
- (v) 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.

14 Background documents

None as part of this report.

15 Appendices

Appendix 1 – Background to the Combined Authority’s Assurance Framework

Appendix 2 – CIP - Calderdale - A629 (North)–Ogden to Orange Street Roundabout - Business Case Summary



Capital Spend and Project Approvals

Appendix 1 - Assurance Framework

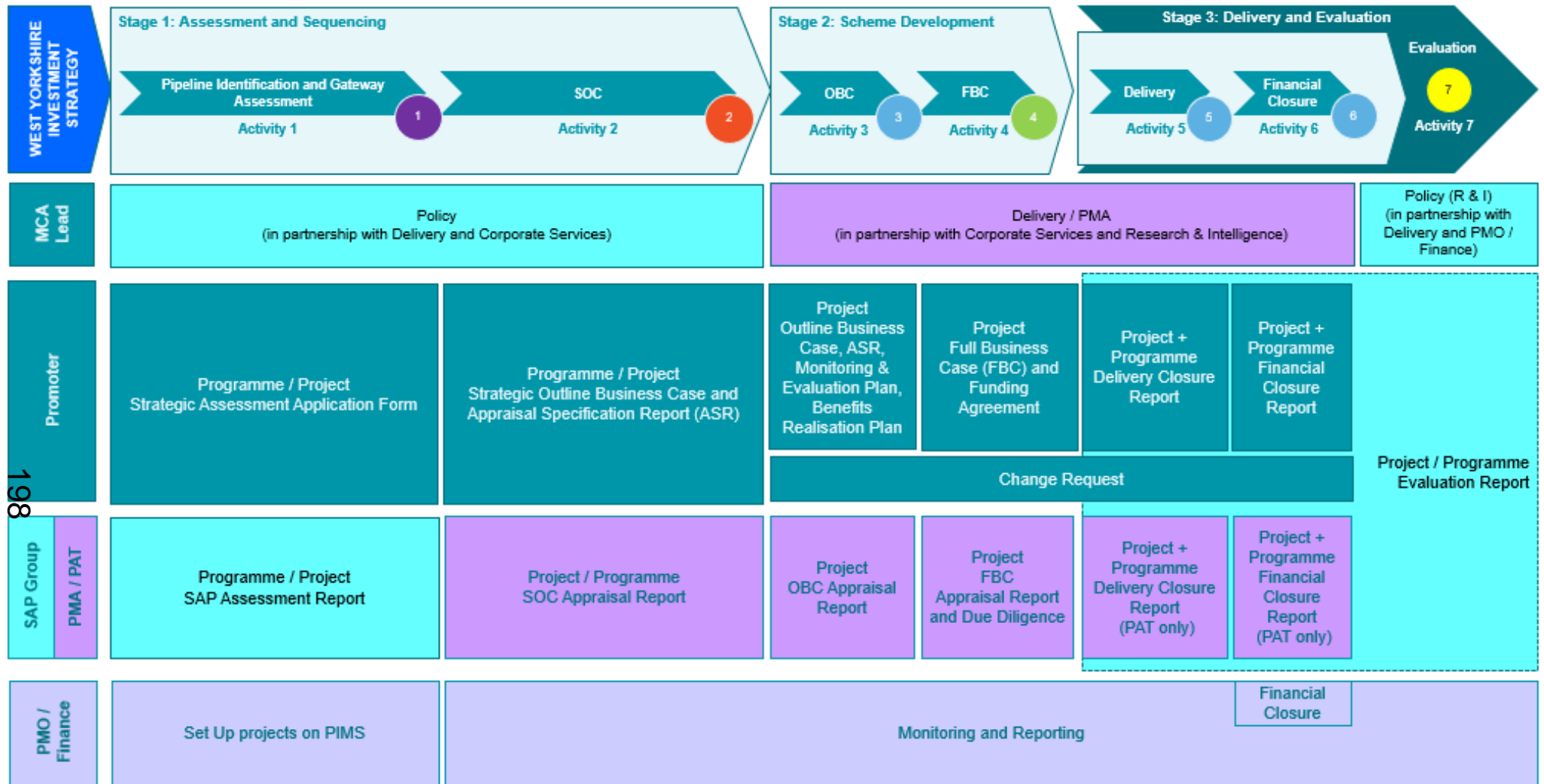
1 Assurance Framework

- 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:

Assurance Process



KEY: ● Key Decision Point (CA Approval Required) ● Key Decision Point (Thematic Committee/CA Approval may be required) ● Decision Point (Thematic Committee/CA Approval may be required) ● Decision Point ● Reporting Point

- 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.

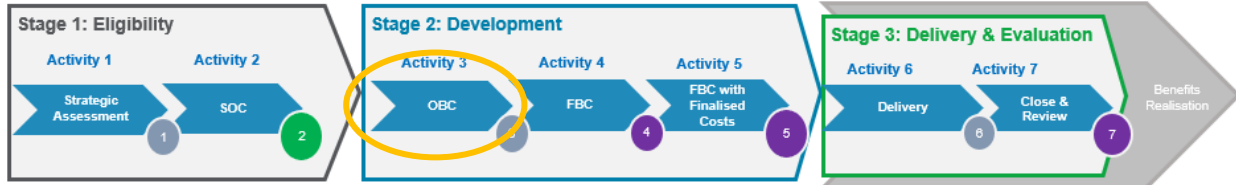
4 Transition

- 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

Name of scheme:	Corridor Improvement Programme - Calderdale - A629 North - Orange Street
Applicable funding stream(s) – Grant or Loan:	West Yorkshire plus Transport Fund (WY+TF) - Grant
Growth Fund Priority Area (if applicable):	The project will deliver across all four Growth Fund priority areas.
Approvals to date:	December 2019: Decision Point 1 (Programme level) September 2020 - Decision Point 2 (strategic outline case) programme level approval which included an indicative approval of £6,100,000, for the scheme, from the WY+TF and approval for development costs of £630,000
Forecasted full approval date (decision point 4):	31/10/2023
Forecasted completion date (decision point 5):	29/11/2024
Total scheme cost (£):	£7,010,000
Combined Authority funding (£):	£6,100,000 (WY+TF)
Total other public sector investment (£):	£910,000 match funding from Calderdale Council.
Total other private sector investment (£):	£0
Is this a standalone project?	Yes
Is this a programme?	No
Is this project part of an agreed programme?	Yes - Corridor Improvement Programme (Phase 2)

Current Assurance Process Activity:



Scheme Description:

The scheme is part of the Combined Authority’s Corridor Improvement Programme Phase 2 (CIP2). The CIP2 programme aims to deliver benefits for all road users with an emphasis on reducing journey times to improve connections and access to economic growth sites. The programme also aims to improve air quality and contribute towards tackling the climate emergency.

The proposed scheme will provide new and improved infrastructure to improve bus journeys and make it easier for people to travel by bike or on foot on, around and across the A629 corridor, reducing delays for all road users. The improvements will enable inclusive growth by make access to educational, training and employment opportunities simpler for residents.

The scheme will involve:

- The introduction of a new one-way system at Wrigley Hill, between the A629 and Whitehill Drive making the junction safer for turning motorists, reducing congestion and improving journey times;
- The prevention of unlawful street parking on Wrigley Hill junction to facilitate new crossing and footpath widening;
- Upgrade of existing signals at A629 / Nursery Lane to include an additional pedestrian crossing and MOVA adaptive signal technology. This technology continually adjusts to the traffic to reduce congestion and improve traffic flow, benefitting all traffic;
- Introduce bus priority at three key signalised junctions: A629 / Ovenden Way, A629 / Shroggs Road, and Cross Hills / North Bridge to improve bus travel times and reduce journey delays;
- Improvements to signage, CCTV, and path upgrade on subways/paths on the western side of Orange Street Roundabout (Great Albion St, St James Rd, Richmond Court); and
- a new quiet lane/segregated cycle route in the valley floor (following Old Lane from the A629 to Mill Lane, then following a segregated route along the valley floor to Lee Bridge).

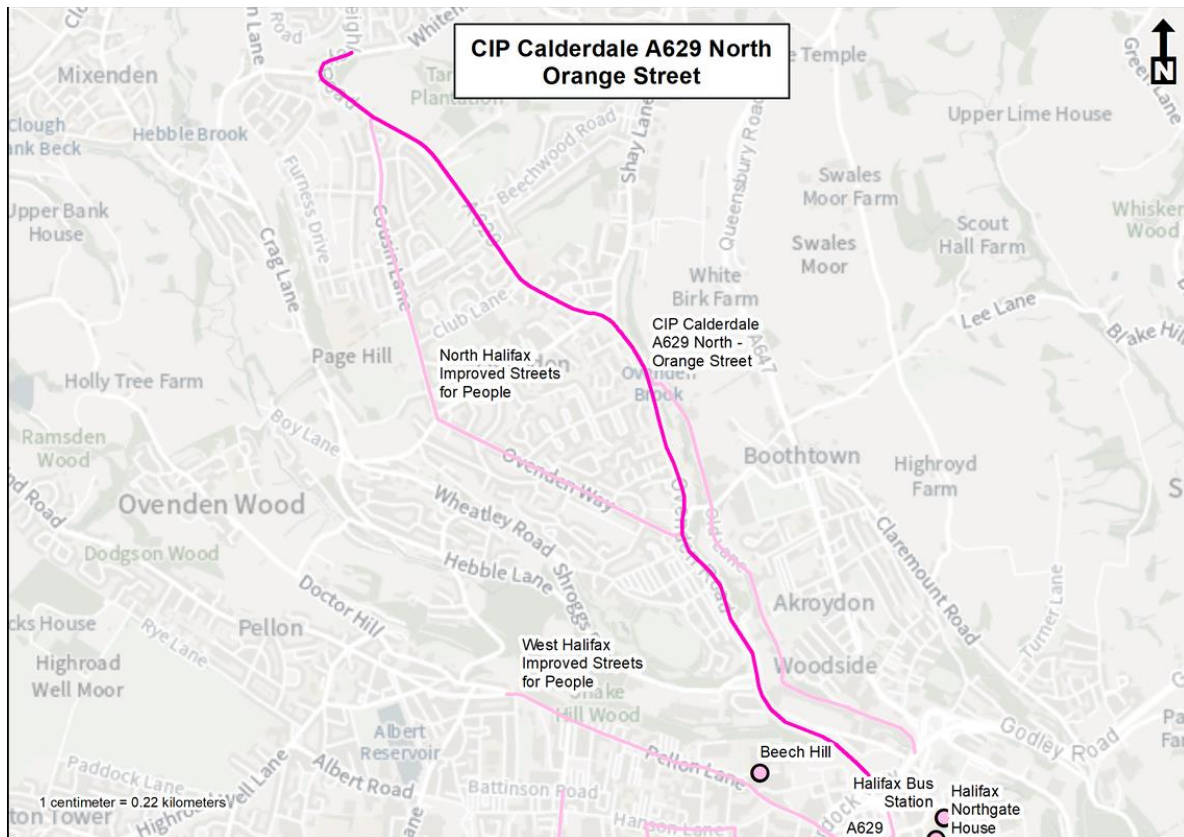
Business Case Summary:

Strategic Case	The Strategic Case aligns with national, regional, and local policy policies, most notably between this scheme and other transport investment in Halifax and the wider Leeds City Region.
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	<p>The proposed scheme will resolve current issues identified on this stretch of road that currently make it more difficult for people to undertake short, local trips by bike and on foot. The proposed scheme will provide new and improved infrastructure to improve bus journeys and make it easier for people to travel by bike or on foot on, around and across the A629 corridor. The improvements will enable inclusive growth by making access to educational, training and employment opportunities easier for residents.</p> <p>The scheme supports the facilitation of health improvements and contributes to the reduction of health inequalities by increasing physical activity and means of transport. A subsequent reduction in the use of cars will also contribute to improvements in air quality.</p>
Commercial Case	<p>There is a market demand for the scheme (to be confirmed at Full Business Case stage).</p> <p>There is a readiness of the private sector to capitalise on the scheme's improvements and invest to deliver wider economic benefits.</p>
Economic Case	<p>A comprehensive economic appraisal has been undertaken, which is fully compliant with the HM Treasury Green Book, and Department for Transport's Transport Analysis Guidance (TAG).</p> <p>The benefit cost ratio for this scheme has been identified as 0.60.</p> <p>The scheme provides a strong alignment with the strategic purpose and objectives of the A629 Corridor Improvement Programme.</p>
Financial Case	<p>The scheme will be funded through Corridor Improvement Programme Phase 2 with funding from the West Yorkshire plus Transport Fund (WY+TF). Calderdale Council will fund the remaining £910,000.</p> <p>Key financial risks have been identified, which include land costs and recent cost increases in materials.</p>
Management Case	<p>Calderdale Council will deliver the scheme and has experience of delivering similar schemes and utilising similar governance and delivery arrangements on time and budget.</p> <p>A delivery programme is set out for the scheme, which includes key milestones and key risks, and a communications and stakeholder management strategy has been developed. The strategy covers all major stakeholder groups and the public and includes a communications and engagement plan for scheme delivery.</p> <p>A comprehensive benefits realisation, monitoring and evaluation plan will be created as part of the FBC development to monitor and record scheme benefits and outcomes over a period of five-years post scheme completion.</p>

Location Map

The following map shows the location of the CIP Calderdale A629N Ogden to Orange Street Roundabout 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>



Report to: West Yorkshire Combined Authority

Date: 03 February 2022

Subject: **Assurance Framework**

Director: Melanie Corcoran, Director of Delivery

Author: Craig Taylor, Head of Portfolio Management and Appraisal (PMA)

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1 Purpose of this report

- 1.1 To provide the Combined Authority with an update on the progress relating to changes proposed to the Leeds City Region Local Assurance Framework arising from the 2022 annual review. The review was undertaken to strengthen the compliance of the Local Assurance Framework to the National Local Growth Assurance Framework guidance (September 2021).
- 1.2 To ask the Combined Authority to review and approve the proposed revisions to the Leeds City Region Assurance Framework.

2 Information

- 2.1 The Local Assurance Framework was developed in 2015 as part of the Growth Deal with Government and in February 2021 was updated to comply with changes arising from the West Yorkshire Devolution Deal for a Mayoral Combined Authority. 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) and West Yorkshire Investment Strategy (WYIS) ambitions. Its focus is to ensure that necessary practices and standards are implemented to provide the Government, Combined Authority, the 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/or Combined Authority.

- 2.2 In the period after February 2021 and prior to the National Local Growth Assurance Framework guidance (September 2021), minor changes have been made on two occasions by Written record of an officer decision (WROD):
- in July 2021 to reflect the new Mayoral arrangements; and
 - in October 2021 to reflect the changes to the Committee Structure approved by the Combined Authority on 22 April 2021.
- 2.3 The Local Assurance Framework must be reviewed annually and uploaded onto the Combined Authority's and LEP's website. The deadline for this to be completed is 28 February 2022.
- 2.4 The Assurance Framework has been prepared in accordance with HM Government Local Growth National Assurance Framework guidance (September 2021) and builds on a body of existing good practice. The LEP has to comply with this guidance for the relevant funding streams, but the principles are also applied to the Combined Authority, as the accountable body for the LEP for all funding streams.
- 2.5 The Combined Authority is requested to note that no further update has been published by MHCLG with regards the Local Growth National Assurance Framework guidance since September 2021 and none is expected prior to 28 February 2022. Therefore, this year's review of the Local Assurance Framework has been focused on aligning the Local Assurance Framework with current working practices, decision-making arrangements post mayoral elections, Strategic Economic Framework (SEF) and West Yorkshire Investment Strategy (WYIS).
- 2.6 A copy of the draft Local Assurance Framework 2022 (with track changes) can be found at Appendix 1. The key changes to the Local Assurance Framework are outlined below.
- Updates due to the Mayor now being in post (The Assurance Framework 2021 was approved prior to the Mayoral elections).
 - Updates due to the West Yorkshire Investment Strategy (WYIS) now being in place.
 - Updates to reflect further changes to the Committee Structure.
 - Section 4.2. References to the changes in the committee arrangement for Economic Services grants.
 - The Combined Authority has developed an approach to carbon appraisal which forms an integral part of the Assurance Framework and features in all stages of business case development from SA through to FBC.

- The Value for Money assessment has been broadened to include specific strategic goals.
 - Section 8. The Combined Authority's approach to evaluation has developed.
- 2.7 The Local Assurance Framework continues to adopt a flexible and proportionate approach based on an assessment of risk, cost, and deliverability. For example, a low cost, low risk scheme may proceed from Activity 2 to Activity 4 with a simplified business case template requirement for evidencing value for money. The Combined Authority uses a variety of templates with 'How to Guidance' provided to the promoter in order for the Combined Authority to gather the evidence required to assure value for money and realistic business case proposals. Officers will work with promoters to give additional guidance in order for a proportionate approach to be achieved.
- 2.8 The Section 151/Section 73 Officer is required to write to HM Government by 28 February each year, to certify that the LEP/Combined Authority's Local Assurance Framework is compliant with the national framework.
- 2.9 The Local Assurance Framework has been reviewed by the:
- Assurance Framework Project Board – 17 December 2021.
 - MCA Board – 07 January 2022.
 - Governance and Audit Committee – 13 January 2022.
 - Scrutiny Committee – 21 January 2022.
 - LEP Board – 26 January 2022.
- 2.10 The Combined Authority are requested to review and approve the proposed revisions to the Leeds City Region Assurance Framework and delegate authority to the LEP's Chief Executive (the Managing Director) in consultation with the LEP Chair and the Combined Authority Chair to approve the final Local Assurance Framework, in case that any further changes are needed to be made to the Local Assurance Framework prior to its publication.

3 Tackling the Climate Emergency Implications

- 3.1 Clean growth considerations and references to related activities have been embedded throughout the Local Assurance Framework and related internal governance documents and decision-making procedures. This will strengthen how clean growth and climate change impacts are considered as part of all schemes that come through the Local Assurance Framework.
- 3.2 To fully strengthen decision making across the whole of the Combined Authority's Local Assurance Framework a robust, quantifiable methodology for assessing all new schemes predicted carbon emissions/wider clean growth impacts has been developed.
- 3.3 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 contribute to a reduction in carbon emissions (both directly and indirectly).

4 Inclusive Growth Implications

- 4.1 Inclusive Growth considerations have been embedded throughout the Local Assurance framework, internal governance documents and decision-making procedures to strengthen how inclusive growth is considered as part of all schemes that come through Local Assurance Framework.

5 Equality and Diversity Implications

- 5.1 Equality and diversity considerations and implications have been embedded throughout the Local Assurance framework and related internal governance documents and decision-making procedures and are considered as part of all schemes that come through Local Assurance Framework.
- 5.2 The equality and diversity toolkit is being revised and strengthened and once finalised, will be included in the business case templates supporting scheme submissions.
- 5.3 Equality and diversity impacts are required to be included in all project approvals reports which ensures that the business cases evidence their equality and diversity impact (both directly and indirectly).

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 The Department for Business, Energy & Industrial Strategy (BEIS) have provided informal feedback on the draft Local Assurance Framework which has been taken account of.

10 Recommendations

- 10.1 The Combined Authority are requested to:
- (i) Review and approve the proposed revisions to the Leeds City Region Assurance Framework.
 - (ii) Delegate authority to the LEP's Chief Executive (the Managing Director) in consultation with the LEP Chair and the Combined Authority Chair to

approve the final Local Assurance Framework, in case that any further changes are needed to be made to the Local Assurance Framework prior to its publication.

11 Background Documents

[The National Local Growth Assurance Framework](#) (2021)

12 Appendices

Appendix 1 - [Assurance Framework 2022 Draft.pdf](#)

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Report to: West Yorkshire Combined Authority

Date: 03 February 2022

Subject: **Appointment of External Auditors**

Director(s): Angela Taylor, Director, Corporate and Commercial Services

Author(s): Celia Yang, Finance 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:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this report

- 1.1 To ask the Combined Authority to approve a recommendation for the future appointment of external auditors.

2. Information

- 2.1 The Combined Authority has previously opted in to the arrangements for appointing external auditors whereby Public Sector Auditor Appointments Ltd (PSAA) undertakes a national procurement and subsequently appoints auditors to each opting in body.
- 2.2 This procurement and appointments process is now due to be undertaken again, with new auditors to be appointed from 2023. The Governance and Audit Committee has been advised of work undertaken by PSAA over the last year to consult on this second appointing period and take into account any learning from the process, noting that almost all local bodies opted in to the arrangements.
- 2.3 In late September 2021, PSAA published both the prospectus for the national scheme from April 2023 and the procurement strategy. Eligible bodies have until **Friday 11 March 2022** to formally respond and accept the **opt-in**

invitation. Under the Regulations this is a decision that needs to be taken by 'Full Council'.

2.4 At its meeting of 13 January 2022 the members of the Governance and Audit Committee reviewed the proposals from PSAA and considered the options available ie to opt in again to the PSAA arrangements or for the Combined Authority to undertake its own procurement. They were strongly in favour of continuing the opt-in arrangements with PSAA.

2.5 Further information that was considered by the members of the Governance and Audit Committee in making its recommendation is included in Appendix 1.

3. Tackling the Climate Emergency Implications

3.1 There are no climate emergency 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 Equality and diversity are considered throughout the design and delivery of services. There are no implications directly arising from this report.

6. Financial Implications

6.1 There are no financial implications directly arising from this report. The PSAA arrangements should bring savings and efficiencies of scale to future audit fees.

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 Combined Authority considers the recommendation and information provided and approves the opt-in to the PSAA led national scheme for the appointment of external auditors, effective from April 2023.

11. Background Documents

None.

12. Appendices

Appendix 1 – Further information/PSAA prospectus

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Further information / PSAA Prospectus

- 1.1. In relation to appointing auditors, eligible bodies, like the Combined Authority, have options to arrange their own procurement and make the appointment themselves or in conjunction with other bodies, or they can join and take advantage of the national collective scheme administered by PSAA.
- 1.2. An eligible body that does not accept the opt-in invitation but subsequently wishes to join the scheme may apply to opt in only after the appointing period has commenced, that is on or after 1 April 2023.
- 1.3. The PSAA propose that the national scheme will be the best option to enable local bodies to secure audit services in a very challenging market. Firms are more likely to make positive decisions to bid for larger, long term contracts, offering secure income streams, than they are to invest in bidding for a multitude of individual opportunities.
- 1.4. The PSAA state that the national scheme already offers a range of benefits for its members as follows:
 - transparent and independent auditor appointment via a third party;
 - the best opportunity to secure the appointment of a qualified, registered auditor;
 - appointment, if possible, of the same auditors to bodies involved in significant collaboration/joint working initiatives, if the parties believe that it will enhance efficiency and value for money;
 - on-going management of any independence issues which may arise;
 - access to a dedicated team with significant experience of working within the context of the relevant regulations to appoint auditors, managing contracts with audit firms, and setting and determining audit fees;
 - a value for money offer based on minimising PSAA costs and distribution of any surpluses to scheme members;
 - collective savings for the sector through undertaking one major procurement as opposed to a multiplicity of smaller procurements;
 - a sector-led collaborative scheme supported by an established advisory panel of sector representatives to help inform the design and operation of the scheme;
 - avoiding the necessity for local bodies to establish an auditor panel and undertake an auditor procurement, enabling time and resources to be deployed on other pressing priorities;
 - providing regular updates to Section 151 / Section 73 officers on a range of local audit related matters and our work, to inform and support effective auditor-audited body relationships; and
 - concerted efforts to develop a more sustainable local audit market.
- 1.5. Learning from the collective post-2018 experience / feedback, the PSAA state they have taken a number of initiatives to improve the operation of the national scheme for the benefit of all parties including:

- commissioning an independent review undertaken by Cardiff Business School of the design of the scheme and implementation of our appointing person role to help shape our thinking about future arrangements;
 - commissioning an independent review by consultancy firm Touchstone Renard of the sustainability of the local government audit market, which identified a number of distinctive challenges in the current local audit market. We published the report to inform debate and support ongoing work to strengthen the system and help to deliver long term sustainability;
 - proactively and constructively engaging with the various independent reviews, including the significant Redmond Review into Local Authority Financial Reporting and External Audit;
 - working with MHCLG to identify ways to address concerns about fees by developing a new approach to fee variations which would seek wherever possible to determine additional fees at a national level where changes in audit work apply to all or most opted-in bodies;
 - establishing the Local Audit Quality Forum, which has to date held five well attended events on relevant topics, to strengthen engagement with Audit Committee Chairs and Chief Finance Officers;
 - using our advisory panel and attending meetings of the various Treasurers' Societies and S151 officer meetings to share updates on our work, discuss audit-related developments, and listen to feedback;
 - maintaining contact with those registered audit firms that are not currently contracted with us, to build relationships and understand their thinking on working within the local audit market;
 - undertaking research to enable a better understanding of the outcomes of electors' objections and statements of reasons issued since our establishment in April 2015; and
 - sharing our experiences with and learning from other organisations that commission local audit services such as Audit Scotland, the NAO, and Crown Commercial Services.
- 1.6. One of PSAA's most important obligations is to make an appropriate auditor appointment to each and every opted-in body. Prior to making appointments for the second appointing period, commencing on 1 April 2023, they plan to undertake a major procurement enabling suppliers to enter into new long term contracts with PSAA. In the event that the procurement fails to attract sufficient capacity to enable auditor appointments to every opted-in body or realistic market prices, they have fallback options to extend one or more existing contracts for 2023/24 and also 2024/25, whilst taking into account the value represented by contract extension options.
- 1.7. PSAA propose they are well placed to lead the national scheme, especially having learned a lot from the unprecedented challenges for the UK audit market. They are staffed by a team with significant experience of working within the context of the regulations to appoint auditors, managing contracts with audit firms, and setting and determining audit fees.
- 1.8. The PSAA state that the national collective, sector-led scheme stands out as the best option for all eligible bodies, especially in the current challenging

market conditions. It offers excellent value for money and assures the independence of the auditor appointment.

- 1.9. Membership of the national scheme will save time and resources for local bodies, time and resources which can be deployed to address other pressing priorities. Bodies can avoid the necessity to establish an auditor panel (required by the Local Audit & Accountability Act, 2014) and the need to manage their own auditor procurement.
- 1.10. PSAA have stated that they will contract with appropriately qualified suppliers, will support external audit market sustainability and will offer value for money.

PSAA Procurement Strategy

- 1.11. The objectives of the procurement are to maximise value for local public bodies by:
 - securing the delivery of independent audit services of the required quality;
 - awarding long term contracts to a sufficient number of firms to enable the deployment of an appropriately qualified auditing team to every participating body;
 - encouraging existing suppliers to remain active participants in local audit and creating opportunities for new suppliers to enter the market;
 - encouraging audit suppliers to submit prices which are realistic in the context of the current market;
 - enabling auditor appointments which facilitate the efficient use of audit resources;
 - supporting and contributing to the efforts of audited bodies and auditors to improve the timeliness of audit opinion delivery; and
 - establishing arrangements that are able to evolve in response to changes to the local audit framework.
- 1.12. PSAA state it is necessary to enter into contracts with a number of audit suppliers to provide sufficient capacity for all of the audits required, to enable the PSAA to manage auditor independence issues and, if possible, grow the number of active suppliers in the local audit market.
- 1.13. The procurement will cover the audits of the accounts of all eligible bodies that opt into the appointing person scheme. Eligible bodies include local authorities, combined authorities, police and crime commissioners including PFCCs, chief constables, fire and rescue authorities, waste authorities, passenger transport executives and national park authorities. There are currently 476 bodies that will be invited to opt in.
- 1.14. The target / provisional timetable and key milestones for the procurement are set out below.

Key milestone	Target Date
Publish Contract Notice and issue documentation on request	w/c 7 February 2022
Deadline for submission of Selection Questionnaires	w/c 14 March 2022
Issue invitation to tender to short-listed suppliers	w/c 4 April 2022
Deadline for submission of tenders	w/c 11 July 2022
PSAA Board approval of contract awards, assuming a satisfactory outcome	August 2022

Summary of Options

- 1.15. There are two options. The first is to opt-in to the PSAA led national scheme for the appointment of external auditors, as detailed throughout the report. The second is not to opt-in and undertake the procurement of external auditors independently and in line with the requirements of the Local Audit & Accountability Act, 2014.
- 1.16. The second option would be a time consuming exercise of the Combined Authority, would require additional resources and structures to be set up and would not necessarily guarantee a successful procurement and potential risk of not having an external auditor in place for April 2023.
- 1.17. The recommendation to the Governance and Audit Committee is to continue to opt-in to the PSAA national exercise. This is the approach taken last time by the vast majority of eligible bodies.



Report to: West Yorkshire Combined Authority

Date: 3 February 2022

Subject: **Members' Code of Conduct – Review of Procedure**

Director: Angela Taylor, Director, Corporate and Commercial Services

Author: Amanda Rumbelow, Governance Lawyer

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 consider and seek approval of an amended 'Procedure for considering complaints alleging a failure to comply with the Members' Code of Conduct', (the Procedure) as attached at Appendix 1.

2. Information

- 2.1 Members may recall that in January 2019, the Committee on Standards in Public Life (CSPL) produced a report into ethical standards in local government accompanied by a series of best practice guidance and recommendations. One such recommendation was that the Local Government Association (LGA) should create a model code of conduct, which it subsequently did and published in December of 2020. Members will recall that following publication of the model, an amended version of the Combined Authority's Members' Code incorporating those changes was adopted at the Combined Authority's Annual Meeting in June 2021.
- 2.2. Since the adoption of the amended Combined Authority's Code in June 2021, the LGA has prepared further guidance on handling complaints arising from

the code¹. In light of this updated guidance, a review of the Combined Authority's Procedure for dealing with complaints was considered timely.

2.3. A number of changes to the Procedure are proposed to provide further clarity. For ease of reading, and to best incorporate the changes a revised clean version of the proposed Procedure is attached as an Appendix. The main changes are:

- The inclusion of an additional step in the Procedure, namely 'Investigation.', which precedes a report being taken to Governance and Audit Committee. This step sets out the investigative process which determines whether a matter should be taken to the Committee, to ensure the procedure is transparent and fit for purpose,
- For the purposes of clarity, the terminology has been amended throughout and the terms 'Subject Member' and 'complainant' are defined at the outset of the document,
- The possible outcomes of each stage of the Procedure are now explicitly stated, along with time frames, to ensure all parties to a complaint understand which stage of the Procedure the complaint has reached.
- A flowchart has been added as an appendix to the Procedure following the recommendation of members of the Governance & Audit Committee.

2.4. The amended Procedure was presented to members of the Governance & Audit Committee at their informal meeting on 13 January 2022 and was endorsed by them subject to the addition of a flowchart which is now appended.

3. Tackling the Climate Emergency Implications

3.1 There are no climate emergency 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. The Combined Authority's Code of Conduct contains explicit reference to the equality legislation and places an obligation on Members to promote equalities and not discriminate unlawfully against any person. Conduct which amounts to a breach of the Equality Act 2010 could also amount to a breach of the Code of Conduct and give rise to a complaint under the Code.

6. Financial Implications

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

¹ [Guidance on Member Model Code of Conduct Complaints Handling | Local Government Association](#)

7. Legal Implications

- 7.1 The Government has yet to issue its formal response to the CSPL review, and so there has been no change to the underlying legislation.
- 7.2 The principal statutory provisions relating to standards of conduct for Members remain those contained in the Localism Act 2011. Section 27(1) of the 2011 Act provides that authorities must promote and maintain high standards of conduct by Members and Co-opted Members of the authority.
- 7.3 Sections 27 and 28 of the 2011 Act require an authority to adopt a Code of Conduct consistent with the Nolan principles of good governance and to appoint at least one Independent Person whose views must be sought and considered before the authority makes any decision about an alleged breach of the Code that has been investigated.
- 7.4 There is no obligation to adopt a particular model of the Code of Conduct. The statutory duty is to adopt a code of conduct which complies with the statutory requirements referred to in paragraph 7.3.

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 Combined Authority adopts the revised Procedure for considering complaints alleging a failure to comply with the Members' Code of Conduct as attached as Appendix 1 to be of effect from today's meeting, 3 February 2022.

11. Background Documents

Not applicable.

12. Appendices

Appendix 1 – Revised Procedure for considering complaints alleging a failure to comply with the Members' Code of Conduct

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Part 5

Section 5.2 – Procedure for considering complaints alleging a failure to comply with the Members’ Code of Conduct

Introduction

1. The Members’ Code of Conduct applies to Combined Authority Members and voting Co-opted Members¹ when they are acting in that capacity.
2. The person making the complaint will be referred to as “the complainant” and the person against whom the complaint is made will be referred to as the “Subject Member”. The “Independent Person” means an Independent Person appointed under s.28(7) of the Localism Act 2011.
3. No Member or officer will participate in any stage of the procedure if he or she has, or may have, any personal conflict of interest in the matter.
4. A diagram overview of the Procedure set out below can be found at **Annex 1** to this Procedure.

Submitting a Complaint

5. The complainant alleging a failure to comply with the Code should submit their complaint in writing either by post to the Monitoring Officer, West Yorkshire Combined Authority, Wellington House, 40-50 Wellington Street, Leeds LS1 2DE or email to caroline.allen@westyorks-ca.gov.uk for initial assessment².
6. The complaint must set out:
 - the complainant’s name, address and other contact details,
 - who the complainant is (member of the public/fellow councillor or officer)
 - who was involved,
 - the alleged misconduct,
 - when and where it occurred, and
 - how the complainant wants the complaint to be resolved.

¹ and any substitute. Any reference in this procedure to a “Member” should be construed as being a reference to any member to whom the Code applies including the Mayor and the Deputy Mayor for Policing and Crime (where the Deputy Mayor for Policing and Crime is a Combined Authority Member, and the complaint is in relation to a PCC Function that has been referred by the Police and Crime Panel to the Monitoring Officer)

² Where any potential conflict of interest arises from the involvement of the Monitoring Officer, the Combined Authority’s Managing Director may ask a Monitoring Officer from another authority to deal with the complaint, including undertaking any investigation.

7. The complainant may complete a complaint form, but this is not required if the complainant provides the details required in writing.
8. If the complainant does not complete a form and does not provide the required details in writing, the Monitoring Officer will ask them to re-submit the complaint by completing a form.
9. The Monitoring Officer will acknowledge receipt of the complaint within 5 working days of receiving it and, at the same time, may³ write to the Subject Member with details of the allegation(s)⁴.
10. The Subject Member may, within 10 working days of receipt, make written representations to the Monitoring Officer which must be considered when deciding how the complaint should be dealt with. Representations after this time may be considered, at the discretion of the Monitoring Officer, but will in any event not be considered after the Monitoring Officer has issued the Initial Assessment of the complaint.

Initial Assessment by the Monitoring Officer

11. The Monitoring Officer will review the complaint and following consultation with the Independent Person take a decision (Initial Assessment) as to whether it passes the jurisdictional threshold (see paragraph 11 below) and, only if it does, will proceed to consider whether it merits investigation, or another course of action. This decision will normally be taken within 20 working days of receipt of a complaint. If the Monitoring Officer is of the opinion the Initial Assessment will take longer than 20 working days, they will notify the complainant and Subject Member of this as soon as is practicable
12. The jurisdictional test⁷ carried out by the Monitoring Officer will assess whether the complaint is:
 - against one or more named members of the Combined Authority;
 - the named member was in office at the time of the alleged conduct;
 - the complaint relates to matters where the member was acting as a member or representative of the Combined Authority, and it is not a private matter;
 - the complaint, if proven, would be a breach of the Code under which the member was operating at the time of the alleged misconduct.
13. Where a complaint may relate to a member in their capacity as a member of a Constituent or Non-Constituent Council, the Monitoring Officer will consult with the Monitoring Officer of the relevant council. In cases where an

³ The presumption will be that the Monitoring Officer will notify the Subject Member of any complaint against them, however, in the interest of preserving evidence, protecting the complainant from harassment, or other exceptional circumstances, the Monitoring Officer may decide not to notify the Subject Member

⁴ subject to any representations from the complainant on confidentiality, which are accepted as valid by the Monitoring Officer

allegation could trigger the complaints process in more than one authority, the Monitoring Officer will seek to agree with the Monitoring Officer of the relevant council that one initial assessment is undertaken to avoid two separate processes being carried out.

14. No complaint will be pursued unless it is in the opinion of the Monitoring Officer, in the public interest to do so. In deciding what action is necessary the Monitoring Officer will consider the following non-exclusive factors in respect of the complaint:

- was the complaint submitted anonymously?;⁵
- does it identify the Subject Member?;
- does it relate to a member's personal or private life?;
- does it allege that a criminal offence has been committed?;
- is it about failing to respond to a request from a constituent or other individual?;
- does it relate to alleged actions by officers of the Combined Authority, or a service-related issue?;
- does it relate to a decision of the Combined Authority or the Mayor, a committee of the Combined Authority or an officer of the Combined Authority?;
- does it relate to a person who is no longer a Member?;
- does it refer principally to an alleged incident before the person became a Member?;
- is it principally in relation to an alleged incident which happened so long in the past that there would be little benefit in taking action?;
- does it contain trivial allegations, or which appear to be simply malicious, vexatious, politically motivated or tit-for-tat⁶?; and
- does it concern alleged behaviour which has already been investigated or subject to some form of action?

15. If a complaint alleges that a criminal offence has been committed,⁷ the Monitoring Officer may direct any such complaint to the West Yorkshire Police⁸. Before making this decision, the Monitoring Officer may consult with:

- the Mayor,

⁵ Complaints which contain a request for the complainant's identity to be withheld may be dealt with under this procedure, although the complainant's identity will only be withheld if, in the opinion of the Monitoring Officer, there are exceptional circumstances. If the Monitoring Officer does not consider that the complainant's identity should be withheld, the complainant will be given the opportunity to withdraw the complaint. Anonymous complaints which reveal potential fraud or corruption will be referred to the Head of Internal Audit for consideration under the Combined Authority's Whistle Blowing Policy.

⁶ The Monitoring Officer should give the Independent Person the option to review and comment on allegations which the Monitoring Officer is minded to dismiss as falling within this provision.

⁷ Such as fraud, or an offence relating to failing to register or disclose a disclosable pecuniary interest under Section 34 of the Localism Act 2011.

⁸ Serious complaints and conduct matters made against the Mayor and Deputy Mayor for Policing and Crime in relation to PCC Functions must be referred to the Director General of the Independent Office for Police Conduct in accordance with the Policing Protocol Order 2011 as modified by the West Yorkshire Combined Authority (Election of Mayor and Functions) Order 2021.

- the Chair of the Governance and Audit Committee,
 - the Head of Paid Service,
 - the Section 73 Chief Finance Officer, or
 - the Independent Person.
- 16.** The Monitoring Officer will refer any complaint about an officer or service-related issue to the Head of Paid Service.
- 17.** On conclusion of their Initial Assessment, the Monitoring Officer will make one of the following decisions about the complaint:
- no further action should be taken on the complaint;
 - the matter should be dealt with through a process of informal resolution in the first place or;
 - the matter should be referred for a formal investigation.
- 18.** The Monitoring Officer will notify the complainant and Subject Member of the outcome of their decision in writing, as soon as is practicable. This will set out what further action is being taken (where appropriate).
- 19.** Where the decision is made to take no further action, the Monitoring Officer will provide reasoning for that decision, including the views of the Independent Person.
- 20.** There is no appeal against any decision taken by the Monitoring Officer at this stage.

Informal Resolution

- 21.** If the Monitoring Officer decides to seek to resolve the matter informally, they may do one or more of the following:
- ask the Subject Member to submit an apology in writing to the complainant;
 - convene a meeting between the Subject Member and the complainant in order to try to resolve the issue informally;
 - notify the Subject Member's group leader (where they are a member of a political group) and suggest that they may wish to take some internal group action⁹;
 - suggest that the Subject Member undergo relevant training;
 - other such action that the Monitoring Officer deems appropriate.
- 22.** The Monitoring Officer will decide on a timeframe within which the informal resolution must be completed to an acceptable standard, and if within that timeframe the Monitoring Officer is satisfied with the outcome, they will notify the complainant and the Subject Member, and the matter is then closed.

⁹ If the complaint is about a group leader, the Monitoring Officer may refer the matter to the relevant group whip within the relevant council. Where the Subject Member is the Deputy Mayor for Policing and Crime (and a CA member) the Monitoring Officer may notify the Mayor to seek their support

23. If either the Subject Member or complainant refuses to engage with the informal resolution proposed by the Monitoring Officer, or do not engage within the set timeframe, or the Monitoring Officer deems the action taken by the Subject Member insufficient or the informal resolution does not take place in a timely way the Monitoring Officer will decide, in consultation with the Independent Person, whether the case should be closed, whether an investigation is necessary or whether some other action should be taken.
24. At the end of the informal resolution, the Monitoring Officer will report any outcomes to the Governance and Audit Committee
25. There is no appeal against any decision of the Monitoring Officer under this stage.

Investigation

26. Where a matter is referred for investigation, the Monitoring Officer will normally appoint an Investigating Officer¹⁰. The Investigating Officer may be a Combined Authority officer, an officer from a Constituent Council, Non-Constituent Council or an external investigator.
27. The Investigating Officer will ensure that the Subject Member receives a copy of the complaint – subject to the Monitoring Officer’s decision on confidentiality.
28. The investigation must normally be completed within 6 months of the Monitoring Officer’s decision to refer the complaint for investigation. If an extension of time is needed the Monitoring Officer must agree that extension with the Chair of the Governance & Audit Committee and the Independent Person and notify the Subject Member and complainant of any extension.
29. The Subject Member is notified who the relevant Independent Person is for the case and may seek their views at any stage during the investigation. The complainant is also notified who the Independent Person is and may make a request to the Monitoring Officer to seek the views of the Independent Person. However, such a request will only be granted at the discretion of the Independent Person in consultation with the Monitoring Officer.
30. At any time while the investigation is underway the Monitoring Officer, the Subject Member or the complainant may ask for an informal resolution. The Monitoring Officer will consult with the relevant Independent Person to agree this.
30. At the end of the investigation, the Investigating Officer will produce a draft report and will send copies of that draft report to the Monitoring Officer and the Independent Person to ensure it meets the scope of the complaint. Once the Monitoring Officer is satisfied, the draft report will be sent to the

¹⁰ The Monitoring Officer reserves the right to undertake the investigation personally.

complainant and to the Subject Member for comments to be provided within a set timeframe. The Investigating Officer will take such comments into account before issuing the final report to the Monitoring Officer.

31. There may be exceptional circumstances when the Monitoring Officer decides that a case should be closed before a draft or final report has been produced due to a significant change in circumstances. This may include, for example that the Subject Member is seriously ill or is no longer a member or other action has led to the matter being resolved. In such cases the Monitoring Officer should consult the Independent Person before deciding that the file be closed.
32. On completion of the investigation and on considering the Investigating Officer's report, the Monitoring Officer will make one of the following decisions about the complaint in consultation with the Independent Person:
 - to take no further action;
 - to seek to resolve the matter informally; or
 - to refer the matter to the Governance and Audit Committee for determination.
33. The Monitoring Officer will issue the final report to the Subject Member and the Independent Person. A copy may be made available to the complainant if the Monitoring Officer deems it appropriate.
34. Where the Monitoring Officer has decided to take no further action or to seek to resolve the matter informally, they will report this outcome to the Governance and Audit Committee.
35. There is no appeal against any decision of the Monitoring Officer under this stage.
36. Where the matter is referred for determination, the Governance & Audit Committee will convene within 3 months. The Monitoring Officer will notify the Subject Member and complainant of the date.

Governance and Audit Committee¹¹

37. The Monitoring Officer will prepare a report for the Governance and Audit Committee, which will include:
 - a copy of the complaint and any response from the Subject Member,
 - minutes of any relevant meetings,
 - details of measures taken to address the complaint,

¹¹ Or any sub-committee appointed by the Governance and Audit Committee which has authority to determine complaints under this procedure.

- any further written representations from the complainant or the Subject Member, and
 - any view submitted in writing to the Committee by the Independent Person¹².
 - A copy of the Investigating Officer's final report
- 38.** Before reaching a decision on the complaint, the Committee must seek, and take account of, the view of the Independent Person in relation to the complaint¹³. The Monitoring Officer will invite that Independent Person to attend the meeting of the Governance and Audit Committee¹⁴. If the Independent Person cannot attend the meeting, they must submit their view to the Governance and Audit Committee in writing.
- 39.** The Monitoring Officer will attend the meeting to present their report.
- 40.** The Investigating Officer will attend the meeting to answer any questions arising from their final report and investigation.
- 41.** The Governance and Audit Committee will consider the report of the Monitoring Officer and may also ask questions of anyone present at the meeting.
- 42.** The Governance and Audit Committee must decide whether the Subject Member has failed to comply with the Code.
- 43.** If the Governance and Audit Committee is unable to reach a decision on the complaint on the basis of the information before it, it may adjourn the meeting and request that the Monitoring Officer seeks any further information required. However, when doing so, the Committee should consider whether such information will be readily available to the Monitoring Officer. Any request for information must be provided to both the complainant and the Subject Member.
- 44.** If the Governance and Audit Committee decides that there has been no breach of the Code, the complaints process will conclude.
- 45.** If the Governance and Audit Committee decides that there has been a breach, the Committee must go on to consider:
- Whether to take action against the Subject Member; and
 - What action it should recommend to the Combined Authority; and

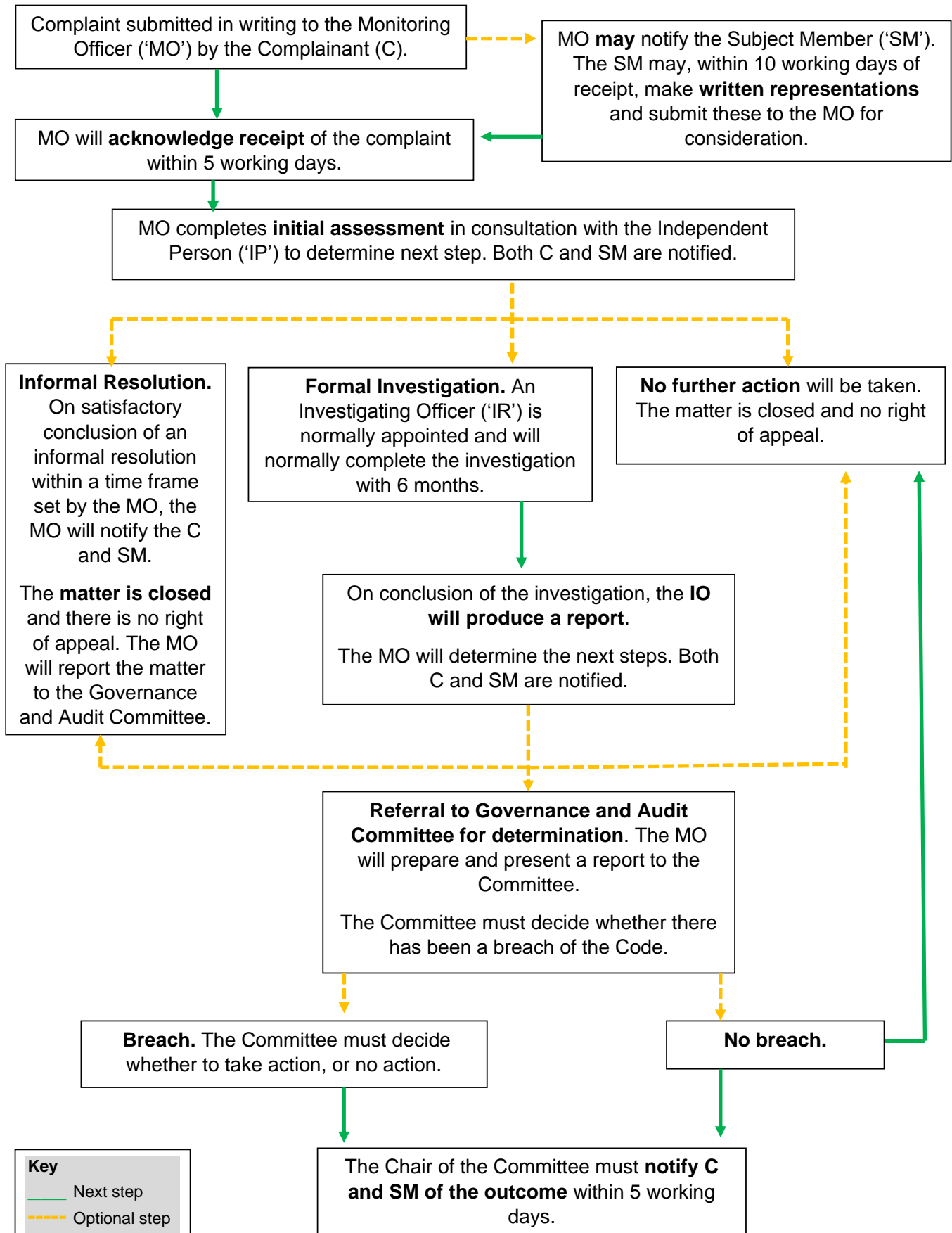
¹² See further below.

¹³ As required by Section 28(7)(a) of the Localism Act 2011. The Monitoring Officer will ask the Independent Person to confirm that they are still independent and to notify the Monitoring Officer of any circumstances which might be perceived as presenting a potential conflict of interest on the part of the Independent Person. If the Independent Person is not still independent, or in the event of any conflict of interest arising, the Monitoring Officer will refer the matter to another Independent Person.

¹⁴ The Chair will ask the Independent Person to give their view at the meeting, but an Independent Person cannot participate or vote as a member of the committee.

- What outcome it will report to the Police and Crime Panel (if relevant)
- 46.** Where the Governance and Audit Committee decides that the Subject Member has failed to comply with the Code, the Governance and Audit Committee may action or recommend as appropriate:
- a formal letter to the Subject Member from the Chair of the Governance and Audit Committee which will be copied to the Group Leader and/or the Group Whip and/or the Mayor,
 - removal by the Combined Authority of the Subject Member from any committee or sub-committee (if they are a member of it), either permanently or for a specified period of time,
 - a formal letter from the Chair of the Governance and Audit Committee to the Leader of the appointing Council copied to the relevant Monitoring Officer and Group Whip,
 - formal censure by the Combined Authority, or
 - formal letter to the Mayor, where the member either exercises delegated authority on behalf of the Mayor or is the Deputy Mayor for Policing and Crime.
- 47.** Whether or not there has been a failure to comply with the Code, the Governance and Audit Committee may in any event make general recommendations to the Combined Authority with a view to promoting and maintaining high standards of conduct within the Combined Authority. Such recommendations may include changes to Combined Authority procedures and practices or training for members in general.
- 48.** Within 5 working days of the meeting the Chair of the Governance and Audit Committee will write to the complainant and the Subject Member explaining the decision of the Committee and setting out any actions or recommendations made to the Combined Authority and to be reported to the Police and Crime Panel (if relevant).
- 49.** The Monitoring Officer will report all recommendations of the Governance and Audit Committee to the next available meeting of the Combined Authority.
- 50.** The Monitoring Officer will publish a decision notice as soon as practicable on the Combined Authority's website, to include:
- a brief statement of facts,
 - the provisions of the Code engaged by the allegations,
 - the view of the Independent Person,
 - the reasoning of the Governance and Audit Committee, and
 - any sanction recommended or applied.
- 51.** There is no right of appeal against a decision of the Governance and Audit Committee.

Annex 1: Overview of Procedure Diagram



Document version control

Municipal Year:	<i>2021-22</i>
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To be of effect from:	<i>3 February 2022</i>



Report to: West Yorkshire Combined Authority

Date: 3 February 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, or notes of informal meetings of Members, that have been published on the West Yorkshire Combined Authority’s website since the last meeting.

2. Information

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

- Transport Committee held on 5 November 2021
- Finance, Resources and Corporate Committee held on 1 December 2021
- Business, Economy and Innovation Committee held on 5 January 2022
- Finance, Resources and Corporate Committee held on 6 January 2022
- Transport Committee held on 7 January 2022
- Climate, Energy and Environment Committee held on 11 January 2022
- Governance and Audit Committee held on 13 January 2022
- Culture, Arts and Creative Industries Committee held on 18 January 2022

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 and notes of the Combined Authority's committees and panels be noted.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

None.