

LEEDS CITY REGION ENTERPRISE PARTNERSHIP BOARD

**MEETING TO BE HELD AT 2.00 PM ON WEDNESDAY, 26 JANUARY
2022**

**DUE TO COVID-19, THIS MEETING WILL BE HELD REMOTELY AND
WILL BE LIVESTREAMED HERE:**

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

A G E N D A

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

In accordance with the requirements of the LEP Board Members' Code of Conduct, members have an obligation to review their register of interests before each meeting and to declare any interests.

If an interest has not been entered onto the LEP's register, then members must disclose the interest at any meeting at which they are present and where they have a disclosable interest in any matter being considered and where the matter is not a sensitive interest.

3. EXCLUSION OF THE PRESS AND PUBLIC

4. MINUTES OF THE MEETING HELD ON 30 NOVEMBER 2021 (Pages 1 - 12)

5. COMMITTEES UPDATE REPORT (Led by: Angela Taylor, Author: James Young) (Pages 13 - 18)

6. MAYOR'S UPDATE

7. ECONOMIC UPDATE (Led by: Alan Reiss, Author: Thomas Purvis) (Pages 19 - 22)

8. WEST YORKSHIRE TRADE STRATEGY (Led by: Brian Archer, Author: Alex Clarke) (Pages 23 - 64)

9. HEALTHTECH STRATEGY

(Led by: Liz Hunter, Author: Stephanie Oliver-Beech)
(Pages 65 - 72)

10. ASSURANCE FRAMEWORK REVIEW

(Led by: Melanie Corcoran, Author: Jelena Covic)
(Pages 73 - 154)

For Information

11. CORPORATE PERFORMANCE

(Led by: Angela Taylor, Author: Alice Rowland)
(Pages 155 - 176)

**12. DRAFT MINUTES OF THE WEST YORKSHIRE COMBINED
AUTHORITY HELD 9 DECEMBER 2021**

(Pages 177 - 192)

13. DATE OF NEXT MEETING

The next meeting will be held on 31 March 2022.



**MINUTES OF THE MEETING OF THE
LEEDS CITY REGION ENTERPRISE PARTNERSHIP BOARD
HELD ON TUESDAY, 30 NOVEMBER 2021 AT NEXUS, DISCOVERY WAY,
UNIVERSITY OF LEEDS, LEEDS, LS2 3AA**

Present:

Sir Roger Marsh OBE DL (Chair)

Leeds City Region Enterprise Partnership

Mayor Tracy Brabin
Prof Shirley Congdon
Helen Featherstone
Kate Hainsworth
Amir Hussain
Rashik Parmar MBE

West Yorkshire Combined Authority
Higher Education
Culture
Leeds Community Foundation
Yeme Architects
IBM EMEA (Chair, Employment & Skills
Panel)

Professor Simon Pringle
Kamran Rashid
Mark Roberts
Kully Thiarai
Andrew Wright

Project Rome
Third Sector
Beer Hawk Ltd
Culture
A W Hainsworth Ltd (Chair, Business
Innovation & Growth Panel)
Chamber of Commerce
Bradford Council
Kirklees Council
Calderdale Council

Sandy Needham
Councillor Susan Hinchcliffe
Councillor Shabir Pandor
Councillor Tim Swift MBE

In attendance:

Ben Still
Angela Taylor
Brian Archer
Alan Reiss
Caroline Allen
Ian Smyth
Peter Glover
Stephanie Oliver-Beech
James Young

LEP/West Yorkshire Combined Authority
LEP/West Yorkshire Combined Authority
LEP/West Yorkshire Combined Authority
LEP/West Yorkshire Combined Authority
LEP/West Yorkshire Combined Authority
LEP/West Yorkshire Combined Authority
LEP/West Yorkshire Combined Authority
LEP/West Yorkshire Combined Authority
LEP/West Yorkshire Combined Authority

42. Chair's Comments

The Chair passed on congratulations from the LEP Board to Shirley Congdon for the University of Bradford being awarded a Queen's Anniversary Prize for Higher and Further Education for its world-leading work in developing archaeological technology and techniques and its influence on practice, policy and society.

The Board also passed on condolences to Stephen Jones from the Department of Levelling Up, Housing and Communities.

43. Apologies for Absence

Apologies were received from Simon Pringle, Mandy Ridyard, Kully Thiarai, Councillors James Lewis and Denise Jeffery and guests Peter Mucklow, Andrew Cooper and Andrew Waller.

44. Declarations of Interest

In accordance with the requirements of the LEP Board Member's Code of Conduct, Members were reminded of their obligations to review their individual register of interests before each LEP Board meeting and to declare any interests.

45. 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 5, Appendix 1 on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in disclosing the information.

46. Minutes of the meeting held on 15 September 2021

Resolved: That the minutes of the meeting held on 15 September 2021 be approved and signed by the Chair.

47. West Yorkshire Business Accelerator Fund

The Board considered a report from the Director of Economic Services on the West Yorkshire Business Accelerator Fund.

The Board noted the anticipated return of £26m from the £35.5m of Growing Places capital funding. The Director noted that a failure rate of 15- 20% is typical for a fund of this type. It was also noted that the proposed West Yorkshire Business Accelerator Limited Partnership (WYBALP) will support the recovery strategy and Mayoral pledges. The WYBALP would increase equity investment in West Yorkshire and provide providing a good opportunity to compete with the South of England East or London had much higher levels of investment. Members were pleased to note support for BAME businesses had been highlighted.

Members asked if there would be support available for smaller business so that they can apply for the fund as they may not have the capacity and skill base to create bids. The Board were informed that an investment ready programme was being developed as part of the Growth Service to help smaller businesses with this issue.

It was highlighted that one of the key roles that the LEP Board can fulfil is guiding and providing support to entrepreneurs and businesses when they enter the funding ecosystem as it is complex and can be difficult to navigate. The Board were pleased that the WYBALP is due to launch in Quarter 1 2022.

The Board supported the procurement of a Fund Manager and looked forward to meeting the successful bidder once contract award has been made.

Resolved:

- (i) That the LEP Board support the establishment of the West Yorkshire Business Accelerator Limited Partnership.
- (ii) That the LEP Board supports £21,650,000 of the anticipated £36,000,000 of recovered Growing Places Funding (which represents 83.3% of the total anticipated returned funding) to be invested in the West Yorkshire Business Accelerator Limited Partnership.

48. West Yorkshire Trade Strategy

The Chair of the Business, Economy and Innovation Committee (BEIC) presented the West Yorkshire Trade Strategy to the Board.

The Strategy was presented at the meeting of the BEIC held 18 October 2021. Unprecedented changes to the international trading environment faced by businesses over the last two years offers an opportunity to consider what West Yorkshire's priorities should be to support businesses to maximise the benefits of trading internationally. This coincides with the end of the LEP's current International Trade Plan (2016-21). Challenges such as the UK leaving the EU and the COVID-19

pandemic have also impacted the way in which businesses trade internationally.

The Director of Economic Services explained that the West Yorkshire Trade Strategy had three areas of collective action with partners that will support small and medium-sized enterprises (SMEs) on their journey to trading internationally; to influence, to inform & inspire and to impact. In addition to these key areas of action, the strategy outlines the distinct offer in West Yorkshire, identifying key sectoral strengths, strong academic ecosystem, the diversity and youth of the workforce and links to national institutions.

The Board welcomed the strategy's focus on SMEs and understood this is a highly complex environment. Signposting for SMEs is key. The inclusion of existing services from West Yorkshire, such as cultural offerings like musicals and theatre shows, was noted as these can go unnoticed in relation to international exports.

Members highlighted the difficulty of conducting business in countries that do not have the bureaucratic structure established to be able to create acceptable proposals to engage in trade with UK businesses.

The Board asked the Chair and Director of Economic Services several questions to help refine the draft and place it in a suitable context:

- Could an aspirational goal be used as a performance indicator? The 'Race to a Trillion' in the Department for International Trade's new export strategy was used as an example.
- Will the Key Performance Indicators (KPIs) record international students and entrepreneurs?
- Can any of the work that was conducted in the preparation for the Industrial Strategy, published in 2017, be used in conjunction with this strategy?
- Can a success metric be used that will capture if businesses are working towards carbon neutrality?
- Have any UK Trade Envoys been engaged with the strategy? Member's highlighted that Dewsbury MP Mark Eastwood is the UK Trade Envoy for Pakistan.

Resolved: That the LEP Board will receive a revised West Yorkshire Trade Strategy (2022-2025) at a future meeting that will incorporate the Board's comments.

49. Healthtech Strategy

The Regional Healthtech Lead presented the Healthtech Strategy to the Board.

The strategy noted that the COVID-19 pandemic exposed the need and desire to address entrenched health and economic inequalities throughout the UK. Health innovation supports both economic growth and health outcomes and Leeds City

Region has the resources to be a centre of health ideas and innovation. The West Yorkshire Health and Care Partnership (WYHCP) five-year plan has already identified this critical opportunity.

The COVID-19 vaccine was highlighted as an example of the impact that can be made through collective effort to harness research and deploy innovation, with the support of the whole system around it. The Healthtech strategy has the potential to help improve the health of citizens throughout the region. Collaboration between the WYHCP, academic partners and NHS partners will drive the strategy.

The Board noted that all regional universities are represented in the strategy and welcomed the depth of partnership working on this cross-cutting agenda. Members sought clarity on the KPIs and measures of success of the strategy. The strategy has fourteen priorities and needs clear focus to ensure that it is implemented successfully. It was noted that five NHS Trust Headquarters are located in the region highlighting how central the region can be for Healthtech nationally.

The Board acknowledged that the Healthtech landscape is changing quickly and this strategy will allow the region to engage with it effectively. Members stated that Healthtech is too important for us to set our ambition too low. The Healthtech Strategy is powerful statement of ambition, and the next step will be focusing down the fourteen priorities to ensure that it can be implemented effectively and setting clear performance metrics.

Resolved:

- (i) That the LEP Board were supportive in principle of the Healthtech Strategy and, subject to clarification of the 14 priorities to make the next steps, performance metrics and deliverables clearer; members of the Board will be involved in this work to finalise the articulation of the priorities and will report this back to a future meeting of the LEP.
- (ii) That, subject to these changes being made, the Healthtech Strategy will be presented to a future meeting of the Combined Authority for its consideration and adoption.

50. Integrated Rail Plan

The Mayor updated the LEP Board on their response to the announcement of the Integrated Rail Plan by the Department for Transport. The Mayor expressed her profound disappointment with the proposed Integrated Rail Plan (IRP) and highlighted the cancellation of the planned high speed rail route to West Yorkshire (HS2) and Northern Powerhouse Rail as key failings. The Mayor pledged to continue working with elected members from all areas affected by the IRP and across the North of England to ask the Government to re-examine the plan.

The Managing Director of the West Yorkshire Combined Authority presented the Board with the details of the IRP. The Board noted that every review of transport and

connectivity between West Yorkshire and the South of England has recommended HS2 being extended to the region to stimulate growth, apart from the IRP. The Board highlighted the disappointing outcomes for Northern Powerhouse Rail, especially for Bradford. The confirmations regarding TransPennine Route update were broadly welcomed, although concerns exist over the impact on local services and disruption during construction. Members also voiced concern that much economic planning in the public and private sectors throughout West Yorkshire since the announcement of HS2 in 2009 was predicated on it being completed and this will severely impact those plans.

The LEP Board thanked the Managing Director for their presentation and expressed their support for the Mayor in their efforts to successfully lobby the Government to rethink the IRP.

51. COP 26 - Next Steps

The Head of Economic Policy presented the COP 26 – Next Steps report to inform the Board of the outcomes, implications and next steps following the conclusion of the UN Framework Convention on Climate Change, 26th Conference of the Parties (COP26), Glasgow.

The Board noted that with the Glasgow Climate Pact agreed, the target for limiting the rise in global temperatures to 1.5C is at risk and many are looking to the private sector to intervene. It is predicted that trillions of dollars are needed to combat the climate crisis and to support low-income nations. Developed nations failed to meet the \$100bn finance target, which has now been renegotiated to be delivered through to 2025, and there is no guarantee that this target will not be missed again. Policymakers and negotiators are looking to the private sector to transform the net-zero movement.

The Mayor informed the Board that they had attended COP26 to speak at some events and found the event inspirational but found the final document disappointing and hoped that it had had more impactful pledges within.

Resolved:

- (i) That the LEP Board notes the contents of the report.
- (ii) That the LEP Board endorses the roles and actions that business will need to play and take forward to tackle the climate emergency.

52. Business Productivity Programme

The Chair of the Business, Enterprise and Innovation Committee presented the Business Productivity Programme to the Board. This report highlighted the continued

development of a new Business Productivity Programme following the endorsement of the BEIC at its inaugural meeting on 18 October 2021.

The report highlighted the importance of business productivity to the recovery and future strong economic performance of West Yorkshire and recognised there was an £8.5bn productivity gap between West Yorkshire and the UK average and this was calculated before the impact of the COVID-19 pandemic. Improving business productivity has therefore been highlighted as a key objective of the West Yorkshire Strategic Investment Framework.

The Board were informed that the criteria for eligible businesses will be further refined and the role of social enterprises and cooperatives will be explored, to ensure that future programmes were focused on addressing inequality and supporting companies would have not previously accessed support.

The Board thanked the Chair for their report and passed on their thanks to Andrew Wright for his previous work on this agenda as the Chair of the former Business, Innovation and Growth Panel.

Resolved: That the LEP Board's input to the potential for a new Business Productivity Programme is noted.

53. HGV and PSV Driver Shortages

The Director of Economic Services presented a report on HGV (Heavy Goods Vehicle) and PSV (Passenger Carrying Vehicle) Driver Shortages to update the Board on activity to explore issues around driver shortages and actions being taken at a West Yorkshire level.

An acute shortage of active HGV drivers in the UK has attracted widespread attention with impacts on the wider economy becoming more evident. A combination of factors contributed to the situation but many are long standing issues that have been compounded by recent events.

The Chair of the LEP Board and the Mayor of West Yorkshire held a roundtable with the HGV and PSV sectors to better understand the impact on West Yorkshire, vacancy issues, barriers to recruitment and links to training and employment. The Board were informed that because of concerns raised at the roundtable a number of options will be explored by the Combined Authority:

1. The Adult Education Budget Funding Rules will be amended to allow providers to claim the funding for PSV, HGV and Medical licenses. This will make training programmes much more viable.
2. Bus Driver Apprenticeship Schemes.
3. How can the Authority make best use of unspent levy funds for these sectors?

4. Learning from and/or mirroring the training provision other Mayoral Combined Authorities have developed to address driver shortages.

Resolved: That the LEP Board notes the report.

54. State of the Region

The Director of Strategy, Communications and Policing presented the State of the Region report to the Board to provide an update on State of the Region, including details of published outputs, key messages and future plans.

State of the Region 2021 is the first annual review of the performance of West Yorkshire against key socio-economic and environmental indicators. The report is intended to provide a stocktake of where West Yorkshire currently stands, using a basket of 40 headline indicators developed as part of the Combined Authority's Strategic Economic Framework. Regular updates will be presented to committees at the Combined Authority. The Authority's continued progress on equality, diversity and inclusion will be reflected in future updates as the headline indicators are refreshed regularly.

Key messages from the report include:

- Productivity is increasing in West Yorkshire.
- Life expectancy in West Yorkshire remains lower than the England average.
- The proportion of people with no/low qualifications in West Yorkshire is falling and the deficit with the national average narrowed in 2020.
- Per capita emissions of carbon dioxide in West Yorkshire are below the national average and are on a downward trend.
- Before the COVID-19 pandemic West Yorkshire saw a decline in trips made by car and an increase in walking but West Yorkshire is still more reliant on the car than nationally.
- Prior to the pandemic West Yorkshire was the only northern Combined Authority area to achieve a positive net fiscal balance.

Members asked if geo-spatial data could be included in future report so areas of deprivation could be easily identified. The LEP Board thanked the Economic Evidence Manager and his team for producing this report.

Resolved: That the LEP Board notes the publication of the State of the Region report.

55. Committees Update Report

The Board received updates from the six Thematic Committees at the West Yorkshire Combined Authority.

The Business, Economy and Innovation Committee has undertaken cross-committee working with other committees and has received key reports such as the West Yorkshire Business Accelerator Fund and the West Yorkshire Trade Strategy.

The Climate, Energy and Environment Committee approved the West Yorkshire Climate and Environment Plan at its inaugural meeting and is the Mayor and Combined Authority's response to tackling the climate emergency, protecting the environment and achieving a net zero West Yorkshire. The Committee also approved the White Rose Forest Action Plan which aims to plant seven million trees by 2025 in the White Rose Forest community forest.

The Culture, Arts and Creative Industries Committee's inaugural meeting was not quorate due to an administrative error. Although the Committee was inquorate, the meeting took place as an informal meeting to enable those in attendance to provide input into the future workstream of the Committee. In considering its role in delivery of the mayoral pledges and, in particular the Creative New Deal, members asked to focus on effecting long term change, developing leadership with the sector and sustainable approaches to improving the socio-economic, disability and diversity of both practitioners and participants.

The Employment and Skills Committee received an update and endorsed the approach to the development of the mayoral pledges of '1000 skilled green jobs for young people' and 'prioritise skills and training so that everyone has access to good work'. The Committee reviewed and agreed the forward plan and prioritised skills brokerage and support for businesses for further exploration.

The Place, Regeneration and Housing Committee received an update on the delivery of the Brownfield Housing Fund and a report seeking approval of the revised Strategic Planning Review recommendations. The Committee learnt of the opportunities and challenges of the Mayor's pledge to support the delivery of 5000 affordable homes in West Yorkshire over the next three years.

The Transport Committee noted that the Combined Authority was awarded £830m as its City Region Sustainable Transport Settlement in the Government's spending review. Details are being developed with Department for Transport officials to utilise this funding to enable the Combined Authority to start developing its plans for a mass transit system and progress plans to improve the bus network with bus priority with more zero-emission electric buses and to support sustainable and active travel.

Resolved: That the LEP Board notes the updates from the Thematic Committees.

56. Governance Arrangements

The Head of Legal and Governance Services presented the Governance Arrangements report to the LEP Board.

The Board noted that the Business Communications Group (BCG) was having its role and membership reviewed and supported the recommendation that member of the Board Mark Roberts become Chair of the BCG going forward. The Board were informed a number of existing private sector Committee member's terms of office on Combined Authority committees were due to come to an end imminently. Members agreed with the proposal that their terms are extended as a reflection of the valuable contribution they make to the work of the Committees and the LEP. This will ensure continuity whilst work is ongoing to refresh membership of all the Committees over the coming months.

Members noted the error in Appendix 1 to the report in relation to Colin Glass' current term of office and the entry should read "26 September 2022".

Resolved:

- (i) That the LEP Board note the contents of the report.
- (ii) That the LEP Board agree the recommendations in relation to private sector members of the Combined Authority Committees and propose these to the Combined Authority at their next meeting.

57. Corporate Performance

The Director, Corporate and Commercial Services presented the latest Corporate Performance update report to the Board.

The Board noted external audit work on the 2020/21 final accounts were concluded, published and reported/approved by the Governance and Audit Committee and the wider Corporate Plan for 2022/23 is currently being developed.

Resolved: That the LEP Board note the corporate performance information provided.

58. Any Other Business

59. Economic Update

The LEP Board note the latest intelligence around the economic impacts of COVID-19 and EU Exit and consider how this relates to their work and future plans.

60. Draft Minutes of the West Yorkshire Combined Authority Held 22 October 2021

The LEP Board note the draft minutes of the West Yorkshire Combined Authority held

22 October 2021.

61. Date of Next Meeting

The next meeting will be held on Wednesday 26 January 2022.

This page is intentionally left blank

Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 26 January 2022

Subject: **Committee Update Report**

Director: Angela Taylor, Director, Corporate and Commercial Services

Author: James Young, Governance Services Team Leader

1. Purpose of this report

- 1.1 To provide the LEP Board with a brief update from the six Thematic Committees at the West Yorkshire Combined Authority. Any substantial items from the committees will be brought to the LEP Board as separate agenda items for comment and feedback.

2. Information

Thematic Committee Updates

2.1 Business, Economy and Innovation Committee

- 2.1.1 The Committee met on 5th January and considered a range of reports to support regional business growth, in particular two items aimed at stimulating innovation across the region: Mayoral Challenge Competition and West Yorkshire Innovation Festival which the Committee strongly supported.
- 2.1.2 The Committee discussed the opportunities to collaborate with other Committees, in particular the Employment and Skills Committee and Climate, Energy and Environment Committee.
- 2.1.3 The Committee received an update on items from the previous meeting: The Healthtech Strategy has now been revised following comments from the last LEP Board and conversations have taken place with key members and will be taken to Combined Authority in February for adoption; The Mayor's Manufacturing Taskforce has now been launched, chaired by Andrew Wright and will report back to the Mayor in mid 2022.

2.2 Climate, Energy and Environment Committee

- 2.2.1 The Committee met on the 11th January 2022. The Committee discussed the forward meeting plan for the year, with decarbonisation of transport and nature recovery raised as priorities to be given more prominence in the agendas. The Committee discussed the importance of working with other Committees to understand the interdependencies and the role of the Climate Committee where cross-cutting activity is identified.
- 2.2.2 The Committee supported the progression of The Social Housing Decarbonisation Fund programme through the Combined Authority's Assurance Framework, noting that the funding decision is still awaited from the Department for Business, Energy and Industrial Strategy (BEIS).
- 2.2.3 Presentations were provided by Northern PowerGrid on their business plan and programme and by Yorkshire Wildlife and Natural England on nature recovery. Discussion focused on partnership working and the role of the presenting organisations in delivering joint priorities.

2.3 Culture, Arts and Creative Industries Committee

- 2.3.1 Due to the Culture, Arts and Creative Industries Committee meeting being held on 18 January a verbal update will be given at the meeting.

2.4 Employment and Skills Committee

- 2.4.1 The Committee met on 24 January 2022 and received a detailed report on the employment and skills programmes that it oversees. In particular, the Committee received an evaluation of school partnerships activity delivered by the LEP and Combined Authority, co-funded by the Careers and Enterprise Company. This activity aims to improve the careers destinations of the region's most disadvantaged young people through close working with 180 secondary schools and colleges to improve careers education (as measured by the Gatsby benchmarks of good careers guidance). The evaluation found that this activity is a valuable addition to the careers landscape across the Leeds City Region.
- 2.4.2 The Committee was asked to approve a number of actions which will improve the responsiveness of devolved Adult Education Budget (AEB) delivery and improve the utilisation of the Lifetime Skills Guarantee (Level 3) delegated funds. The Committee was asked to note the progress and provide comment on partnership work, in particular some proposed high-level principles for collaboration on the Employment and Skills agenda.
- 2.4.3 The Committee was asked to provide comments on the draft Local Skills Report refresh for West Yorkshire and to approve its publication subject to comments received.
- 2.4.4 The Committee's views on an Integrated Care Strategy proposal for West Yorkshire were sought.

2.5 Place, Regeneration and Housing Committee (25 November 2021)

- 2.5.1 The Committee considered and approved the first version of the West Yorkshire Mass Transit Statement of Intent, a document that will provide foundation for cross-boundary working on planning matters relating to mass transit.
- 2.5.2 The Committee agreed to sign up to the Greater Manchester Planning for Places Statement of Common Ground (SoGC) relating to Cross Boundary Transport. The signing of the Statement provides confirmation that we have engaged in the plan preparation and that we agree to continuous joint working. (Kirklees and Calderdale Councils have already signed up to this)
- 2.5.3 A Housing Market dashboard was discussed and noted which set out the latest data on the performance of the region's housing market. Further analysis will be presented to the Committee during 2022.
- 2.5.4 The Place, Regeneration and Housing Committee approved the progression of nine schemes through the Combined Authority's Assurance Framework:

Rail Parking Package – Outwood The scheme is part of the Rail Park & Ride Programme, a package of car park extensions which aims to increase access to train services in West Yorkshire and beyond. The scheme is funded by the West Yorkshire plus Transport Fund. The scheme gained Approval to Proceed through decision point 3 (outline business case) and for work to commence on activity 4 (full business case).

TCF – North Halifax Improved Streets for People The scheme will encourage walking and cycling in north Halifax through a series of improvements including four kilometres of new cycle lanes, walking pathway improvements and traffic calming measures, providing improved access between Ovenden in north Halifax and the town centre. The scheme will be funded by the Transforming Cities Fund (TCF). The scheme gained approval to proceed through decision point 3 (outline business case) and for work to commence on activity 4 (full business case).

TCF – West Halifax Improved Streets for People The scheme will improve journeys made by bus and on foot, in the Park ward area in west Halifax, through a series of improvements, including new pedestrian crossing facilities, traffic calming and parking restrictions and bus priority measures at key junctions. The scheme will also improve access to the town centre by bus and on foot from Park ward. The scheme will be funded jointly by the Transforming Cities Fund (TCF) and the Integrated Transport Block (Streets for People Demonstration Project).

White Rose Station The scheme will deliver a new rail station on the Leeds Huddersfield line. The proposed station will sit between Morley and Cottingley on this section of the Transpennine route. The scheme will enable a shift from road to rail journeys. The scheme will be funded from the Leeds Public

Transport Investment Programme, Transforming Cities Fund, New Stations Fund and other public and private sector match funding. The scheme gained approval to proceed through full business case with finalised costs and for work to commence on activity 5 (delivery).

BHF West Leeds Phase 1 The scheme will deliver 623 new homes and 362 student residential accommodation on brownfield land located southwest of Leeds city centre. The scheme will be funded from the Brownfield Housing Fund and provide 230 affordable homes. The scheme gained approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).

BHF Hebden Bridge The scheme will be funded from the Brownfield Housing Fund and provide 20 affordable homes in Hebden Bridge. The scheme gained approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).

BHF Leeds Central The scheme will deliver 185 new homes on brownfield land located on a derelict corner site in Leeds. The scheme will be funded from the Brownfield Housing Fund and provide 37 affordable homes. The scheme gained approval to proceed through decision point 4 (full business case, and work commences on activity 5 (delivery).

BHF Leeds South 1B The scheme will deliver 142 homes on brownfield land in the South Bank area of Leeds city centre. The scheme will be funded from the Brownfield Housing Fund and provide 13 affordable homes. The scheme gained approval to proceed through decision point 4 (full business case, and work commences on activity 5 (delivery).

BHF Knottingley The scheme will build 175 new homes and two retail units on the site of a former industrial site in the Wakefield area. The scheme will be funded from the Brownfield Housing Fund. No affordable homes are provided, however it is hoped the scheme will help stimulate regeneration in the locality. The scheme gained approval to proceed through decision point 4 (full business case, and work commences on activity 5 (delivery).

- 2.5.5 **Broadband** – To provide members of the committee with an update on delivery of Superfast West Yorkshire and York (SWYY) Broadband, Contracts 2 and 3. The SWYY programme aims to deliver fast and reliable broadband infrastructure (defined as broadband with speeds greater than 24 mb/s) in some of the hardest to reach areas of market failure which are not currently targeted through a commercial roll out or were not targeted by previous phases.

2.6 Transport Committee

- 2.6.1 Bus reform continues to be a key topic for Transport Committee, following the publication of the Bus Service Improvement Plan in October, the formal processes have commenced to create an Enhanced Partnership between the Combined Authority, bus operators and Councils which will take effect in April 2022. The outcome of the Authority's bid to Government for bus improvement

funding is awaited. Meanwhile the pandemic continues to have service delivery and financial challenges for the bus service with much uncertainty around funding beyond March 2022; the Mayor has written to Government seeking clarity.

2.6.2 The disappointing outcome of the Government's Integrated Rail Plan (IRP) was reported to the January meeting of Transport Committee. The Committee endorsed the following next steps approved by the Combined Authority in December

- Leeds to Sheffield – as set out in the IRP, a joint piece of work to relook at the desired rail connectivity between Leeds-Sheffield including the opportunity to improve connectivity and journey times for our communities between the cities of Leeds and Sheffield such as Wakefield. As part of this there is an urgent need to address capacity at Leeds station.
- Bradford and the Calder valley – the drivers behind the need for a step-change in rail connectivity for Bradford have not changed. Work is needed to understand how this is now best-done post IRP. As part of this there is a need to agree timing and plans for the Leeds to Bradford electrification and the 12-minute journey time proposal including to press for commitment to the onward electrification from Bradford to Halifax and Manchester and ensuring no negative impacts on local services.
- Transpennine Route Upgrade: Whilst commitment on TRU is welcome, we need to quickly understand the scale of the significant disruption to our communities over an extended period. We also need to understand in more detail the assumed stopping patterns at intermediate stations such as Mirfield, Dewsbury and Morley, to ensure that the IRP meets local as well as inter-city rail needs.
- Mass Transit in West Yorkshire: Once Government commitment and the scope of their objectives are clarified, we need to take forward this project and agree a joint forward plan and a long-term timetable for the delivery of the complete project with the Government.
- ECML and Leeds capacity: We need to understand the plan for investment, ensuring wider needs are considered including platform lengthening at Bradford, capacity at Leeds, impacts on local services and resilience of the route.
- Future Accountability and Funding for NPR: We need to establish the future role of the Mayor and local Leaders in the decision-making of all major rail investment impacting on West Yorkshire.

3. Tackling the Climate Emergency Implications

3.1 There are no climate emergency implications directly arising from this report. Any implications from reports will have been addressed at the respective meeting of that Thematic Committee.

4. Inclusive Growth Implications

4.1 There are no inclusive growth implications directly arising from this report. Any implications from reports will have been addressed at the respective meeting of that Thematic Committee.

5. Equality and Diversity Implications

- 5.1 There are no equality and diversity implications directly arising from this report. Any implications from reports will have been addressed at the respective meeting of that Thematic Committee.

6. Financial Implications

- 6.1 There are no financial implications directly arising from this report. Any implications from reports will have been addressed at the respective meeting of that Thematic Committee.

7. Legal Implications

- 7.1 There are no legal implications directly arising from this report. Any implications from reports will have been addressed at the respective meeting of that Thematic Committee.

8. Staffing Implications

- 8.1 There are no staffing implications directly arising from this report. Any implications from reports will have been addressed at the respective meeting of that Thematic Committee.

9. External Consultees

- 9.1 No external consultations have been undertaken.

10. Recommendations

- 10.1 That the LEP Board notes the updates from the Thematic Committees.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

There are no appendices to this report.

Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 26 January 2022

Subject: **Economic Update**

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

Author: Tom Purvis, Economic and Transport Analysis Manager

1. Purpose of this report

- 1.1 To provide an update on the latest economic and business intelligence for the Board, and to update the Board on the latest activity and intelligence around understanding the impact of COVID-19 and EU Exit. The data used in this report primarily relates to time periods before Plan B was introduced.

2. Information

- 2.1 The **employment** situation in the region continued to improve prior to the introduction of Plan B. The number of payrolled employees in West Yorkshire recorded on PAYE Real Time Information systems, increased by around 1% between October and November 2021 to 1,003,500. Employment in the region is now 3% above the pre-pandemic level seen in February 2020 and 5% higher than its lowest point in the pandemic in November 2020. This means that the number of payrolled employees has increased by 50,000 between November 2020 and November 2021. All local authorities in West Yorkshire have returned to their pre-crisis levels of employment. Bradford, Leeds and Kirklees have seen the strongest growth in their payrolled employee counts. The re-imposition of restrictions will have an impact on the economic and labour market recovery.
- 2.2 The **claimant count** has continued to fall but there is still a very large number of people on out-of-work benefits. The latest figures show a 2% fall in the count between October and November 2021 to 83,000 in West Yorkshire. The claimant count is now 24% lower than its peak in March 2021, but it is still 47% higher than pre-pandemic figures in February 2020. There are variations at local authority level. For example, the claimant count remains 54% higher than its pre-pandemic level in Bradford, compared to 35% in Calderdale. The claimant count unemployment rate for West Yorkshire is 5.6%, higher than the national average of 4.7%.

- 2.3 **Recruitment activity** weakened throughout December 2021 and the start of January 2022, but it is still significantly above pre-pandemic levels. The data shows a steep fall in the count of vacancies across all five local authorities in West Yorkshire, following the peak in November. Kirklees suffered the sharpest fall in month-on-month vacancies, declining by 54%, whilst vacancy levels in Leeds fell by 22%. The sector that has experienced the sharpest fall in recruitment activity is Hospitality, Food and Tourism which suggests that the introduction of Plan B has had a clear impact on economic activity over the festive period. It is not clear at this stage whether the Omicron variant will have a lasting impact on recruitment intentions.
- 2.4 The latest data shows that **business liquidations** have climbed in recent weeks. There was an average of 407 business liquidations per week in the most recent four-week period up to the 7 December, an increase of 10% from the previous four-week period. All local authorities in West Yorkshire have seen an increase in business liquidations from the previous four-week period. In the first quarter of 2020, business liquidations averaged 328 per week.
- 2.5 The Bank of England has increased the **base rate** to 0.25% from 0.1%. This follows an upward revision of inflation expectations. CPI rose to 5.1% in November 2021 and it is expected to continue to rise to 6% by April 2022. This is considerably higher than the 2% target. The main drivers for the increase in the inflation forecast are labour costs and energy prices.
- 2.6 **Leading indicator** data from the Q4 West and North Yorkshire Chamber of Commerce Quarterly Economic Survey highlights the cost pressures that businesses are facing. Raw material prices, labour costs and energy costs are cited alongside previous challenges, such as shipping, as the main drivers of cost increases. This is feeding through into expected price increases with 76% of manufacturers and 47% of service sector businesses anticipating price rises to preserve margins.
- 2.7 The **Covid-19 Economic & Transport Recovery Monitor** will be published ahead of the LEP Board meeting and will highlight some of the economic impacts of the Omicron variant. This data will continue to be monitored closely so that we can understand the impact it is having on the West Yorkshire economy.

3. **Tackling the Climate Emergency Implications**

- 3.1 There are no tackling the climate emergency implications directly arising from this report.

4. **Inclusive Growth Implications**

- 4.1 The number of people claiming out of work benefits in West Yorkshire remains very high relative to the pre-pandemic position. There is a risk that labour

market inequality within West Yorkshire could grow, although there have been reductions in claimant counts across all districts. There is a further risk that long-term unemployment could grow due to scarring, although national data suggests that this risk is receding.

- 4.2 National data shows that economic inactivity has increased during the pandemic. The main causes for this are health-related (temporary sickness or long-term sickness) and early retirement amongst older people. This creates a risk of greater economic exclusion for this group.
- 4.3 Energy prices have increased dramatically throughout the pandemic, particularly natural gas. There is a risk that this could further exacerbate fuel poverty in West Yorkshire, which already sits at a higher rate than the national average (17% versus 13%).

5. Equality and Diversity Implications

- 5.1 Nationally, the share of people in temporary or part-time jobs because they cannot find a permanent or full-time job has increased throughout the pandemic. Both are trending downwards since restrictions were lifted but there is a risk that a significant number of workers may find themselves in insecure work or 'second choice jobs'. Overall, part-time working remains below its pre-pandemic level which disproportionately impacts women, who account for over 70% of the part-time workers population. From June 2020 onwards, the number of women workers with second jobs has increased significantly, which could be due to the ongoing pressures on employment or the cost of living.

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 The Board are asked to note the latest intelligence around the economic impacts of COVID-19 and EU Exit and consider how this relates to their work and future work plans.

11. Background Documents

Covid-19 Economic & Transport Recovery Monitor

12. Appendices

None.



Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 26 January 2022

Subject: **West Yorkshire Trade Strategy**

Director: Brian Archer, Director of Economic Services

Author(s): Alex Clarke, Business Growth & Resilience Policy Manager

1. Purpose of this report

- 1.1 This report sets out the purpose and scope of a Trade Strategy for the Combined Authority and Leeds City Region Enterprise Partnership (the LEP), and seeks endorsement from the LEP Board.

2. Information

- 2.1 This item follows discussion with the LEP at their November 2021 meeting regarding the development of a West Yorkshire Trade Strategy. Feedback on the draft strategy has been taken on board and the Strategy has been revised and included as an appendix to this item.

Updates since November 2021

- 2.2 At their last meeting of 2021, the LEP Board had a detailed discussion on the draft West Yorkshire Trade Strategy and raised a number of comments and areas for further development. These included:
- Support for having a strong SME focus, particularly as the focus of Department for International Trade is towards larger / more frequent existing exporters. Can we support collectives of SMEs to grasp opportunities as well as individual businesses.
 - Recognising that given the small amount of money currently available for trade related support, signposting will be important
 - Support for the recognition of importance of services but a question about whether we can we better capture the value and impact of services export - including by sector
 - A challenge to better articulate our overall ambition - what's our equivalent to the UK Export Strategy's "Race to £1tn"?
 - An ask around whether we can look at the impact of international students when we come to developing delivery plans

- A challenge as to how the strategy reflects learnings from the work on the local industrial strategy
- A question about how might we engage with trade envoys amongst our MPs (currently one West Yorkshire MP has an envoy role)
- Can we include climate success metrics around trade

2.3 These comments have been taken on board in revising the Trade Strategy document, which is appended to this report.

Articulation of the overall ambition for Trade in West Yorkshire

2.4 In relation to the articulation of the overall West Yorkshire ambition, it has been proposed that this is progressed further through a commission that is currently being tendered to bring in external expertise to help define the baseline, targets and methodology based on most recent data. Whilst the region will look to make its contribution to the UK Government target of £1trillion exports set within the new Export Strategy, it was rightly felt at the last LEP Board that the West Yorkshire Trade Strategy needed a meaningful and realistic picture of what is achievable in the region and to provide a robust measure of that over the period of the strategy.

2.5 As data on international trade is not often timely and difficult to capture exclusively on a regional basis, the commission will help to articulate appropriate measurable targets that can be tracked on an annual basis to understand the trends and to measure the progress that is being achieved toward the targets. This could include targets like the number of West Yorkshire businesses involved in export activity by 2026 for example.

2.6 Further updates on the progress of this commission will be brought back to the Business, Economy and Innovation Committee, and will accompany the final endorsed Trade Strategy when approved by the Combined Authority.

Summary of the Trade Strategy

2.7 A more detailed overarching summary of the purpose and the approach to the West Yorkshire Trade Strategy were provided in the report to the LEP Board in November 2021. As the Strategy has been updated following feedback from that discussion at the LEP Board, a brief summary is provided below for completeness. The full revised draft strategy is provided as appendix 1 to this report.

- The Strategy coincides with the end of the LEP's current International Trade Plan (2016-21), recognising the significant changes and challenges to international trade that have happened since the previous plan was produced.
- The Strategy provides the region's response to the UK Government Export Strategy¹ - and how West Yorkshire can contribute to national success
- The Strategy is a result of collaboration across Trade Partners in West Yorkshire, including Chambers of Commerce, universities, Innovate UK EDGE

¹ UK Export Strategy (2021) <https://www.gov.uk/government/publications/export-strategy-made-in-the-uk-sold-to-the-world>

and the Department for International Trade – recognising the importance of this ecosystem for delivery.

- The Mission statement of the strategy is *“to inspire, empower and provide access to international markets for small and medium size businesses (SMEs), for the benefit of workers and businesses across West Yorkshire.”*
- To achieve our mission, the Trade Strategy identifies three areas of collective action with partners that will support SMEs on their journey to trading internationally, Influence, Inform & Inspire, and Impact
- The strategy focuses particularly on the role that public support can play in encouraging a diverse range of SME businesses from across all communities to explore and benefit from international trade
- The strategy outlines the distinct offer in West Yorkshire - key sectoral strengths in goods and services, our strong academic ecosystem and outturn of graduates, the diversity and youth of our workforce, and links to national institutions based in the region, such as the newly created UK Infrastructure Bank.

Next steps

- 2.12 Subject to views of the LEP Board and the approval of the Combined Authority, the Strategy will be adopted as part of the West Yorkshire Strategic Economic Framework.
- 2.13 The strategy will then provide the framework for the development of annual delivery plans for international trade overseen by the Combined Authority’s Trade and Inward Investment team. Separate but connected delivery plans for Inward Investment are also developed by that team.

3 Tackling the Climate Emergency Implications

- 3.1 Tackling the climate emergency is covered as a chapter in the Trade Strategy and recognises our ambitions to be a net-zero carbon economy by 2038. The strategy recognises that the transition to net zero is an export market opportunity for the region, but also that international trade currently makes a significant contribution to global emissions. Positively responding to the opportunities whilst minimising the potential negative impacts of trade on the environment is seen as an important priority in future trade support.

4 Inclusive Growth Implications

- 4.1 The Trade Strategy covers the West Yorkshire Inclusive Growth Framework and outlines our approach to ensure that international trade contributes positively to inclusive growth, in particular through maximising high-quality employment opportunities as a result of increased trade activity.
- 4.2 Traditional economic theories point to the overall positive correlations between trade and wages and real income ([IME](#), 2021). This is supported by evidence that trade is associated with generating high-quality employment opportunities, with median wages on average higher for both direct and indirect jobs ([FAI](#), 2021). The Strategy sets out how trade can support such opportunities

particularly for individuals that face barriers to securing good work, including those with protected characteristics.

- 4.3 It is also understood that whilst there are overall benefits of trading internationally, there are also potential 'losers' to increased international trade, which can include diverting trade away from some areas. When implementing the Trade Strategy we will look to understand potential negative impacts - including how Free Trade Agreements might 'divert trade' ([Department for International Development](#), 2015) away from businesses in the region, potentially making them less resilient or viable.

5 Equality and Diversity Implications

- 5.1 As part of the Trade Strategy's priorities, it is recognised that there is a role for trade partners including the Combined Authority and LEP in supporting all businesses across West Yorkshire to realise their productivity potential through international trade. This includes proactively supporting localities and business owners who may not otherwise consider international trade.
- 5.2 Although only a small sample size, findings from the KADA research utilised in developing the Trade Strategy indicate that female led businesses are the businesses most likely to consider trading with existing non-EU partner countries, and that BAME-led businesses are most likely to consider new international markets. The strategy therefore outlines how consideration will be given to how to increase opportunities for female and BAME-led businesses to access these markets and to ensure they have the relevant support, and how we can maximise the potential of connected programmes such as entrepreneurship in increasing the diversity of our export base.

6 Financial Implications

- 6.1 There are no financial implications directly arising from this report. However, in delivering the priorities of the Trade Strategy this may require further financial resources to support the activities, which will be subject to further approvals.

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 In developing the Trade Strategy, officers of the Combined Authority have engaged with a number of key stakeholder groups, including the LEP Business Communications Group, regional Trade Partners and with Universities in the region. Further consultation will take place before the Strategy is brought to the Combined Authority for endorsement.

10 Recommendations

- 10.1 That the LEP Board endorses the West Yorkshire Trade Strategy (2022-2026), providing any comments on the draft document and priorities.

11 Background Documents

Department for International Trade, UK Export Strategy: Made in the UK, Sold to the World:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1033912/made-in-the-uk-sold-to-the-world.pdf

12 Appendices

Appendix 1 – Draft West Yorkshire Trade Strategy: 2022-2026

This page is intentionally left blank

DRAFT West Yorkshire International Trade Strategy: 2022 – 2026

January 2022

DRAFT

Contents

Foreword.....	2
1. Introduction.....	3
1.1. Strategy on a Page	7
1.2. National and International Context	8
2. The Importance of International Trade for Leeds City Region.....	10
2.1. Leeds City Region International Trade Factsheet ... Error! Bookmark not defined.	
2.2. Role & Contribution of Trade to Wider Regional Policy	10
2.3. The Distinct Offer of the Region for International Trade	12
3. Opportunities and Challenges 2022-26.....	16
3.1. SME Support.....	16
3.2. Markets	17
3.3. Sectors.....	23
4. Our Priorities: Influence, Inspire, Impact.....	29
4.1. Outline of Our Approach	29
4.2. Influence	29
4.3. Inspire & Inform.....	31
4.4. Impact	33
5. Measuring Success	35

Foreword

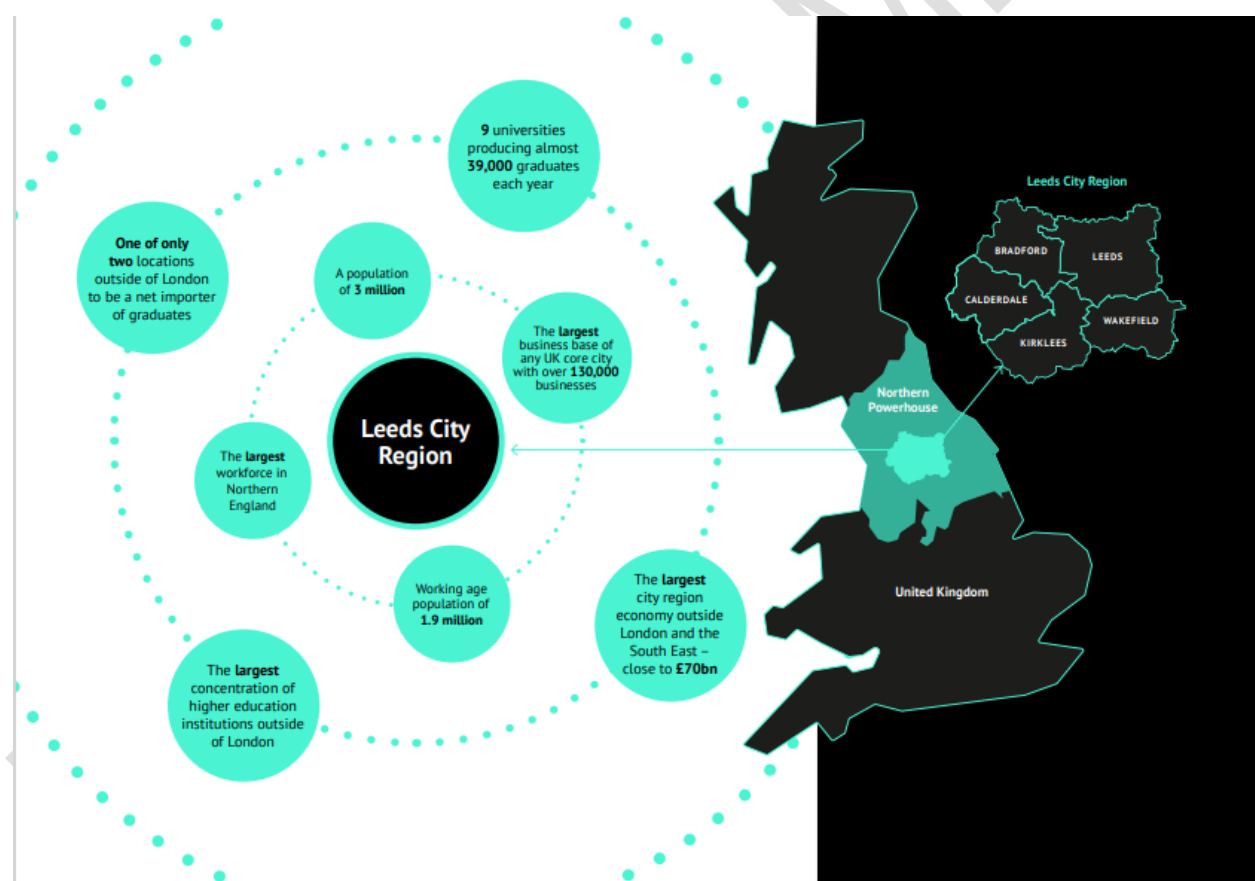
To be added prior to publication.

IN DEVELOPMENT

1. Introduction

This trade strategy for West Yorkshire is about supporting businesses in the region to explore international opportunities and realise the business benefits of those opportunities through improved productivity, resilience and innovation in a way that maximises the value for their business, the wider economy and ultimately the people living in this region. It has been developed in collaboration with trade partners across the region who play a critical role in delivering trade support and will therefore be key stakeholders in the delivery of this strategy.

This strategy has been produced by Leeds City Region LEP in partnership with the West Yorkshire Combined Authority and covers the West Yorkshire authority areas of Bradford, Calderdale, Kirklees, Leeds and Wakefield. In this strategy we also refer to this geographical area as Leeds City Region.



Leeds City Region is a place with global reach and global ambition.

Whilst the changes to our international trading landscape arising from the UK's exit from the EU have created challenges for many, the Leeds City Region has a lot to offer to inter-regional partners across the globe. Our economy is worth £55.4 billion – larger than 9 EU countries.

The nature of our polycentric economy means there is plentiful supply of international trade opportunities available to businesses in this region. We have a strong concentration of manufacturing businesses, more than anywhere else in the north, an unrivalled health ecosystem, the UK's fastest growing digital sector and the largest financial and professional services cluster outside of central London. We undoubtedly have the business assets for Leeds City Region to be a UK leader on international trade.

In addition to this, we also have a strong university network with 7 universities attracting over 91,000 students and producing 30,000 graduates that come here from across the world, creating both knowledge-based innovation but also a platform for international market opportunities.

Our Approach: Influencing, Inspiring and Impacting

International trade is fundamentally about exchanging goods and services across borders or territories. On the whole, it is businesses that do the trading, and our strategy is focussed on how we can support them. To that end our approach is based on three intersecting action areas that can facilitate trade: influencing, inspiring and impacting.

Scope: Inward and Outbound Trade in the Strategy

For the purposes of this trade strategy, we consider elements of both inward trade (**imports**) and outbound trade (**exports**) of goods and services in West Yorkshire. The focus in terms of action however is framed around exports, recognising the role that public and private partners across West Yorkshire can play in supporting businesses to explore new market opportunities, although much of this support can also be utilised to explore opportunities for better quality imports. The Strategy does not seek to enter into a debate around import substitution and the value or otherwise of re-shoring supply chains, recognising that supply chain resilience often involves diversification that is specific to individual products or services.

Inward investment is clearly related to international trade but is considered outside of the scope of this work, having specific drivers, regulations and impact on the economy.

Influencing recognises that decisions taken, particularly by UK Government, have a significant impact on businesses trading. Whilst the process of agreeing trade deals, developing subsidy regimes and building trade infrastructure sits with the UK Government, our role is to ensure the voice of Leeds City Region is heard in influencing those decisions, and utilising our profile as a Mayoral region to build economic relationships that support trade with other regions of the world.

Inspiring focuses on the role that knowledge and information can play in breaking down barriers to international trade. We can support businesses by **inspiring** them to think internationally and to explore the markets and opportunities that are best suited to them. We can help with information on new trade arrangements, on finding advice and funding, and on collating key data, as well as demonstrating our successes.

Impacting builds on the evidence that direct delivery of support can add value beyond the current trade activity of our businesses. Together with partners across the business support ecosystem in Leeds City Region we can further impact by promoting the region on the

international stage, providing expert advice and guidance and joining up provision. In the period from now to 2026 we see this as particularly valuable as businesses adjust to the changes brought following the UK's exit from the EU, new free trade agreements and shifting global value chains.

Trade as a Policy Lever

As we detail in section two, our trade strategy is rooted in the wider economic and social ambitions we have for our region. From work on our Local Industrial Strategy for the region we have seen that, despite having many high performing businesses, Leeds City Region has a growing **productivity gap** compared to the UK average, which affects business resilience. As we know that businesses that trade internationally tend to have higher productivity performance, this strategy will seek to encourage a greater number of our nearly 90,000 small to medium enterprises (SMEs) to think globally to achieve higher productivity.

As a region, we also place strong emphasis on **inclusive growth** – ensuring everyone benefits from our economic performance – and we want trade to facilitate high quality and better paid jobs for our communities. We also want entrepreneurs and business owners from diverse backgrounds to have the right support to begin trading internationally or to trade more, recognising too that our region's own diversity is a great asset for building international trade.

Trade must also be a lever in realising our ambitions for a **Net Zero Carbon neutral economy by 2038**. This means working with importers and exporters to understand how to reduce emissions, as well as exploring the market opportunities for zero emission innovations and services developed in the region.

The following sections of the strategy outline the main Leeds City Region challenges and opportunities for international trade, and how through this strategy we aim to influence, inspire and impact trade policy, promotion and performance over the next five years.

1.1. Strategy on a Page

Mission: to inspire, empower, and provide access for small and medium size businesses to international markets, for the benefit of workers and businesses across Leeds City Region

Influence	Inform & Inspire	Impact
Building international regional economic relationships for trade.	Help businesses across the region to understand free trade agreements and grasp opportunities.	Deliver trade support to businesses in partnership with partners and expert agencies.
Be the voice of sectoral priorities for the region in future and existing trade deals and discussions.	Signpost businesses to the right support to trade international and simplify the landscape.	Promote the region and businesses based here on the international stage.
Work together across the Northern Powerhouse to promote trade for the North.	Inspire businesses in the region to think internationally as part of business planning	Coordinate across trade delivery partners in the region to join up activity around key sectors and markets.
Maximise the devolution deal commitments with the DIT.	Continue to collate key on the ground intelligence of trade impact to inform decision-making.	Ensure trade opportunities are considered across regional policy areas (productivity, inclusive growth, tackling the climate emergency).

1.2. National and International Context

The development of this strategy for Leeds City Region comes at a moment where our international trade environment is caught in the dynamics of two significant seismic events – the short-term **impacts of the global COVID-19 pandemic**, with unclear longer-term implications, and **EU Exit**, the transition of the UK economy to being a wholly independent trading nation outside of the European Union.

COVID-19 and World Trade Conditions

Prior to the impact of the COVID-19 pandemic, global trade was on the rise since the early 1980s following the liberalisation of trade across many western nations. Global goods exports since 1983 have increased by more than tenfold from \$1.8 trillion to \$18.4 trillion in 2019¹. In addition to this, global trade in services is also estimated to be around \$5.9 trillion and is now accelerating to take a much greater percentage of global trade.

The impact of the pandemic on trade between the UK and the world has been significant in its scale, and it is unclear at this stage whether this effect will be temporary or lasting. For instance, the table below shows how UK trade in goods in 2020 was weakened compared to 2017 across a number of commodities. Much of this will be due to the global restrictions in place but may also be partly attributed to changing global value chains in some cases connected to the end of the transition period in the UK's withdrawal from the EU. Critically, data from the CPB World Trade Monitor² suggests the UK is an exception among advanced economies in its gap returning to or above pre-pandemic export volume levels by mid-2021, suggesting a more difficult recovery for UK international trade than other nations.

UK Exports of Goods by the Top 10 Commodities	2017³ (£bn)	2018⁴ (£bn)	2019⁵ (£bn)	2020⁶ (£bn)	Change (%)
Mechanical Appliances	50.8	54.3	57.4	47.5	-6.5
Precious Metals	25.0	35.6	33.1	34.1	36.4
Motor Vehicles	41.7	41.3	39.6	28.5	-31.7
Mineral Fuels	27.4	33.1	31.7	20.9	-23.7
Electronic Equipment	22.1	22.0	22.3	19.7	-10.9
Pharmaceutical Products	25.4	22.5	21.1	19.4	-23.6
Measuring Devices and Gauges	14.0	14.4	15.6	13.9	-0.7
Aircraft	16.3	14.7	14.4	10.3	-36.8
Organic Chemicals	8.2	9.2	9.9	9.9	20.7
Arts & Antiques	-	-	9.7	-	n/a
Plastics & Plastic Products	-	9.6	-	-	n/a
Other Products	-	-	-	9.2	n/a
Other	102.3	-	112.0	100.6	-1.7
Total Exports	342.3	362.4	366.8	314.0	-8.3

¹ Washington International Trade Association (WITA) Factsheet: see [here](#).

² The CPB World Trade Monitor releases a monthly monitor, two months behind real-time: see [here](#).

³ Source: [UK Overseas Trade in Goods Statistics December 2018 \(uktradeinfo.com\)](#)

⁴ Ibid

⁵ [UK Overseas Trade in Goods Statistics Summary of 2019 Trade in Goods \(publishing.service.gov.uk\)](#)

⁶ [UK Overseas Trade in Goods Statistics Summary of 2020 Trade in Goods \(publishing.service.gov.uk\)](#)

Table 1: Export of Goods by the top 10 Commodities

Although not always visible, trade plays a major part in the everyday lives of everyone in Leeds City Region, whether that be in their jobs, the things they buy or how they access information, and this has been brought into much sharper perspective during the COVID-19 pandemic. From supplies of Personal Protective Equipment (PPE) and vaccinations, to delays and shortages of food, microchips and the movement of migrant labour. The FSB's COVID Recovery Survey 2020 indicated that 54% of SME exporters saw a decrease in the value or volume of exports with 39% of SME exporters experiencing a decrease in the breadth of export markets and customer base⁷.

EU Exit

As the end of the Transition Period for the UK to formally leave the European Union as a member state was completed during the COVID-19 pandemic at the end of 2020, its immediate impacts on Leeds City Region in terms of international trade are difficult to separate explicitly from the impacts of the pandemic.

However, in terms of context to our strategy development, the UK's exit from the European Union brings forward a number of clear changes to the environment for international trade in Leeds City Region, to which this plan will seek to respond:

1. The UK has the ability to set its own independent Trade Policy
2. The UK is outside of the single market for trading with European Union nations, and therefore the movement of goods, services and people between the UK and EU (and NI) will involve additional steps and restrictions
3. The relationship for trade with Leeds City Region's biggest single trading partner, will be governed by the Trade and Cooperation Agreement and related treaties

This context is important for our strategy, as it sets out how trade decisions are going to be different. But in addition to the way the governance and rules of trade are going to be different, we also need to understand the implications this has, particularly for businesses in Leeds City Region. To that end, the Leeds City Region Enterprise Partnership has worked with KADA Research to explore business preparedness in the region for EU exit, their main concerns, and to understand the subsequent impacts since January 2021. [INSERT graphics from KADA work].

Aligning with the UK Export Strategy: Made in the UK, Sold to the World

The UK Government published the new [UK Export Strategy](#) in November 2021⁸. The overarching goal of this strategy is to reach £1 trillion in annual exports by 2030. This objective will be achieved by delivery of a new 12-point plan which will be "led by business and supported by government". Some of those actions include expanding the Export Support Service, extending the reach and range of the pilot Export Academy, simplify the

⁷ Source: FSB (2021) report: [Ready to Launch](#)

⁸ <https://www.gov.uk/government/publications/export-strategy-made-in-the-uk-sold-to-the-world/made-in-the-uk-sold-to-the-world-web-version>

exporting landscape and making it easier for businesses to trade, and progress work on securing new trade deals. Our West Yorkshire strategy will set the framework for how we will engage with this 12-point plan and support businesses to access the available national support for exporters, and where we will look to add value beyond it.

The strategy gives recognition to the need to work with Mayoral Combined Authorities and Local Enterprise Partnerships. In particular it is outlined that:

- The Department for International Trade will work with MCAs and LEPs to “capitalise on their networks and regional insight”
- The Export Strategy will align with the wider business support offer, including growth hubs, as part of the wider Enterprise Strategy expected in 2022
- The Department for International Trade will engage businesses in trade policy and market access issues that reflect local priorities and the competitive advantage of sectors and specialisms around the UK
- Local trade teams and LEPs will articulate and amplify the export offer.

2. The Importance of International Trade for Leeds City Region

2.1. Role & Contribution of Trade to Wider Regional Policy

International trade is a key enabler of many policy priorities for Leeds City Region. There is a strong link between international trade and business productivity, innovation and resilience. Businesses who trade internationally also create higher quality direct and indirect jobs. Businesses who trade internationally are also important ambassadors for our region, often creating a better understanding of different cultures and building valuable partnerships and alliances.

This section outlines the contribution we expect trade to play in addressing priorities of productivity, inclusive growth, tackling the climate emergency and championing our great places and businesses.

Productivity, Innovation and Business Resilience

The West Yorkshire [Business Productivity and Resilience Plan](#) recognises exporting as one of the key business behaviours positively influencing **productivity**. There is significant evidence both internationally and from the UK that firms which export have systematically higher levels of productivity than domestically-oriented firms, on average by around a third ([Haldane, 2017](#)). In Leeds City Region, despite relatively strong export performance in terms of numbers of businesses exporting prior to leaving the EU, the volume and value of those exports were lower than in other areas of the UK. Although not the only factor influencing productivity performance, this room for growth suggests exporting could be one key tool to reduce the £8.5bn gap in productivity between the region and the UK average. Supporting

more SMEs in particular to consider international trade as a route to improved productivity is a priority for our strategy.

International trade is also a key way to unlock **innovation** in business, and numerous studies highlight the positive correlations between exporting and innovation, R&D and, in turn, higher productivity (see for example [Ganotakis, 2011](#)). The relationship with imports depends on different factors, including the geographical origin and the intensity of the product ([van den Berg & van Marrewijk, 2016](#)), but importing of technology intensive components or products is likely to have positive results for businesses.

As a region we also see business **resilience** as a key objective, and international trade has a particularly important role to play. As we have seen during the COVID-19 pandemic, the ability to call upon diverse international supply chains has been vital to continue the flow of goods and services, but that also Leeds City Region firms have been able to access new opportunities by diversifying their outputs for both domestic and overseas markets. Those firms more exposed to international trade, have been found to be more resilient to the shocks of COVID-19 ([Borino et al., 2021](#)), and those economies that are integrated in trade face less volatility to shocks in any particular country or producer ([Tenreyro, 2021](#)).

Inclusive Growth

Our [Inclusive Growth Framework](#) sets out a range of priorities for ensuring that everyone can benefit from and contribute to our economic growth. Our approach to trade in this strategy is to maximise the overall positive correlations with wages and real income ([IMF, 2021](#)) of increased international trade. From our regional perspective, we are focussed on how trade generates high-quality employment opportunities ([FAI, 2021](#)) as part of economic recovery, and how we can support those opportunities for individuals who currently face particular barriers to work. We are also focussed on ensuring all communities have the opportunity to benefit from the positive results from trade and will be looking over the course of the period to 2026 particularly at ensuring engagement on trade matches our region's ambitions around Equality, Diversity and Inclusion.

Whilst we anticipate our trade strategy will realise positive benefits for inclusive growth, it is also important to recognise the potential negative impacts that can result from international trade on individuals and on communities. Both establishing the UK outside of the European Union and developing new Free Trade Agreements bring with them potential impacts to 'divert trade' ([Department for International Development, 2015](#)) or to alter the conditions that businesses found previously. In supporting businesses in particular to adjust to these new conditions, we hope to minimise the negative impacts that might result from increased barriers to access or additional costs, particularly with the European Union. We outline more on this in the section on markets and sectors.

Tackling the Climate Emergency

The carbon impacts of trade are at the very forefront of the international debate on climate change. We cannot escape that trade has a carbon footprint – in production and in transportation – e.g. freight accounts for 30% of transport related CO2 ([International Transport Forum, 2016](#)). Our emerging [Climate and Environment Plan](#) for West Yorkshire sets out what we all need to do achieve a net zero economy by 2038, and this strategy sets

out how our approach to trade will contribute to this, recognising that international rules set by the World Trade Organisation (WTO) and others will play a significant role.

The transition to net zero is also an export market opportunity for Leeds City Region. The UK's green sector is estimated to be worth up to £170 billion a year by 2030 ([UK Board of Trade 2021](#)), and as part of our sectoral approach we will seek to maximise the opportunities for Leeds City Region businesses.

Championing our Great Places and Businesses

International trade is a fantastic way to showcase the great places of Leeds City Region, to live, work and visit. We want trade to contribute to the continued growing international success of our core city of Leeds, but also to ensure that each of our local authority urban areas as well as rural and suburban places across Bradford, Calderdale, Kirklees, Leeds and Wakefield are promoted for their assets, strengths and opportunities. The next section sets out in headline terms the distinct offer that there is in Leeds City Region.

2.2. The Distinct Offer of the Region for International Trade

Leeds City Region has a distinct offer to share with the world. We believe these offers can support our efforts to build good international relations with trading partners and attract inward investment to support the growth and resilience of our region.

The Mayor of West Yorkshire

West Yorkshire elected Tracy Brabin as its first ever Mayor in May 2021, becoming the figurehead of a region with a population of over 2.3 million residents. The Mayor's role includes specific powers covering transportation, housing and planning and the co-ordination of transformational programmes across the region including tackling climate change and economic development. This unique offer coupled with the Mayor's pledge to support local businesses and be a champion for our regional economy, will be invaluable in forging new inter-regional economic relationships across the globe on a region to region level.

A Broad-Based Economy with Distinct Sectoral Strengths

While our regional economy is polycentric in nature, it also contains sector strengths and capabilities that are world leading, opening the region to greater international trade opportunities.

Manufacturing in its broadest sense is one of the most significant international trading sectors in Leeds City Region – supporting 112,000 jobs, more than anywhere else in the North of England. Within manufacturing, we have a range of sub-sector strengths, including:

- **Health-Tech** is a growing opportunity in Leeds City Region with 250 health-tech related businesses – the largest cluster of health-tech companies in the UK. These businesses are pioneering world-leading work in medical-technologies, tissue regeneration, wound-care, drug discovery and pharmaceuticals.

- Over 10,000 people are employed in our **Textiles** sector which stretches all the way back to the industrial revolution of the Victorian era. These days, our textile businesses are driving innovation in their design and development of materials and include globally recognised names such as Burberry. The sector is strengthened by a supportive ecosystem with organisations such as the Textile Centre of Excellence, the Technical Textiles Research Centre and the Society of Dyers and Colourists.
- **Food and Drink** businesses in Leeds City Region have strong potential in the international market – strengthened by the location of a major logistics hub reaching all parts of the UK. We are home to some of the leading national and international food and drink retailers and producers such as Arla and Coca-Cola European Partners. We also host two of the big four national retail chains – Morrisons and Asda.

Leeds City Region also has significant clusters of the tradeable service economy that make it stand out as a region to foreign investor markets and trade partners alike, including:

- Our concentration of **Professional Services** makes us the second centre of banking in the UK with over 30 banks and financial institutions and four of the world's largest payment processing companies here in Leeds City Region. In addition to this, we have access to over 14,000 legal professionals in our region including offices from key legal players such as Squire Patton Boggs and Womble Bond Dickinson.
- Our region has seen accelerated growth in **Creative Industries** over the last few years, further strengthened by the location of Channel 4's new national headquarters. We also host Production Park, Europe's largest live rehearsal complex, and have a strong presence in the gaming industry – proudly hosting Rockstar Leeds who have produced leading video game series including Grand Theft Auto and Red Dead Redemption.

Section 3 of this strategy will outline some of the challenges and opportunities across our key sectors.

The Scale of University and Research Capabilities

Leeds City Region is home to 7 universities, which in 2018/19 enrolled over 92,000 students and generated over 30,000 graduates – this is the largest higher education cluster outside of London. It is estimated that for international students alone, they make a £38m net economic contribution to the Yorkshire & Humber region.⁹

We have a higher concentration of students undertaking courses in medicine, biological sciences, engineering, technology and business and administration studies than the England average. Many of our universities also have internationally based educational and research provision which themselves provide a valuable contribution to exports from the region.

Our universities also have a suite of high-calibre research and development capabilities including the University of Leeds's Centre for Financial Technology and Innovation and Institute of Clinical Trials Research, and the University of Huddersfield's Centre for Precision

⁹ Higher Education Policy Institute and Universities UK International
The costs & benefits of international higher education students to the UK economy. September 2021

Technologies and the 3M Buckley Innovation Centre which hosts facilities for the UK National Physical Laboratory. Many cities across the world such as Amsterdam and Gothenburg have relied on the University of Bradford's expertise and knowledge base on big data and the internet of things (IoT).

The calibre of staff, facilities, students and international networks of our universities makes for a compelling and strong offer which can provide valuable benefit to businesses and the region looking to enhance their international profile.

Our universities are known for their collaboration and partnership working, coordinated by Yorkshire Universities which ensures that local and regional administrations and the universities work together to deliver impact and maximise the potential of new opportunities.

A Young and Diverse Population

Leeds City Region has a young and diverse workforce – with the average age of our population being around 38.7 years old. This makes us one of the youngest regions in the UK. Bradford is also the youngest city in Europe – with around one quarter of its population under the age of 20. This means that there is an existing and future supply of young and ambitious talent seeking good work opportunities in a number of sectors.

We are home to one of the most diverse populations of the UK – with 18.2% of our residents identifying as Black, Asian, Minority Ethnic (BAME)¹⁰ – with one in nine of our business owners and directors coming from a minority background. Our diversity is one of our key assets, promoting a greater awareness and understanding of the value, benefits and interests of different cultures and backgrounds, and supporting a region that is global in its outlook. Our international trade objectives and actions look to build on this strength, whilst recognising that more can be done to support this diversity to flourish when it comes to engaging with international markets.

Our Connection to National Decision-Making and Influence

Our region proudly hosts key influential players across the UK's policy and governmental sphere of influence. In the 2020 Budget, the UK Government announced that the newly established UK Infrastructure Bank (UKIB) would be located in Leeds. The UKIB will help regions across the UK level-up and tackle the climate and environment emergency by providing access to financing for major infrastructural projects. Leeds City Region has been chosen as a reflection of the region's strengths in financial services.

We are also the hosts of two new cultural institutions of national importance, with £25 million being invested in housing the British Library North and the securing of investment in our region with the opening the new hub of Channel 4 – bringing broadcasting and media jobs and opportunities into the centre of Leeds. This builds on the region's existing key influence on the UK's cultural economy, adding to outstanding key assets such as Bradford UNESCO City of Film, Halifax Piece Hall, the UNESCO World Heritage Site of Saltaire and Yorkshire Sculpture Park.

¹⁰ Source: ONS – 2011 Census

In addition to this, we house the national headquarters for NHS England as well as regional hubs for UK Government departments including the Department for Transport and Department for Work and Pensions.

IN DEVELOPMENT

3. Opportunities and Challenges 2022-26

Our assessment of the Opportunities and Challenges is based upon evidence collated across a number of sources – including work commissioned with KADA Research on EU exit business engagement, the Leeds City Region 2021 business survey, data on existing trade flows from MDS Transmodal. Also from delivery activity and reports from across trade partners in Leeds City Region, including the Leeds City Region Enterprise Partnership Trade and Investment team, Chambers of Commerce, local DIT partners, universities, Innovate UK EDGE, West Yorkshire Colleges and private providers.

3.1. SME Support

The mission of this trade strategy is specifically focussed on supporting Leeds City Region's SMEs. While larger businesses are very important, we know that they tend already to have strong international trade credentials and are able to access external support when required.

Where we see the value in our strategy is working in partnership across organisations in the region to support SMEs to trade more and trade better. It is critical that engagement is with organisations across the region who work with businesses in all communities, geographies, sectors and groups to ensure that the benefit of the support available is maximised by SMEs in the region who have the capacity and desire to explore international opportunities. As has been highlighted by recent work from the Federation for Small Businesses ([FSB](#), 2021), the majority of small business exporters are reactive exporters based on an approach from an overseas buyer, rather than proactive in finding opportunities.

Our work with KADA Research outlines some of the key opportunities and challenges being reported by businesses, including what are the characteristics of businesses more likely to consider international trade, and what are the top barriers to exporting to new markets. In supporting SMEs therefore, we must help address the key barriers of:

- COVID-19 restrictions
- Limited international customer base
- Lack of knowledge and contacts
- Financial and cost barriers
- Limited demand and awareness

EU Exit Business Surveys: Headlines prior to the EU-UK T&CA and now*

---- Implications for international activity ----

Barriers to working with EU businesses

PRIOR

Increased costs of exporting/importing goods and services (**75%**), keeping abreast of changes to rules and regulations (**62%**), loss of frictionless trade (**62%**)

NOW

Increased costs of exporting/importing goods and services (**56%**), loss of frictionless trade (**46%**), keeping abreast of changes to rules and regulations (**43%**)

Top 5 barriers for exporting to new international markets

- Covid-19 restrictions
- Limited international customer base
- Lack of knowledge and contacts
- Financial and cost barriers
- Limited demand and awareness

Change in EU trade over the next year

14% think EU trade will increase significantly or 'a little'. **36%** think EU trade will remain the same. **25%** think trade will decrease 'a little' and **14%** think EU trade will decrease 'a lot'.

Free Trade Agreements

44% unaware of benefits of FTAs, **28%** think FTAs may have a negative affect on business. **9%** confident FTAs will have positive affect, **16%** see potential.

Exploration of new international markets

PRIOR

22% exploring new international markets as a result of the EU Exit (North America, Asia, Africa)

NOW

57% already or considering exploring new international markets (North America, South America, Australia/New Zealand)



Characteristics of businesses most likely to consider trading outside EU

Female-led
with existing
non-EU
partners

BAME-led
with new
international
markets

Smaller firms
(<100k p.a.) with
new international
markets

* Data from two business surveys conducted by Kada Research, the first in Dec 2020 (151 exporting SMEs in Leeds City Region and York and North Yorkshire), the second in Feb-March 2021 (80 exporting SMEs in LCR only).

Figure 1: EU Exit Business Surveys (KADA Research) - Implications

3.2. Markets

Global trade is projected to grow broadly in line with global GDP over the next 30 years, doubling in real terms and quadrupling in dollar terms to reach \$100 trillion by 2050. Four regions, Europe, North America, China, and the Asia Pacific, dominate global trade and in 2019, these four regions accounted for 78% of global imports and GDP

By 2050, those four regions will continue to dominate global import demand, but South Asia will also play a growing role. Europe is still likely to be the world's largest import market in 2050 but its share of global trade is expected to fall due to its slow pace of GDP growth. Rapid economic growth however in the Indo Pacific, including in South Asia (led by India), should see Asia's share of global trade rise.

Global trade is however concentrated and the top 30 markets accounted for over 80% of global import demand in 2019. Growth in global imports is expected to be similarly concentrated in the coming decades. More than three-quarters of the growth in global import demand to 2030 and 2050 is expected to come from the current 30 largest markets. This includes the US and China, whose import markets are expected to grow by well over a trillion

dollars this decade.¹¹In terms of market challenges and opportunities, we have assessed three key criteria in selecting areas of focus as part of this strategy:

1. Existing trading flows by value and volume
2. Strength of trade flow growth over recent years
3. Support of national free trade agreements

European Union

Whilst the UK's departure from the European Union adds additional barriers and expense to trade than as a member of the Single Market, the European Union will continue to be a critical market for Leeds City Region businesses – accounting currently for 58% of good exports and 65% of good imports to the region¹², and 43% of services exports and 47% of services imports¹³. EU markets remain our closest and most easily accessible markets, particularly for those businesses in the early stages of developing their international business and are particularly integrated into global value chains which spread out then to the rest of the world.

However, with the changes brought about through the EU-UK Free Trade and Cooperation Agreement, it will be important to support SMEs to effectively navigate the new conditions that will be placed on trading with EU nations, in both importing and exporting, and to assess whether they are effective markets for a business' products and services. Our Leeds City Region Business Survey found that businesses identified the following as key potential future issues for EU trade:

- increase in the cost of imports from the EU (36%),
- impact of tariffs on products (36%),
- regulatory changes (32%, perhaps reflecting the introduction of UK import controls),
- customs procedures (20%),
- products standards (19%, perhaps reflecting the different standards required for the export of goods to the EU if UK standards diverge),
- decrease in investment/greater difficulty in raising capital (14%), and
- increase in costs of exports to the EU (14%).

Our KADA research also provides some key insights of what areas of support are likely to continue to be required by SMEs in trading with the European Union.

¹¹ Global Trade Outlook September 2021

¹² Sources: HMRC disaggregated trade data 2019; gov.uk detail on trade deals signed (<https://www.gov.uk/guidance/uk-trade-agreements-with-non-eu-countries#contents>)

¹³ Source: UK Trade; International Trade in Services; UK Trade in services by industry, country and service type: 2016 to 2018 (ONS April 2020)

EU Exit Business Surveys: Headlines prior to the EU-UK T&CA and now*

---- Preparations, Support and Concerns ----



* Data from two business surveys conducted by Kada Research, the first in Dec 2020 (151 exporting SMEs in Leeds City Region and York and North Yorkshire), the second in Feb-March 2021 (80 exporting SMEs in LCR only).

Figure 2: EU Exist Business Surveys (KADA Research) – Preparations, Support and Concerns

Support for SMEs needing to navigate the technical, regulatory and logistical requirements of trading with markets, including the EU is available within the region. We do however need to ensure that this is well communicated and easily accessible to businesses, particularly those less familiar with the business support environment.

China and USA

China and the USA are the two largest single country markets for goods exports from Leeds City Region, accounting for almost 15% of our regions' exports and a significant proportion of imports. More widely the two nations alone account for almost one quarter of all global imports ([Global Trade Outlook](#), 2021).

	Largest Market	2	3	4	5
33 - Petroleum, petroleum products & related materials	China	USA	South Korea	Japan	Netherlands
77 - Electric machinery, app & appliances & ele pt thereof n.e.s.	China	Hong Kong	USA	Germany	South Korea
74 - General industrial machinery & eqp. & machine pt.n.e.s.	USA	Germany	China	France	Canada

67 - Iron & steel	USA	Germany	Italy	China	France
51 - Organic chemicals	China	USA	Germany	Belgium	Netherlands
71 - Power generating machinery & equipment	USA	Germany	China	Mexico	France
65 - Textile yarn, fabrics, made up articles etc	USA	Vietnam	China	Germany	Japan
54 - Medicinal & pharmaceutical products	USA	Germany	Netherlands	Belgium	Switzerland
69 - Manufactures of metal n.e.s.	USA	Germany	France	China	Netherlands
84 - Articles of apparel & clothing accessories	USA	Germany	Japan	France	Spain

Table 2: Largest Markets (based on MDS Transmodal analysis of HMRC data 2018)

Key:
EU
Indo-Pacific
North America
Rest of the World

Both China and the USA should be seen as key markets for Leeds City Region businesses to explore, particularly China as an export market, as it continues to grow in terms of middle and higher income earners, opening up additional possibilities in high value goods and services.

China is the second largest global economy with a GDP of £11,469 billion, with an average growth rate of almost 9.5% over the last 30 years. It is the UK's third largest trading market, with bilateral trade worth £100 billion in 2019, the UK's second largest non-EU trading partner (after the US), or fifth by country (after the US, Germany, France, and the Netherlands). More than 10,000 UK businesses currently sell goods and services to China and as home to the largest global population of 1.4 billion people, it presents a vast marketplace for goods and services from the UK.

UK products and services are both in demand in the US and have a strong reputation for quality. In the year ending Quarter 1 2019, exports of UK goods to the US increased 8.7% (ONS, 2019), whilst UK companies exported £65.2bn worth of services to the US (ONS, 2019). Sectors presenting opportunities of particular relevance to Leeds City Region include food & drink and health & life sciences.

The US is the UK's second largest market for food and drink exports, totalling £2.2 billion in 2018 (UK Food & Drink Federation, 2018). The US is an attractive market due to its large, affluent and diverse population and offers great opportunities for high-value, differentiated, niche, and on-trend products.

The US is also the world's largest market for healthcare, medical products, and health research and development (OECD, 2019). In 2017, the US spent \$3.5 trillion on healthcare, and spending is projected to almost double in the next decade (Centers for Medicare and Medicaid Services, 2019). The US is home to a large number of biotech and pharma

companies that offer many opportunities for UK companies to sell into their supply chains. US hospitals and healthcare organisations are also keen to deliver healthcare more efficiently using innovative technologies.

CPTPP Nations

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is a trade agreement between 11 countries, (Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam) which the UK Government has formally launched its application to join. Based on HMRC data the value of exports with the group is around £524m in total, which equates to 9% of Leeds City Region exports, with Canada accounting for a third of this.

The majority of these countries are already covered by bilateral UK Free Trade Agreements, meaning that Leeds City Region businesses already have most of the preferential access opportunities to these nations that it would get as part of the CPTPP. However, increased confidence in the stability of trading rules between the countries could well make UK businesses more attractive in these markets, and with a prospective consumer market of more than 500m residents there is significant scale to explore what opportunities there might be to increase the levels of exports in goods and services over the next 5 years. The UK's accession is certainly considered to be an important step in strengthening the existing bilateral economic relations seen in the new Japan-UK Comprehensive Economic Agreement (CEPA) and the six continuity agreements with Canada, Vietnam, Singapore, Mexico, Chile and Peru.

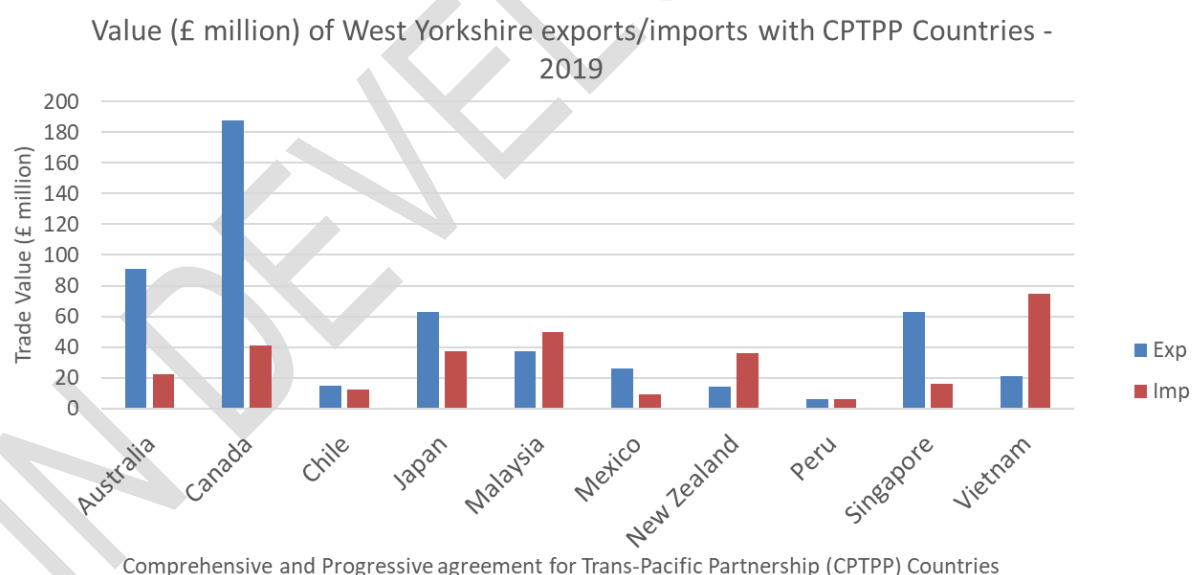


Figure 3: HMRC Disaggregated Trade Data (2019)

Other Developing Nation Opportunities

Whilst the above markets will certainly dominate the overall levels of trade with Leeds City Region businesses, it is also important to consider how in some cases there may be other smaller markets that have a particular growing interest for Leeds City Region products. The following table outlines the fastest growing markets for exports across goods:

	Fastest Growing Market	2	3	4	5
33 - Petroleum, petroleum products & related materials	Mexico	UAE	China	Belarus	
77 - Ele machinery, app & appliances & ele pt thereof n.e.s.	Vietnam	India	Romania	Philippines	Hong Kong
74 - General industrial machinery & eqp. & machine pt.n.e.s.	Philippines	Romania	Poland	Spain	USA
67 - Iron & steel	Philippines	Oman	Sweden	Poland	Belgium
51 - Organic chemicals	Germany	Russia	Irish Republic	Japan	Belgium
71 - Power generating machinery & equipment	Taiwan	Norway	Japan	Slovakia	Romania
65 - Textile yarn, fabrics, made up articles etc	Nigeria	Philippines	Cambodia	Bangladesh	Indonesia
54 - Medicinal & pharmaceutical products	Irish Republic	USA	China	Taiwan	Hungary
69 - Manufactures of metal n.e.s.	Philippines	Romania	Algeria	USA	Portugal
84 - Articles of apparel & clothing accessories	Poland	Czech Republic	China	South Korea	Switzerland

Table 3: Fastest Growing Markets (based on MDS Transmodal analysis of HMRC data 2018)

Key:
EU
Indo-Pacific
North America
Rest of the World

Among this group are important alternative markets that are expected to grow over the next decades, including India, the Middle East, northern Africa and in the Indo-Pacific region outside of CPTPP.

India is a market of particular interest in this group and is now the fifth largest economy in the world, with a GDP of US\$ 2.94 trillion, overtaking France and the UK in 2019, with a GDP growth amongst one of the highest in the world. (World Economic Forum). In 2019, bilateral trade between India and the UK was worth £24 billion, with exports increasing by 3% from £8.2 billion to £8.5 billion from 2011 to 2019. There is already a significant scale of activity

between Leeds City Region and India but there is an opportunity for that to grow further.

The GCC (Bahrain, Kuwait, Oman, Qatar and the United Arab Emirates (UAE), and Saudi Arabia) markets are of particular interest especially in terms of health & life sciences opportunities, as spending on healthcare in the GCC markets remains significant. In their report at the end of 2020 KPMG reported that healthcare is one of the fastest-growing sectors in the UAE in particular, with the latest Medical Tourism Index ranking Dubai and Abu Dhabi in sixth and eighth place respectively for medical tourism. They also report that healthcare-related expenditure in the GCC states grew from \$60 billion in 2013 to \$76 billion in 2019 and is expected to grow to a further \$89 billion by 2022, an overall increase of nearly 50 percent from 2013 to 2022.

The pandemic did however have a significant impact and most of GCC hospitals' profits were significantly impacted by a reduction in the number of outpatients and elective surgery. It was also a healthcare sector very reliant on treating patients face to face and providing care in a hospital environment. Covid-19 therefore precipitated the need to upgrade existing infrastructure and adopt remote patient management technologies on a larger scale, thereby pushing for new innovations in patient care.

The GCC has therefore seen a significant increase in the integration of digital healthcare solutions in hospitals. In the UAE, the Ministry of Health and Prevention recorded nearly 50,000 virtual hospital visits as of the end of Q3 2020.

Other markets of interest include those where there are strong diaspora communities in West Yorkshire, particularly the markets within the African continent and Caribbean. In particular, the UK exported £1.2 billion to the Caribbean Community (CARICOM) in the four quarters to the end of Q1 2019, an increase of 76.1% from the previous year, with the export of services alone accounting for 83.6% of this total. Pakistan is also a nation with strong links to the region, and the presence of the Trade Envoy for Pakistan as a Member of Parliament in the region, MP Mark Eastwood, is also an opportunity to be explored.

3.3. Sectors

Alongside the market opportunities for Leeds City Region, it is also important to understand our sectoral strengths as a region, how those sectors are influenced by existing and upcoming challenges and opportunities for international trade, and how we might go about supporting additional export growth and success of these sectors. As a starting point, the table below highlights the broad categories of existing sectoral strengths.

Goods	
Chemicals	Existing Export Strengths
Electrical & Industrial Machinery	
Textiles	
Health-Tech	

Food and Drink	
Low Carbon Technology	Emerging Opportunities
Space-Enabled Technology & Products	

Services	
Financial	Existing Export Strengths
Legal	
Other Business Services	
Digital	Emerging Opportunities
Culture & Creative Industries	

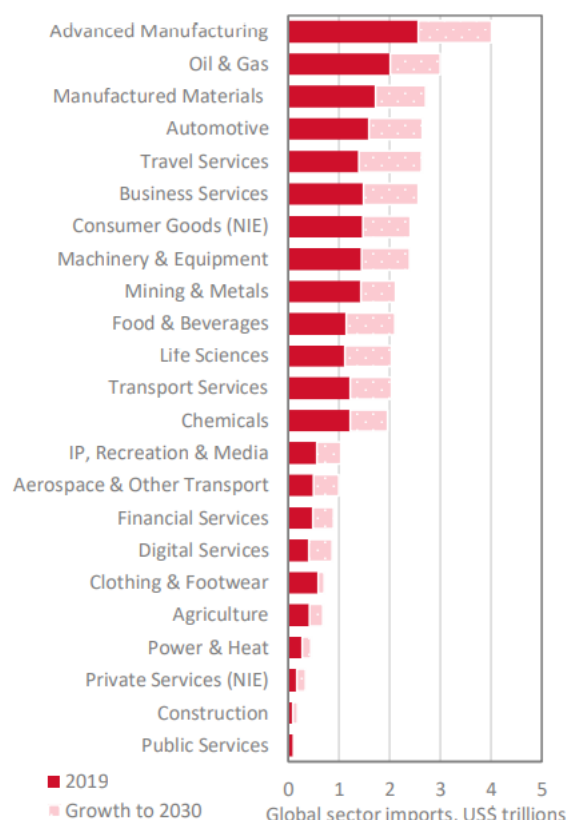
Trade in Goods

Trade in goods (sometimes referred to as merchandise trade) is defined as physically produced items “over which ownership rights can be established” ([Organisation for Economic Cooperation & Development](#), 2021). Globally, trade in goods accounted for over USD\$19.051 trillion in 2019 – with the majority of this largely coming from the manufacturing of goods which totalled USD\$13.3 trillion ([World Trade Organisation](#), 2020). Future growth of trade until 2030 is expected to continue in all sectors but due to new consumer demands and technological change, growth will be varied across sectors, with growth predominantly focused in manufactured goods as outlined in Figure 4 below ([Department for International Trade](#), 2021).

On the Leeds City Region footprint, research by MDS Transmodal shows that our region exported £9,745 million worth of goods in 2018. Of this, the top 10 exports (based on SITC 2 commodity groups) are as follows:

SITC	Top 10 Exports in Leeds City Region	£ Thousand	% of Total Exports
33	Petroleum, Petroleum Products & Related Materials	1,934	20
77	Electric Machinery, App & Appliances	607	6
74	General Industrial Machinery, Equipment and Machines	585	6
67	Iron & Steel	460	5
51	Organic Chemicals	438	4
89	Miscellaneous Manufacturing Articles	414	4
71	Power Generation Machinery & Equipment	402	4
65	Textile Yarn, Fabrics, Made-Up Articles	370	4
54	Medicinal & Pharmaceutical Products	356	4
69	Manufactures of Metal	325	3
	TOTAL	5,891	

Table 4: Leeds City Region - Top 10 Exports (MDS Transmodal Data, 2018)



Sources: IMF World Economic Outlook April 2021, UNCTAD, Oxford Economics and DIT calculations

Figure 4: Global Trade Expansion (2019-30)

Outlook for Trade in Goods

The future of trade in goods is complex and is subject to shifting political and economic factors. Nevertheless, there are a number of factors to consider.

Trade in goods is not growing faster than trade in services – McKinsey & Co have shown that trade in services has been growing 60% faster than trade in goods ([McKinsey & Co, 2019](#)). As the Department for International Trade has outlined in a recent publication, “rising income should see global trade become more service-oriented, with the service sector’s share of trade rising from 25% to 28% by 2030” ([Department for International Trade, 2021](#)).

That doesn’t mean however that trade in goods will not continue to be a significant opportunity for Leeds City Region businesses, that could be further supported through deeper or additional Free Trade Agreements. For instance, accession to the CPTPP would provide access to growing pacific nation-states due to a rising demand for consumer goods. This is largely due to the rising population of the global middle class in developing Asia/Pacific countries. Linked to the global middle class is a shift and

demand for personalised and customised products that can tailor to an individual’s needs.

Efforts to tackle the climate emergency will continue to grow across all areas of trade in goods. Research undertaken by the Grantham Institute of the London School of Economic and Political Sciences (LSE) has suggested that global trade of low carbon goods and (and services) could increase dramatically from £150 billion in 2015 to £1.0-1.5 trillion. This accelerating growth is already happening in the automotive sector. Just alone in 2019, export of battery electric vehicles (BEVs) grew by 60% compared to 2018 ([World Trade Organisation, 2020](#)). This trend will continue to grow as the world moves away from reliance on fossil-fuels and car manufacturers bring forward replacement BEV fleets.

Ernst & Young have implied that the next decade will see digital health technologies become commonplace ([Ernst & Young, 2019](#)). The experience of the COVID-19 pandemic has increased attention and focus on health care across many countries and there is likely to be a growing focus on improving the delivery of healthcare with the likes of precision machinery, robotics and hard-ware technology to support AI and big data systems that can improve the efficiency and care patients receive ([McKinsey & Co, 2019](#)).

Advanced machinery will also be a key catalyst for future trade opportunities – supporting sectors from aerospace and aviation to help develop solutions for mass telecommunications and satellite demands of a growing digital economy. It will also support the fabrics and textiles sectors, who will be exploring sustainable options for products and embracing

circular economy practices. There is also machinery to support construction and infrastructure particularly as a growing trend in modern methods of construction and modular building continue to grow.

Our Trade in Goods Offer

Leeds City Region has a strong record in trade in goods given the strong ties and history to manufacturing. Manufacturing in the region employs a large percentage of our workforce which equates to around 112,000 people, more than anywhere in the north of England.

The wider Yorkshire & Humber region exports goods worth £17.1 billion ([Department for International Trade](#), 2021). This equates to around 5.4% of total UK exports. This strategy will seek to increase these figures as we move to encourage more SMEs to consider international trade and exporting products across the globe.

We have many strengths within our manufacturing sector – many with high-growth and value potential. There are already many businesses in the region showcasing promising capabilities such as in our aerospace industries with businesses such as Produmax in Bradford developing high quality flight control components and who worked with the Sharing in Growth aerospace programme to increase sales by 40%, increase business productivity and secure contracts of £17.5 million. We have ambitions as a region to support the UK Space Strategy by delivering the Space Hub Yorkshire Strategy to coordinate and grow activity in aerospace, satellite-imagery and research spheres.

In addition, as the world intensifies its response to the climate emergency, our clean growth industries are also taking leading steps to support efforts to decarbonise the economy. Switch Mobility is building the urban mobility of tomorrow – building new intelligent electric buses for customers at home and abroad.

Another key area of strength with growing potential is HealthTech. As the home to four NHS body national headquarters, we have a cluster of businesses and incubation and research gateways working together to develop, test and deploy new technological solutions for the health and care sector. Together, they are unravelling solutions, processing 17,000 blood samples daily, undertaking over 12,000 clinical trials each year and progressing revolutionary research and product/service development in diagnostics, digital health, and the discovery of new drugs and pharmaceuticals.

In addition to our high-growth and value manufacturing sectors, we have plentiful supply of existing export strengths in a number of sectors such as textiles, pump-valve manufacturing, chemical manufacturing and food and drink. These specialisms have a particular strength in Leeds City Region and have a higher location quotient than the UK average.

Trade in Services

Trade in Services is a loosely defined term that refers to the production and provision of intangible and non-storable activities. It tends to be the largest sector in developed nations and is a key component for innovation and growth. It is different to trade in goods because consumers must purchase a service before they know its quality ([UK Trade Policy Observatory](#), 2021).

Trade in services has grown since the 1980s with the privatisation and deregulation of sectors such as banking and finance and telecommunications. Services also includes IT, hospitality, food & beverage, culture & creative and tourism & accommodation.

International trade in services is mostly governed by the **General Agreement on Trade in Services** which was introduced in 1995. Recently however many nations such as the United States and China are managing trading relations outside these rules.

Trade in services is traditionally not covered in **Free Trade Agreements** or **Trade and Cooperation Agreements** due to the complexities of managing multiple regulatory and governmental actors.

Outlook for Trade in Services

Most high-income countries have strong trade in services growth, and it is a major component of their economies – contributing to over 55% of all global trade flows ([Western Union & Oxford Economics](#), 2020). This includes the UK.

On the international scale, global trade in services was estimated to be worth over \$13.3 trillion in 2017 ([World Trade Organisation](#), 2019). This has largely been dominated by distribution services (equating to 19.9% of all trade in services) and financial services (equating to 18.6%).

Trade in services is anticipated to grow even further by 2030. As Oxford Economics and HSBC¹⁴ have outlined in their report on '*The Growth Potential of Services Trade*':

- Technological change and the growth of the digital economy will enable trade in services across middle to low-income countries.
- Greater liberalisation of trade in services has the potential to lower barriers to trade across the globe.
- The rise of the global middle class will foresee increased consumer spending and thus demand – this will be particularly felt from developing countries in Asia and Central/South America. For instance, in China, the middle class accounted for only 3% of the population. By 2018 it grew to over half of the population – over 707 million people ([Centre for Strategic & International Studies](#), 2017).
- Outsourcing of support services to low-cost providers will continue and boost productivity levels.
- Merchandise trade is anticipated to grow and will mean increases in trade in goods which will support trade in services.

At a national level, trade in services accounts for over 80% of the UK economy and we exported over £267.1 billion worth of trade in services in 2020 – this equates to around 46.2% of total UK exports ([Department for International Trade](#), 2021). The table below outlines the top three growth areas in service exports between 2015-2018.

¹⁴ Source: [Unlocking the Growth Potential of Services Trade \(oxfordeconomics.com\)](#)

UK Top 3 Growth Areas in Service Exports ¹⁵	2015 (£bn)	2018 (£bn)	Growth (£bn)
Financial	14.9	21.7	+6.8
Business – Business	12.0	21.4	+9.4
Business Management (and Management Consulting)	7.2	16.6	+9.4

Table 5: Top Growth Areas in Service Exports

On a regional level, Yorkshire and Humber accounted for £12.1 billion of service export in 2018 ([Department for International Trade](#), 2021), around 5% of UK service exports. Although data at a subregional level on service trade is limited, research undertaken by KADA Research for West Yorkshire suggests that the region has a positive trade surplus when it comes to services, totalling £2.9bn. The region also exports more services outside of the European Union than into that market¹⁶.

Our Trade in Services Offer

Our region is home to great service-oriented businesses within the financial, legal, management consultancy and creative industries sectors. As the service industry will continue in its growth as a share of international trade, the Leeds City Region is well placed to build on a number of opportunities.

The financial and professional services sector is the most prominent industry in the Leeds City Region, contributing 38% of the total output. As the second centre of banking in the UK with over 30 banks and financial institutions and four of the world's largest payment processing companies here in Leeds City Region, the region is also forging ahead in new areas around **Fintech**, a growth market that has seen record investment despite the effects of the pandemic. The sector is seeing a digital revolution with innovations in FinTech, LegalTech, RegTech and InsureTech being embraced by traditional firms and providing new solutions.

There is estimated to be around 8,745 creative industries registered in Leeds City Region but only about 1,225 export.¹⁷ As such, the global growth of incomes and demand for digital content is also likely to offer significant potential for the Leeds City Region's **Creative Industries**. With broader digital services growing faster than any other digital sector in the UK, the region has significant future potential to increase its international reputation. As part of the sector that has been particular hard hit by the restrictions of the pandemic and the increased barriers to export, at a regional level we have committed to delivering a Creative New Deal that will support productivity, skills and innovation in the sector, with specific funding through our Creative Catalyst programme going towards supporting businesses to explore exporting.

¹⁵ Source: [International trade in services, UK - Office for National Statistics \(ons.gov.uk\)](#)

¹⁶ KADA research based on Regional Trade in Goods Statistics, HMRC (Nov 2019, UK Trade in Services (Sept 2020)

¹⁷ Creative Industries in Leeds City Region – Review of international trade activity and potential opportunities – Kada Research June 2019

4. Our Priorities: Influence, Inspire, Impact

4.1. Outline of Our Approach

Our approach to international trade focuses on three core and interconnected areas: Influence, Inspire & Inform, and Impact. Each of these focuses will allow us to place our regional businesses and services on the global stage and generate awareness of the opportunities available from Leeds City Region. Further details are outlined in each sub-section below.

4.2. Influence

We will work to influence opportunities for our businesses to access and secure trade links and challenge national Government decision makers to consider the impact of decisions on Leeds City Region as needed. We seek to deliver this area through a number of means such as the West Yorkshire Devolution Deal, the Northern Powerhouse 11 (11 Local Enterprise Partnerships) and through forging new and lasting relationships with regions across the globe.

Building International Regional Economic Relationships for Trade

Forging strong and lasting inter-regional relationships with partners across the globe will support our ambitions to secure a seat at the table in important international trade discussions and ensure that Leeds City Region businesses can secure the best possible benefits from existing and future Free Trade Agreements.

We will do this by:

- Building international economic links through our West Yorkshire Mayor – tapping into the important roles of Mayors across major trading nations.
- Working in partnership with our universities to explore how alumni networks and research collaborations can facilitate trade relationships for the region

Be the Voice of Sectoral Priorities for the Region in Future and Existing Trade Deals and Discussions.

While our region is predominantly a polycentric economy, we are home to a number of sectors with particular expertise such as manufacturing, financial services, health-tech and digital services. Each of these areas has the potential to grow in value and volume whether it be from emerging manufacturing capabilities which can help countries reach the agreements in the Paris Accords, cutting-edge innovations in health-technology to better detect and treat illnesses, or from global digitalisation of the economy as we move towards a society driven by big-data and automation

We will do this by:

- Engaging with sectoral networks in the region to understand trade priorities and challenges, including through the West Yorkshire Manufacturing Taskforce and with the Professional Perspectives Network on services.
- Making the case for our region and its key sectoral strengths by communicating with Government policy proposals, engaging with Ministers and utilising key strategic forums such as the M10 group of city-region mayors to bring about the best outcomes for businesses in our region.

Work Together Across the Northern Powerhouse to Facilitate Trade for the North.

As part of the Northern Powerhouse 11 (NP11), we recognise that many businesses do not operate or work on the basis of political boundaries across the north. The north has many strengths and capabilities, some of which we share collectively, and some of which are distinct to certain locations.

We will do this by:

- Capitalising on the proximity and access to the Humber freeport to ensure positive benefits for Leeds City Region and to avoid displacement of activity from one part of Yorkshire to another.
- Strengthening collaboration with trade leads across the North, promoting our collective trade opportunities, and speaking with a single voice to DIT about what Global Britain means to us.

Maximise the Devolution Deal Commitments with the Department for International Trade.

Our [Devolution Deal](#) which was signed in March 2020 establishes collaborative working between the Combined Authority/LEP and the Department for International Trade, the first devolution deal to include such provisions. Through these means we will work to ensure that we secure our voice for Leeds City Region on important matters of trade and investment.

We will secure this by:

- Establishing an ambitious joint plan for international trade and to join up activity around key sector and market priorities across Leeds City Region.
- Deliver more collaborative work on specific areas outlined in the deal around national trade initiatives and regional trade partners through DIT contracts in the region.
- Working together on the DIT trade advisor services as delivered in Leeds City Region.
- Develop coherent proposals for additional support required by businesses in the region to realise the UK's target for £1trillion annual exports.

4.3. Inspire & Inform

We will work with regional partners to inspire businesses to trade internationally and to provide information on how they can start or do more. To do that effectively we need to know our businesses and to have their trust. That includes understanding that, based on national research, less than 20% of SMEs become exporters as a result of taking deliberate steps to target international customers ([British Business Bank](#), 2020). Most either have been active exporters from the outset of trading or become exporters as a reaction to an approach from an overseas customer. It also means that we need to understand the changes that have happened to affect the markets that businesses are currently trading with or might not look to explore, particularly as the UK transitions from the Single Market of the EU. According to HMRC data 5,440 Leeds City Region businesses exported goods to the EU in 2019, while 7,280 businesses imported goods.

Help Businesses Across the Region to Understand Free Trade Agreements and Grasp Opportunities.

As the UK's trading relationship changes with many parts of the world, SMEs in particular need support to navigate what that means for their own products and services, whether they currently trade internationally or not.

We will secure this by:

- Working closely with DIT, regional trade partners and intermediaries to ensure information on trade deals as they impact businesses is easily available and accessible, including maximising the benefits of the Export Support Service.
- Producing a suite of new guides and content on international markets and trade deal content to support businesses in taking the right decisions for them on international trade.

Signpost Businesses to the Right Support to Trade Internationally and Simplify the Landscape.

Business support is often highlighted as fragmented and difficult to navigate for small businesses. By working collectively across trade partners in the region on the principle of "no wrong door", we will help businesses to get the trade support they need. In this way, we can support the aim for greater joining up between export focussed and wider business support activity, particularly through the region's growth hub, as highlighted in the UK Export Strategy.

We will secure this by:

- Convening the regional trade forum of delivery partners to share information and facilitate signposting and cross-referrals, recognising the various specific strengths of partners around documentation, innovation, market intelligence and wider business support.
- Proactively target support and signposting to businesses who have the potential for exporting or to export more than they do currently, with a particular focus on increasing the diversity of businesses that currently engage with overseas markets.
- Utilise the wider business support ecosystem, including the Leeds City Region Growth Hub, to provide better signposting on international trade related queries, particularly

where businesses are utilising support for innovation, business planning and access to finance for example.

- Working through the region's dedicated SME Growth Managers to provide businesses wrap around support as they engage with initiatives like DIT's Export Academy

Inspire Businesses in the Region to Think Internationally as Part of Business Planning.

As outlined in our Business Productivity and Resilience Plan, we need to support businesses around strategic decision making and planning to consider international trade as a fundamental part of their forward thinking.

We will secure this by:

- Creating new case study content of businesses in the region who have successfully internationalised their business.
- Running workshops, events and short courses that focus particularly on developing an international business model, linked to the delivery of Entrepreneurship support across the city region.
- Learn lessons from the Compete In Interregional Cooperation Project, an EU funded knowledge exchange project that Leeds Beckett University is a regional partner on, looking particularly at what works in providing the support to business looking to internationalise.

Continue to Collate Key on the Ground Intelligence of Trade Impact to Inform Decision-Making.

Whilst national and international trade statistics often come with a multi-year delay, on the ground intelligence from businesses, intermediaries and partners allows us to develop a rich picture international trade in real-time. This was particularly essential at the beginning of 2021 as we sought to understand the immediate impacts of the UK leaving the EU at the end of the transition period and will continue to be key to guiding future decisions on trade support requirements.

We will secure this by:

- Continuing to collate regional intelligence on international trade, through the regional trade forum, the Key Account Manager function working with key foreign owned businesses, through the regional trade advisor posts funded by DIT and through the network of SME Growth Managers working in each district of Leeds City Region.
- Feeding this information into discussions with DIT on national programmes, to Northern Powerhouse collaborations and into regional activity.
- Use this intelligence as the baseline to support our annual trade delivery plans, so our efforts respond to business needs.

4.4. Impact

The aim of this strategy is to have a positive impact on the economy of Leeds City Region through supporting businesses to explore international trade opportunities. Whilst some of that can be achieved through the influencing and inspiring work outlined above, in some cases there is more that can be done through direct delivery at a regional level, particularly to support is aligned to ensure businesses in the region are connected directly with emerging opportunities in particular markets. As well as this, we also need to ensure that trade opportunities are considered in wider policy development.

Deliver Trade Support to Businesses in Partnership with Partners and Expert Agencies.

Impacting the willingness of SMEs to trade internationally and supporting them to realise the potential opportunities requires a partnership approach across agencies that have regular interactions with businesses and their decision makers. Whilst the UK Export Strategy 12-point plan provides practical steps for this at a national level, it needs more local connections to networks and trusted intermediaries.

We will secure this by:

- Working through the trade forum, with DIT, with local authority economic development teams and with universities to ensure businesses have access to local expertise and knowledge to support them on international trade.
- Analysing gaps in existing provision, particularly in relation to SMEs that currently do not trade internationally (or previously only traded with EU nations under the Single Market) and bringing forward new support programmes at a regional level for funding – either through national funds or regional investment.
- Working to internationalise the mainstream business support offer in the region, building the awareness and capability for non-trade related business support to consider international trade opportunities of their delivery.
- Utilising programmes such as the Leeds City Region Supply Chain Programme to help businesses assess their existing resilience and to consider how international trade might support their future import requirements.

Promote the Region and Businesses Based Here on the International Stage.

The Leeds City Region Trade and Investment Team already play a role in promoting the region at international events, including leading on sector specific showcases such as a textiles showcase with Hong Kong or participation at Arab Health. We want to build on that activity, and to work in partnership with our universities, businesses and others to maximise all opportunities to promote Leeds City Region as a place to trade and foster relationships with.

We will secure this by:

- Identifying opportunities to enhance the profile of the region and the businesses located here by developing relationships with key international contacts and working with partners on targeted events, campaigns and communications activities.
- Utilising the strong relationships across our individual Leeds City Region districts and diverse population to explore how those links could support trade with other countries.
- Work with our universities to build on the strengths of research capabilities and alumni presence across the world to open up trade opportunities.

Coordinate Across Trade Delivery Partners in the Region to Join Up Activity Around Key Sectors and Markets.

Supporting the international trade opportunities of key sectors and markets, as outlined in the previous sections, are an important part of maximising the distinct offer of Leeds City Region to potential investors and trade partners.

We will do this by:

- Working with businesses to build a coherent picture of the region's trade offer, that can then be marketed as part of showcases, promotional materials and on international visits
- Capitalising on our Devolution Deal commitments and working with DIT to align our sectoral strengths to market opportunities that are being considered on a national scale, as outlined in the UK Export Strategy vision for sectors.
- Coordinate support to reach out proactively to SME businesses in our strength sectors about the opportunities for international trade, particularly where these strengths sit outside or are distinct sub-sectors to those covered in the UK Export Strategy for example on textiles and advanced machinery.
- Continue to collaborate on support to businesses to help adjust to the impact of the Trade and Cooperation Agreement with the EU as a key market

Ensure Trade Opportunities are Considered Across Regional Policy Areas

We will work to ensure our suite of regional policies reflect the importance and opportunities available from trading internationally. These actions will help ensure that trade remains a key component of regional economic growth.

We will do this by:

- Capturing the opportunities for trade and investment in future regional policies established by the Combined Authority and LEP across a number of policy areas such as productivity, clean growth, inclusive growth and innovation.
- Encouraging our constituent local authorities to also address the opportunities available to them in any future policy and strategy work they develop.
- Influencing and supporting regional partner strategies and plans to consider how trade and investment can support the ambitions of their work.

5. Measuring Success

The success of this strategy will be measured by the contribution it makes to the West Yorkshire economy, through the increase in the number of exporters in West Yorkshire and the benefit that brings to individual businesses through increased international orders in the period up to 2026.

It is recognised that capturing the performance of international trade at a regional level is hampered by the current availability, quality and timeliness of data. On that basis the West Yorkshire Combined Authority is contracting with external expertise to deliver a separate report to this strategy that will set out the following:

- A defined overall target ambition for the West Yorkshire International Trade strategy e.g. # West Yorkshire businesses involved in export activity by 2026.
- Scoping and recommendations on what basket of metrics can be used to demonstrate how this region can reliably measure the improvements made in the region's international trade performance over the lifetime of the current strategy.
- Establishment of a methodology, baseline and target figures from which the region's performance can be measured.
- An approach to annual reporting of the progress made against the baseline and target.

The strategy will also be supported by annual delivery plans which will set out specific activities which will contribute to the delivery of each of the priorities within this strategy.

Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 26 January 2022

Subject: **Healthtech Strategy**

Director: Liz Hunter, Director Policy and Development

Author: Stephanie Oliver-Beech, Healthtech Regional Lead

1. Purpose of this report

- 1.1 To update LEP Board on developments to the partnership Healthtech Strategy following the feedback from the previous LEP Board meeting and ahead of formal adoption by the Combined Authority in February.

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.
- 2.4 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

- 2.5 The West Yorkshire Healthtech Strategy has been developed to convene partners under a shared narrative and direction of travel, to capitalise on the assets within the region and the opportunities for further growth in this sector. The strategy draws on a strong body of evidence including the central government-sponsored [Science and Innovation Audit](#) (2017) and [Digital Health Sector Report](#) (2019).
- 2.6 The strategy 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.
- 2.7 The former Business Innovation and Growth Panel received presentations during the earlier stages of the strategy's development, and the Business Economy and Innovation Committee will oversee the strategy and its implementation.
- 2.8 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.
- 2.9 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. We look forward to an ongoing dialogue and engagement with key stakeholders as this work develops and starts delivering. The robust feedback received so far has been extremely useful in the development of the strategy and its action plan.

There are now 7 areas of action within the strategy, organised under 3 headline goals – see Appendix 1 for more detail and next steps.

In summary:

Goal 1: A well-aligned, innovation-driven healthtech ecosystem in our region

Actions - what we will do:

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

Goal 2: Innovation is driven by regional NHS system need, and innovations are adopted at scale across West Yorkshire

Actions - 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
5. We will identify barriers to innovation, including the role of funding and options for addressing these

Goal 3: West Yorkshire is recognised as a leading place for healthtech innovation

Actions - 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
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

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 LEP Board notes the developments made to the strategy action plan in response to previous feedback.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Revised Healthtech Strategy Action Plan

APPENDIX 1 – REVISED HEALTHTECH STRATEGY ACTION PLAN

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 – <i>including physical/infrastructure?</i>	Timescale: short/medium term Lead: AHSN
	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 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</p> <p>Qualitative research – focus group with Healthtech Cluster members</p> <p>Annual KPI reporting, comparison to baseline Annual KPI reporting, comparison to baseline</p> <p>Annual KPI reporting and comparison year-on-year Annual KPI reporting and comparison year-on-year</p> <p>Tracked by partnership Comms group</p>

CHALLENGE: Innovations are not designed with system need in mind, or are unable to be adopted at scale due to process / 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	
NEXT STEPS:	Establish Innovation and Improvement Hub across WYHCP and AHSN / appoint Director	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
	Develop programme to communicate system innovation needs to academics, innovators and business, working through the	Timescale: medium term Lead: Innovation and Improvement Hub

	Healthtech Catalyst and Healthcare Innovation Communications Group	
	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 (with reference to inclusivity) particularly around funding, venture capital and equity	Timescale: medium-term Lead: 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* • Monitor number of patents* • Health economics / impact of innovations* • Revisit research around barriers at 2.5 yr 	

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 lead generation	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

Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 26 January 2022

Subject: **Assurance Framework review**

Director: Melanie Corcoran, Director of Delivery

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

1 Purpose of this report

- 1.1 To provide the Leeds City Region Enterprise Partnership Board (the LEP) 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 endorse 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 the 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 LEP Board 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.

Next Steps

2.10 The Local Assurance Framework will be taken to the Combined Authority for review and approval on 03 February 2022 with the request to 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 LEP Board are requested to:
 - (i) Provide feedback on the draft updated Local Assurance Framework document.
 - (ii) Endorse the changes that have been made to the Local Assurance Framework, as set out in this report.
 - (iii) Delegate authority to the LEP Chair in consultation with the LEP's Chief Executive (the Managing Director) 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

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

12 Appendices

Appendix 1 – Assurance Framework 2022

This page is intentionally left blank



West Yorkshire Combined Authority

Assurance Framework

~~October-February~~ 2024

CONTENTS

1	Introduction	3
2	About West Yorkshire	5
3	Governance	10
4	Decision-making	16
5	Transparency and Accountability	19
6	Local Engagement and Partnership Working	28
7	Assurance Around Programme and Project Delivery.....	30
8	Monitoring and Evaluation	46
9	Appendices	49
	Appendix 1 – Mayoral Functions.....	49
	Appendix 2 – Accountable Body Arrangements.....	50
	Appendix 3 – Section 73 Chief Finance Officer – responsibility arrangements	54
	Appendix 4 – Governance arrangements.....	57
	Appendix 5 – Economic Services: approval arrangements.....	61
	Appendix 6 – Assurance process principles for ESIF Sustainable Urban Development (SUD) purposes	62
	Appendix 7 – Adult Education Budget.....	67
10	GLOSSARY	72

1 Introduction

1.1 About the Assurance Framework

This is the joint Assurance Framework for the West Yorkshire Combined Authority (Combined Authority) and the Leeds City Region Enterprise Partnership (the LEP). The Assurance Framework sets out the arrangements that the Combined Authority and the LEP have in place to ensure that public money is managed effectively. It explains how the Combined Authority and the LEP identify, appraise, and evaluate schemes to achieve value for money.

The Assurance Framework covers expenditure on programmes and schemes funded by Government or local sources in the Leeds City Region. This includes funding received by the Combined Authority in respect of the Single Investment Fund (SIF) and as the accountable body for the LEP. Further details on the SIF can be found in section 2.1.

1.2 Purpose of the Assurance Framework

The purpose of this Assurance Framework is to ensure that the necessary systems and processes are in place to manage funding effectively, and to ensure the successful delivery of our Strategic Economic Framework (SEF) ambitions¹. 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.

This framework also sets out the respective roles and responsibilities of the Combined Authority and the LEP, including how the formal accountability relationship between the Combined Authority and the LEP works.

1.3 Updating the Assurance Framework

The Assurance Framework is reviewed and updated on an annual basis and signed off by the Combined Authority, the LEP and the statutory Section 73² Chief Finance Officer in line with the requirements of the National Local Growth Assurance Framework (2021). The Assurance Framework also takes into consideration the guidance set out in the Strengthened Local Enterprise Partnerships report (2018) and has been prepared in accordance with guidance issued by the Chartered Institute of Public Finance and Accountancy.

¹ The priorities of the SEF are 1. Boosting productivity, 2. Enabling inclusive growth, 3. Tackling the climate emergency, 4. Delivering 21st century transport, 5. Securing money and powers. The SEF will be implemented in April 2021.

² Appointed under Section 73 Local Government Act 1985

1.4 The Seven Principles of public Life

The Seven Principles of Public Life (the Nolan principles)³ underpin this Assurance Framework to ensure that the Combined Authority and the LEP, their members and officers, are upholding the highest standards of conduct and ensuring robust stewardship of the resources they have at their disposal.

³ These are selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

2 About West Yorkshire

2.1 West Yorkshire Combined Authority

The West Yorkshire Combined Authority was established in 2014 to bring together local councils and businesses to champion the region's interests nationally and internationally, securing investment from Government and other sources to drive the economy forward, by carrying out economic regeneration and development functions as well as acting as the local transport authority for West Yorkshire.

In March 2020, the West Yorkshire councils and the Combined Authority agreed a "minded to" devolution deal with Government. The deal detailed £1.8bn of Government investment (including £1.14bn over 30 years), to be subject to local influence and decision-making, enabling spend on local priorities, together with a range of new devolved functions. The devolution deal was subject to the Combined Authority adopting the model of a directly elected mayor (the Mayor) over the Combined Area (West Yorkshire), that is becoming a Mayoral Combined Authority.

The Combined Authority has now been established by Order as a Mayoral Combined Authority, with the first election for a Mayor taking place in May 2021. The Mayor is directly elected by the local Government electors in West Yorkshire.

Appendix 1 to this Assurance Framework sets out which Functions are the responsibility of the Mayor.

A key element agreed in the devolution deal was a "**Single Pot**" approach to funding which consolidates funding lines and reduces ring-fences. This gives the Combined Authority greater control, flexibility and responsibility over funding streams and their outcomes. The new funding will form a **Single Investment Fund (the SIF)**.

The new devolved functions exercised by the Combined Authority as a Mayoral Combined Authority include:

- **Transport-related powers** including in relation to highways, traffic management and permit scheme functions.
- **Adult education and skills functions** thus enabling decision-makers to closer align spending on skills with the opportunities and needs in the local economy in order to engage adults and provide them with the skills needed for entering and sustaining employment, an apprenticeship, traineeship, or other further learning.
- **Housing functions** relating to compulsory purchase, plus provision of housing and land, land acquisition and disposal, and development and regeneration of land.
- **Economic development** – duty to prepare an assessment of economic conditions.

- **Policing and Crime functions**^{4, 5}.

2.2 Leeds City Region Enterprise Partnership

The Leeds City Region Enterprise Partnership (the LEP) is an autonomous business-led public-private local partnership, which brings together the private and public sectors from across the City Region to:

- Provide strategic leadership.
- Unlock the region's vast potential by enabling businesses to grow and develop.
- Stimulate growth that will create jobs and prosperity for everyone who lives, works and does business in the region.
- Develop strategy and policy aimed at meeting both the current and future needs of the region's economy.
- Deliver schemes that support businesses and accelerate growth.

2.3 The West Yorkshire Combined Authority and the LEP

The West Yorkshire Combined Authority (Combined Authority) and the LEP work in partnership to achieve their shared goals. There are several practical ways in which this happens, notably:

- One member of the LEP Board is a member of the Combined Authority.
- The Mayor, as well as chairing the Combined Authority is a member of the LEP Board.
- The Strategic Economic Framework (SEF) details the priorities of both the Combined Authority and LEP (see section 2.5 below).
- West Yorkshire council leaders are members of the Combined Authority and the LEP.
- The Assurance Framework is adopted by both the Combined Authority and the LEP and applies across all programmes and schemes managed by Combined Authority and the LEP.
- The Managing Director of the Combined Authority is also the Chief Executive Officer of the LEP.

2.4 Accountability

As a Mayoral Combined Authority, the Combined Authority has a democratic mandate to invest in its local area. The directly elected Mayor provides a single

⁴The exercise of these functions are subject to separate assurance processes, and do not therefore come under this Assurance Framework.

⁵ The Mayor exercises Police and Crime Commissioner functions, but the exercise of those functions is subject to separate assurance processes and do not fall within the scope of this Assurance Framework.

point of accountability for residents and is held responsible for their decisions through the local elections, as well as through the Combined Authority's Overview and Scrutiny Committees.

The Combined Authority is the accountable body for the Single Investment Fund (SIF), which means it is directly accountable to Government for complying with any conditions or requirements attached to funding.

In addition, the Combined Authority is the accountable body for the LEP, responsible for:

- Carrying out finance functions on behalf of the LEP.
- Oversight of the LEP's financial and governance, transparency and accountability arrangements.
- Providing additional support as agreed by the LEP.

Appendix 2 to this Assurance Framework sets out the specific roles and responsibilities of the Combined Authority as the accountable body for the LEP.

The statutory Section 73⁶ Chief Finance Officer of the Combined Authority as the accountable body, is responsible for overseeing the administration of the Combined Authority's financial affairs. This role is extended to include the financial affairs of the LEP.

The Section 73 Chief Finance Officer also has a critical role in maintaining good governance and standards for the LEP, in particular compliance with this Assurance Framework.

Appendix 3 to this Assurance Framework sets out the responsibility arrangements agreed by the Chair of the LEP and the LEP's Chief Executive Officer with the Section 73 Chief Finance Officer, recognising the role of the Section 73 Chief Finance Officer in relation to instilling good and proportionate LEP governance, including the oversight of the proper administration of the LEP's financial affairs

2.5 Geography

The West Yorkshire Combined Authority and LEP cover the same geographical area, namely the districts of Bradford, Calderdale, Kirklees, Leeds, and Wakefield. The Assurance Framework applies across all programmes and schemes managed by the Combined Authority and the LEP, some of which cover a broader geography than these five districts.

The Combined Authority and LEP will continue to explore opportunities for further collaboration with partner councils, including Harrogate Borough Council, Craven District Council, Selby District Council, City of York Council and North Yorkshire

⁶ Section 73 of the Local Government Act requires the Combined Authority to appoint an officer to be responsible for the proper administration of the authority's financial affairs. This role is carried out by the Combined Authority's Director of Corporate Services.

County Council, and across the whole of Yorkshire through the Yorkshire Leaders' Board.

2.6 Strategic Economic Framework (SEF)

~~The Leeds City Region's current Strategic Economic Plan (SEP) sets out the Organisation's priorities for growth and development. To reflect the growing range of policies that we operate in, changing national political and economic contexts and the need to incorporate the future mayor's manifesto commitments in our work, the SEP will be replaced by a Strategic Economic Framework (SEF).~~

In September 2020, the Combined Authority and the LEP agreed to formally adopt the SEF as the overarching strategic framework for the region, replacing the Strategic Economic Plan (SEP). ~~The SEP will remain in place as the strategy for implementation of the Growth Deal until~~ March 2021.

The SEF will guide investment decisions. It has been designed to be flexible and agile, able to contain a range of policies and be easy to amend and expand. It brings together existing and subsequent policies and strategies under a single banner, ensuring greater alignment between our strategies, priorities and vision for the City Region. To allow for greater flexibility in the SEF, it is not a single, published document but is hosted on the Combined Authority's [website](#).

It sets out our vision for West Yorkshire to be "recognised globally as a place with a strong, successful economy where everyone can build great businesses, careers and live supported by a superb environment and world-class infrastructure."

Five priorities have been set to achieve this:

- **Boosting productivity** - Helping businesses to grow and bringing new investment into the region to drive economic growth and create good jobs.
- **Enabling inclusive growth** - Enabling as many people as possible to contribute to, and benefit from, economic growth in our communities and towns.
- **Tackling the climate emergency** - Growing our economy while cutting emissions and caring for our environment.
- **Delivering 21st century transport** - Creating efficient transport infrastructure to connect our communities, making it easier to get to work, do business and connect with each other.
- **Securing money and powers** - Empowering the region by negotiating a devolution deal and successfully bidding for substantial additional funds.

All our policies and strategies work toward meeting at least one of these priorities.

2.7 West Yorkshire Investment Strategy

The West Yorkshire Investment Strategy (WYIS) ~~will set~~^s out the transformational investments that the Combined Authority will commit resources to, and the process required to make those investment decisions over an agreed investment period. The WYIS, as well as setting out the context, objectives and targets of the Combined Authority derived from the SEF, will also identify the criteria that will be used to select and prioritise schemes:

- Investments with the highest potential contribution to the Combined Authority's targeted objectives and outcomes.
- Selection of schemes must also be driven by those which support inclusive growth, our climate emergency ambitions, drive social value, tackle market failure, maximise value for money and provide different kinds of return to the SIF.
- The SIF should be guided by the funder of last resort principle - demonstrating a clear strategic case for public investment.

The design of the SIF should not mean an equal share across themes or geographies and therefore Places could expect to benefit in different ways and at different times.

The WYIS ~~was~~^{is} approved by the Combined Authority on 24 June 2021. ~~No spending commitments beyond the initial five-year allocation will be made until the Mayor is in office and has agreed the WYIS. The Mayor may request a review of any investment decision with regards the SIF before the Mayor came into office. Any such request must be submitted by the Mayor to the Combined Authority's Managing Director within three months of the Mayor taking office - see also appendix 4.~~

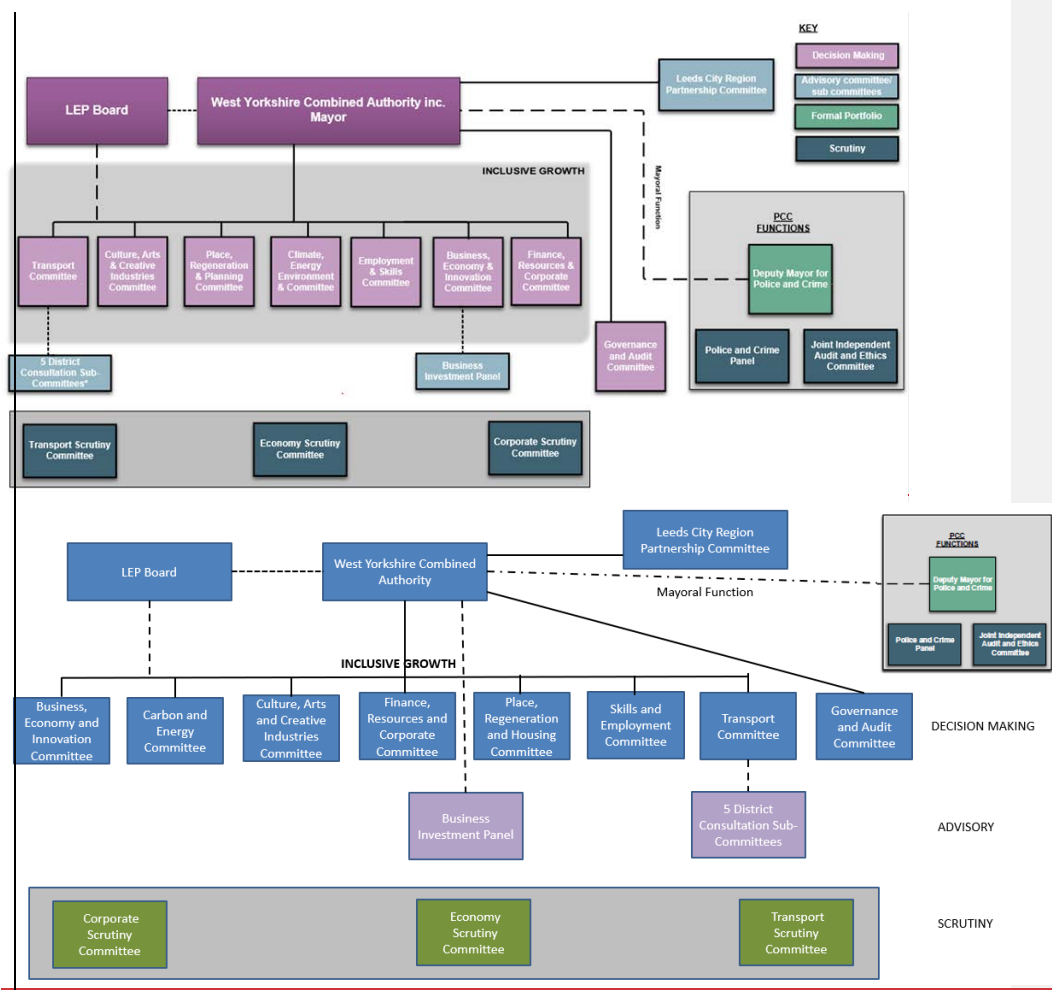
3 Governance

The principal decision-making bodies for the Leeds City Region are the Combined Authority and the LEP.

A structure chart of the Combined Authority and the LEP is set out below.

Committees and Panels concerned with the Mayor's Police and Crime (PCC) Functions are subject to separate assurance processes and do not fall within the scope of this Assurance Framework.

Governance structure



3.1 The West Yorkshire Combined Authority

Appendix 4 sets out the governance arrangements of the Combined Authority, including membership. The Mayor by virtue of their office is a member and the Chair of the Combined Authority.

The Mayor is responsible for carrying out some specific functions (Mayoral Functions). The Combined Authority is responsible for any function of the Combined Authority which is not the responsibility of the Mayor (any Non-Mayoral Function).

Decisions *on Non-Mayoral Functions* may be taken:

- **By the Combined Authority**, (that is, at a meeting of the members of the Combined Authority acting collectively), or
- **By a committee** of the Combined Authority which has delegated authority for the function,
- Under **joint arrangements** with other local authorities, or
- **By an officer** of the Combined Authority under delegated authority.

The Mayor's vote is required in support of any decision taken at a meeting of the Combined Authority about any Non-Mayoral Function which the Combined Authority acquired when it became a Mayoral Combined Authority, that is, further to the devolution deal.

Any decision about a Mayoral Function (that is a function which is the responsibility of the Mayor) must be taken by the Mayor, or by

- The Deputy Mayor,
- Another member of the Combined Authority, under delegated authority from the Mayor, or
- An officer of the Combined Authority under delegated authority from the Mayor.

3.2 The LEP Board

The LEP is responsible for setting strategic direction and will hold partners to account in the delivery of the strategic objectives. Responsibility for LEP decision-making rests with its LEP Board⁷, the decision-making forum for the LEP.

The LEP's Constitution can be found [here](#).

Appendix 4 provides information about the membership arrangements of the LEP Board.

3.3 Decision-making committees

⁷ The LEP Board may delegate decisions in accordance with the LEP's Constitution and the LEP Board's Procedure Rules

In addition to the Combined Authority and the LEP Board, the following committees have decision-making powers:

Transport Committee	<p>The Transport Committee has authority to carry out any Non-Mayoral transport function of the Combined Authority, including progressing schemes under the Assurance Framework within the Integrated Transport Block of the Capital Programme, for which the cumulative total of the financial approval and tolerance threshold is £3million or under. The Committee is permitted to progress those elements of the Mayor's pledges that fall within its remit.</p> <p>The Committee also has a specific role in liaising with the Climate, Energy and Environment Committee and the Place, Regeneration and Housing Committee to secure the decarbonisation of transport infrastructure.</p> <p>The terms of reference, membership of the Committee, the dates of future meetings and agenda items can be found here.</p>
Culture, Arts and Creative Industries Committee	<p>This Committee is authorised to carry out any Non-Mayoral Function of the Combined Authority relating to culture, arts and the creative industries where the cumulative total of the financial approval and tolerance is within the threshold agreed by the Combined Authority.</p> <p>The Committee also has a specific role in liaising with the Place, Regeneration and Housing Committee in relation to infrastructure planning for culture, the arts and creative industries to promote the visitor economy and support heritage schemes.</p> <p>The terms of reference, membership of the Committee, the dates of future meetings and agenda items can be found here</p>
Place, Regeneration and Housing Committee	<p>This Committee carries out any Non-Mayoral Functions which promote quality of place through spatial infrastructure planning for transport, strategic land use and asset management where the cumulative total of the financial approval and tolerance is within the threshold agreed by the Combined Authority. It also carries out the Combined Authority's role as lead authority for One Public Estate Programme and acts as a Housing and Land Board.</p> <p>The Committee has a role in decarbonisation of infrastructure, planning for sustainable development and flood risk management in liaison with the Climate, Energy and Environment Committee.</p> <p>The terms of reference, membership of the Committee, the dates of future meetings and agenda items can be found here.</p>

Climate, Energy and Environment Committee	<p>This Committee carries out Non-Mayoral Functions relating to green and blue infrastructure, climate resilience and emission reduction and the development of any regional flood resilience plan where the cumulative total of the financial approval and tolerance is within the threshold agreed by the Combined Authority.</p> <p>The Committee will liaise with Place, Regeneration and Housing Committee and Transport Committee to progress decarbonisation of infrastructure and planning for sustainable development.</p> <p>The terms of reference, membership of the Committee, the dates of future meetings and agenda items can be found here.</p>
Employment and Skills Committee	<p>This Committee carries out Non-Mayoral Functions relating to employment, skills, and adult education, and serves as the Skills Advisory Panel for the LEP where the cumulative total of the financial approval and tolerance is within the threshold agreed by the Combined Authority.</p> <p>It has a specific responsibility to liaise with the Business, Economy and Innovation Committee to ensure good employment, skills and training.</p> <p>The terms of reference, membership of the Committee, the dates of future meetings and agenda items can be found here.</p>
Business, Economy and Innovation Committee	<p>This Committee is authorised to carry out Non-Mayoral Functions which promote business growth and productivity, provide business support and drive trade and inward investment where the cumulative total of the financial approval and tolerance is within the threshold agreed by the Combined Authority.</p> <p>It is required to liaise with the Employment and Skills Committee to secure good jobs, skills and training and ensure good employment.</p> <p>The terms of reference, membership of the Committee, the dates of future meetings and agenda items can be found here.</p>
Finances, Resources and Corporate Committee	<p>This Committee is authorised to carry out Non-Mayoral Functions including asset management, human resources and information and communication technology where the cumulative total of the financial approval and tolerance is within the threshold agreed by the Combined Authority. This includes equality, diversity and inclusion, health and safety and issues which fall outside of the terms of reference of any other committee.</p> <p>The terms of reference, membership of the Committee, the dates of future meetings and agenda items can be found here.</p>

3.4 Advisory Committees to the Combined Authority and the LEP

The following advisory panels are appointed by the Combined Authority⁸ but also advise the LEP.

Business Investment Panel	<p>This panel has a key role in the assurance process for the appraisal of business grants and loans in the City Region, advising the Combined Authority, a relevant committee, the Managing Director and the LEP in relation to any Non-Mayoral Function relating to economic development loans and grants.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here. This Panel has representatives from the private sector and local authorities, some of whom are members of the LEP Board.</p>
----------------------------------	--

3.5 Other committees of the Combined Authority

The Combined Authority also has the following committees:

Overview and Scrutiny Committees:	<p>These are three statutory committee of the Combined Authority which reviews and scrutinises decision-making by the Combined Authority (including in its role as accountable body for the LEP) and the LEP. See below and further section 5.8 and 5.9 for more detail.</p>
Transport Scrutiny Committee	<p>This Overview and Scrutiny Committee is responsible for the scrutiny of any functions relating to transport, or any transport-related function.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found here.</p>
Economy Scrutiny Committee	<p>This Overview and Scrutiny Committee is responsible for the scrutiny of any functions relating to:</p> <ul style="list-style-type: none"> • business, economy, and innovation, • climate, energy, and the environment, • culture, the arts and creative industries, • employment and skills, and • place, regeneration, and housing. <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found here.</p>
Corporate Scrutiny Committee	<p>This Overview and Scrutiny Committee is responsible for the scrutiny of any functions relating to finance, resources, or corporate issues, or, any function that does not fall within the terms of reference of any other Overview and Scrutiny Committee.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of this Overview and Scrutiny Committee can be found here.</p>

⁸ These are advisory committees of the Combined Authority

Governance and Audit Committee	<p>This committee fulfils the Combined Authority's statutory requirement to appoint an audit committee. It also carries out functions relating to promoting standards of conduct. See further section 5.7.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found here.</p>
Leeds City Region Partnership Committee	<p>This committee provides a forum to bring together local authority representatives from all the Leeds City Region authorities, to facilitate direct collective engagement with the Combined Authority, as the LEP's accountable body.</p> <p>The Committee advises the Combined Authority in relation to its role as accountable body. It also acts as a consultative forum on any matter referred to it by the Combined Authority, which may include matters raised by local authorities not represented on the Combined Authority, or by the LEP Board.</p> <p>The terms of reference, membership, meeting dates and agenda items of the Committee can be found here.</p>

3.6 Adult Education and Skills

There are separate assurance arrangements in place for administering the adult education and skills functions of the Adult Education Budget (AEB) provided by the Department of Education (DfE). Further detail on the separate arrangements for the AEB are provided in Annex C of the National Local Growth Assurance Framework. The assurance process as set out in section 7 of this Assurance Framework does not therefore apply.

A summary of the arrangements for administering, monitoring and evaluating the AEB is set out in **appendix 7** to this Assurance Framework.

4 Decision-making

4.1 Investment Decisions

All investment decisions are made by reference to:

- How well they contribute to the strategic priorities as set out in the SEF and the West Yorkshire Investment Strategy (when approved).
- Statutory requirements.
- Any grant conditions attached to funding.
- Local transport objectives.
- Funding programme objectives.

Decisions are based on merit, taking into account all relevant information.

All investment decisions are taken in accordance with the assurance process stages and activities, subject to agreed exceptions (such as bids to Government / re-prioritisation, small grant programmes, adult education functions, where alternative arrangements are in place).

Section 7 of the Assurance Framework sets out in detail the assurance process for schemes, and the **decision points** that take place at the end of each activity.

Any investment decision which has not been delegated (including those decisions where a scheme has fallen outside of the tolerances identified by the Combined Authority) must be taken by the Combined Authority.

The Combined Authority sets a bespoke approval pathway and approval route to be followed for each scheme. This may delegate decisions to [any of the Combined Authority's decision-making committees](#)~~the Combined Authority's Transport Committee, to the West Yorkshire and York Investment Committee~~, or to the Managing Director, subject to any scheme staying within agreed tolerances.

Except where otherwise specified in this Assurance Framework all programmes and schemes require **approval from the Combined Authority at Decision Point 2** (Strategic Outline Case (SOC)), in order to proceed to Stage 2 (Scheme Development).

Before taking any funding decision, a decision-maker needs to be satisfied that the Assurance Framework has been complied with. The Combined Authority's Strategic Assessment Prioritisation (SAP) group and the Programme Appraisal Team (PAT) have a key role in ensuring compliance with the Assurance Framework, see Section 7 below.

The specific decision-making authority of the decision making Committees of the Combined Authority are as follows:

Transport Committee	The Committee has authority to approve individual schemes within the Integrated Transport Block of the Capital Programme, up to a maximum cost of £3 million. (For schemes over £3 million, approval is given by the Combined Authority).
All other decision making Committees	The thematic Committees have authority to make any decision to progress a scheme ⁹ under the Assurance Framework ¹⁰ in accordance with any bespoke approval pathway and approval route for the scheme ¹¹ , as delegated by the Combined Authority.

Any investment decision taken by the Managing Director under delegated authority, is usually taken in consultation with the Combined Authority's Senior Leadership Team. The Managing Director reports delegated decisions to the appropriate decision-making committee as delegated to by the Combined Authority at Decision Point 2.

4.2 Business Support Service, Economic Development Loans and Business Grants

There are currently specific arrangements in place in relation to the approval and appraisal of business grants and economic development loans, which are not therefore subject to the assurance process set out in section 7.

Business Support Service	<p>The Business Support Service for the City Region is funded directly from the Department for Business, Energy and Industrial Strategy (BEIS), with £512,500 awarded for 2019/20 and £780k 2020/21 (this includes the Yorkshire and Humber Growth Hubs Cluster Lead role). Additional funding of £1.7m has been secured from the European Regional Development Fund (ERDF) from April 2019 to June 2023March 2022.</p> <p>49-50 SME Growth Managers operate within the City Region's local authority partner councils (the five WY ones, plus Harrogate and York). 8-59 Growth Managers are fully funded through ERDF funding and 40-51 are funded on a 50 / 50 basis with BEIS funding which is matched by the local authorities who also employ them.</p> <p>Detailed progress on the Business Support Service project is reported on a quarterly basis to the new Business, Economy & innovation Committee (BEIC), which was formerly known as the Business Innovation and Growth (BIG) Panel and on a 6-weekly basis to the LEP Board by the BEIC BIG Panel Chair (who is the</p>
---------------------------------	--

⁹ Including determining change requests

¹⁰ After decision point 2 (SOC) only

¹¹ With the exception of those cases where the decision would result in a revised financial approval which exceeded the cumulative total of the financial approval and tolerance threshold agreed by the Combined Authority at decision point 2 (SOC), or decision point 3 (OBC) by more than 25%, in which case the decision must be taken by the Combined Authority.

	<p>Leader of Kirklees Council). There is also a private sector lead on the BEICBIG Panel for the Growth Service, who is the owner of a small business in West Yorkshire. The BEIC BIG Panel is responsible for reviewing whether the project's output and expenditure targets are met and for identifying and addressing risks and opportunities. In addition, detailed six-monthly reports and quarterly financial claims are sent to BEIS and the Department for Levelling Up Ministry of Housing, Communities and Local Government Housing in respect of the ERDF funding.</p>
Economic Development Loans	<p>Using a framework set out by the LEP, decisions are taken about entering into economic development loans for the Growing Places Fund¹² (and any successor funds to be established), following consideration of the recommendations made by the Finance, Resources and Corporate Committee and the Business Investment Panel (which has public and private sector representatives). The Combined Authority approves schemes and the loan amount in principle and the Managing Director under their delegated authority finalises and approves the details, following appropriate due diligence.</p> <p>If there is an objection or issue in relation to an application, the Managing Director refers the application back to the Combined Authority for further consideration.</p> <p>The Managing Director reports decisions on loans and grants made under delegated authority to subsequent Combined Authority meetings.</p>
Economic Services Grants	<p>Arrangements in relation to economic services grants are set out in Appendix 5.</p>
ESIF Sustainable Urban Development (SUD)	<p>Arrangements relating to the principles for European Structural Investment Fund Sustainable Urban Development (SUD) purposes are set out in Appendix 6.</p>

¹² Growing Places Fund loans are not currently available, but the LEP and Combined Authority is now reviewing its approach in this area of activity with the intention of launching new products later in 2020/21.

5 Transparency and Accountability

The Combined Authority and the LEP are mindful of the need to build the trust and confidence of stakeholders and the public, in relation to the ability to take investment decisions. Promoting transparency in its decision-making is a key part of this. We are committed to keeping records which demonstrate that all legal obligations are met, and all other compliance requirements placed upon us, and these are accessible as set out below.

The Combined Authority designates a statutory Monitoring Officer who is responsible for ensuring that decisions conform to the relevant legislation and regulation¹³. This role is carried out by the Combined Authority's Head of Legal and Governance Services, who is responsible for providing legal advice to the Combined Authority and the LEP. A key part of the Monitoring Officer's role is ensuring that the legal responsibilities of the Combined Authority as accountable body in relation to ensuring the transparency provisions are met, as set out below.

The Monitoring Officer also has a key role in relation to conduct, including maintaining and publishing registers of interest for the Combined Authority and the LEP – see further below.

5.1 Publication of Information

For transparency, the Assurance Framework is published on the West Yorkshire Combined Authority and LEP websites, together with supporting information.

The Combined Authority website, which is accessible from the LEP website, contains details of our West Yorkshire Investment Strategy (WYIS), Strategic Economic Framework (SEF) and its underpinning policies and strategies as well as information relating to progress on delivery of all programmes.

An overview of all scheme business cases and evaluation reports are published on the [Combined Authority website](#). These scheme pages also include links to relevant news articles. The Combined Authority is committed to meeting the Government branding guidelines for projects under this Assurance Framework.

Summaries of business cases to be considered by the West Yorkshire and York Investment Committee as part of the assurance process are published electronically ahead of meetings.

5.2 Combined Authority Transparency Arrangements

Specific statutory requirements apply to the Combined Authority in relation to transparency. Additionally, the Combined Authority also complies with a number of good practice recommendations. The key arrangements in place are:

¹³ The Monitoring Officer is required by law to formally report to the Combined Authority where it appears to the Monitoring Officer that any proposal, decision or omission of the Combined Authority is unlawful or amounts to maladministration.

- The public's right to attend meetings and inspect documents of the Combined Authority as set out in its Procedure Standing Orders.
- Meetings of the Combined Authority are live streamed, enabling the public to watch the meeting over the internet.
- Agendas and reports of meetings of the Combined Authority and its committees (including advisory panels) are available to the public on its website, five clear days before a meeting [here](#).
- Minutes of meetings are published on the Combined Authority website [here](#).
- Business case summaries of all schemes / programmes coming forward for a decision are published on its website. Summaries of schemes / programmes can be found [here](#).
- Key decisions taken by officers are published on the Combined Authority website [here](#).
- The Combined Authority adheres to the Local Government Transparency Code which requires the publication of additional data.
- The business at each ordinary meeting of the Combined Authority includes receiving the minutes of the LEP for information.

Notice of any proposed key decision is published on the Combined Authority website 28 days in advance of the decision, in accordance with the Access to Information Rules in Part 4 of the Constitution [here](#). This includes any decision taken under the decision points of the assurance process as set out in section 7 of this Assurance Framework.

5.3 LEP Transparency Arrangements

The LEP is responsible for setting strategic direction and will hold partners to account in the delivery of the strategic objectives. Responsibility for LEP decision-making rests with its LEP Board¹⁴.

Key roles and responsibilities of the LEP Board can be found at Appendix 4 setting the strategic direction for the sustainable economic growth of the City Region economy.

- Proposing key objectives and investment priorities to deliver the overall vision and strategy of the LEP.
- Overseeing the continued delivery of the SEP along with the transition to and implementation of the SEF during 2020.
- Leading the development of Enterprise Zones (EZs) in the City Region.
- Agreeing funding criteria, leading and coordinating funding bids and leveraging funding from the private and public sector to support the delivery of agreed LEP priorities.

¹⁴ The LEP Board may delegate decisions in accordance with the LEP's Constitution and the LEP Board's Procedure Rules

- Working with the Combined Authority to set the forward strategy for attracting new financial and business investment into the area.
- Jointly approving a Business Plan and performance reporting with the Combined Authority on its plans along with the SEP and SEF.
- Influencing key sub-regional, regional, national and international strategies.
- Publishing an annual report.
- Providing a link to Government on all aspects of the LEP's work.

Additional information on the LEP's transparency and accountability arrangements is set out in Appendices 2, 3 and 4.

Agendas, reports and minutes of the LEP Board are published on the [Combined Authority website](#), which is also accessible from the LEP website.

The [LEP Board procedure rules](#) and Access to Information rules in Part 4 of the Constitution set out the details on decision-making including quorum arrangements for meetings of the LEP Board. All meetings of the LEP Board are open to the public (including the LEP's annual meeting), except to the extent that the public are excluded in relation to confidential or exempt information, in accordance with the Procedure Rules and Access to Information Rules⁶.

A process for the LEP Chair to take urgent decisions outside of LEP Board meetings is set out in the [LEP Constitution](#). This provides for any such decisions to be reported to the next meeting of the LEP Board and recorded and published in the minutes of that meeting. This power may be exercised, for example, to approve amendments to the LEP governance documents, in order to comply with government requirements.

The business at each LEP Board meeting also includes receiving the minutes of, or an update from, the Combined Authority and any relevant Combined Authority advisory committee or panel.

5.4 Diversity Statement

Leeds City Region is committed to achieving diversity and equality of opportunity both as a partnership and as a commissioner of services. The LEP promotes equality of opportunity and does all it can to ensure that no member of the public, service user, contractor or staff member working within a partner organisation will be unlawfully discriminated against.

We aim to integrate diversity and equality into all that we do, and the work that others do on behalf of the Leeds City Region. In practice this means doing what we can to positively promote equality and diversity across the delivery of projects, programmes and services and in relation to our own structure. The Equality and Diversity Policy including Diversity Statement can be found [here](#).

5.5 Requests for Information and Data Protection

The Combined Authority is subject to the Freedom of Information Act 2000 and the Environmental Information Regulations 2004 and responds to statutory information requests in accordance with approved procedures.

The Combined Authority also deals with any requests for information from the LEP on its behalf, in accordance with the same procedures. Further information on the Combined Authority's Freedom of Information / Environmental Information Regulations & Transparency Policy can be found [here](#).

The Combined Authority is subject to the General Data Protection Regulation and Data Protection Act 2018 and must by law appoint a Data Protection Officer (DPO). The DPO¹⁵ assists the Combined Authority on the monitoring of compliance with the data protection legislation, advises on data protection obligations, provides advice regarding Data Protection Impact Assessments and is the contact point for data subjects and the supervisory authority.

The Combined Authority and the LEP respect and are committed to compliance with the Data Protection legislation. The privacy notice can be found [here](#).

Requests made by data subjects under the General Data Protection Regulation and Data Protection Act 2018 will be dealt with in accordance with approved procedures.

The Combined Authority's Data Protection and Confidentiality Policy can be found [here](#).

5.6 Use of Resources and Accounts

The use of resources by the Combined Authority are subject to the usual local authority checks and balances, including the financial duties and rules which require councils to act prudently in spending. These are overseen by the Combined Authority's Section 73 Chief Finance Officer¹⁶, its Director of Corporate Services. This post has statutory responsibility to administer the Combined Authority's financial affairs and is responsible for ensuring that funding is used legally and appropriately. The Section 73 Chief Finance Officer's role extends to the LEP - see further Section 2.4 above and Appendix 3. All reports to the LEP Board must include any written advice on the matter provided by the Combined Authority's Section 73 Chief Finance Officer and Monitoring Officer.

The Combined Authority has clear accounting processes in place to ensure that all funding sources are accounted for separately and that funds can only be used in accordance with formal approvals made under the Combined Authority and LEP decision-making arrangements.

The Combined Authority has a statutory duty to keep adequate accounting records and prepare a statement of accounts in respect of each financial year. This statement of accounts is published [here](#) usually in June in draft and in July as fully

¹⁵ The DPO sits within the Combined Authority's Legal and Governance Services team

¹⁶ Appointed under Section 73 of the Local Government Act 1985

audited, although this may change in accordance with legislative requirements. The statement will cover expenditure funded from the Single Investment Fund and other funding sources, including those received from Government. A separate financial statement for LEP expenditure is published annually in line with the timeframe for the statement of accounts.

The Combined Authority publish a public notice each year, setting out a specific period during which any person may inspect and make copies of the Combined Authority's accounting records for the financial year.

During the same period, the external auditor must give a local Government elector (someone registered to vote in the local elections) within West Yorkshire (or their representative) an opportunity to question the external auditor about the accounting records, and objections may be made to the external auditor about any relevant item.

5.7 Audit

The Combined Authority complies with statutory requirements relating to audit arrangements, principal elements of which are:

- Appointing an **audit committee**
- Inspection by **external auditors**
- Adopting **internal audit arrangements**

These audit arrangements apply to the LEP and to LEP funding in respect of which the Combined Authority is the accountable body.

The Combined Authority's Governance and Audit Committee fulfils the requirement to appoint an **audit committee**. By law this must include at least one independent person. The membership now includes two independent persons and one of these has been appointed to chair the Committee in the current municipal year.

The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found [here](#).

An annual independent audit is conducted by **externally appointed auditors** ensuring the Combined Authority operates a robust financial management and reporting framework, including in relation to the LEP.

The Combined Authority's **internal audit** function carries out independent and objective appraisals of relevant systems and processes, including ensuring that effective procedures are in place to investigate promptly any alleged fraud or irregularity. The Combined Authority's internal auditors provide assurances to the Combined Authority (through its Governance and Audit Committee, the Section 73 Chief Finance Officer) and to the LEP.

The Combined Authority's financial regulations set out further detail in relation to the Combined Authority's audit arrangements (found [here](#)).

5.8 Scrutiny

To secure independent and external scrutiny of decisions, the Combined Authority's statutory Overview and Scrutiny Committees ([Corporate, Economy and Transport](#)) review and scrutinise decision-making by the Combined Authority (including decisions taken by the Mayor) and by the LEP.

No member of the Combined Authority or the LEP may be appointed to any Overview and Scrutiny Committee. The terms of reference, membership, meeting dates, agenda items and minutes of the Committees can be found [here](#).

The Committees operate in accordance with Scrutiny Standing Orders, which can be found [here](#). These provide for the Committees to require any member of the Combined Authority (including the Mayor, the LEP Member or a Chair of any committee or Panel) to attend to answer questions or provide information.

The Combined Authority and the LEP receive an annual report from the Committees at their annual meetings.

Scrutiny of investment decisions

The pre-decision scrutiny review process serves as an important function in parallel to the assurance process.

With the exception of any decision which the decision-maker has resolved is urgent, the Overview and Scrutiny Committee may "call in" decisions for further scrutiny, including investment decisions which are taken:

- By the Combined Authority, or
- By the decision making Committees, or
- By an officer, where the decision is a key decision.

The Committee may direct that any such decision should not be implemented until the Committee has reviewed it and made recommendations to the decision-maker.

Scrutiny of the LEP

The Committees may produce independent reports and make recommendations on any matter considered by the LEP or relating to LEP governance. It may also review or scrutinise any Combined Authority decision in its role as accountable body for the LEP.

The LEP may also seek input from any of the three Committees on any issue relating to policy and strategy development, or otherwise.

Further details on the LEP's agreement with the Combined Authority (in its role as Accountable Body) in respect of scrutiny arrangements are set out in Appendix 2.

5.9 Code of Conduct

Statutory provisions require the Combined Authority to adopt a Members' Code of Conduct which applies to members of the Combined Authority, including the Mayor, and to voting members of committees and panels appointed by the Combined Authority, including the advisory panels which report to the LEP. The Code sets out the conduct expected of members, including procedures for declaring and registering:

- Acceptance or receipt of a gift or hospitality.
- Disclosable pecuniary interests, which are defined by the code.

The Code is publicly available [here](#).

Failing to comply with requirements for registering and disclosing pecuniary interests may be a criminal offence.

Members' interests are publicly available on the Combined Authority website through each of the Committee home pages [here](#).

The Combined Authority has also approved arrangements under which allegations that the Code has been breached can be investigated and for making decisions on such allegations. These can be found [here](#).

The LEP is committed to ensuring that LEP Board members and officers demonstrate the highest standards of conduct, and act solely in the public interest.

All LEP Board members are subject to a LEP Board Members' Code of Conduct here which reflects the Nolan Principles of public life.

The LEP Board Code of Conduct also requires LEP Board members to declare and register:

- Acceptance or receipt of an offer of a gift or hospitality.
- Specific pecuniary and non-pecuniary interests.

A register of the interests disclosed by each LEP Board member is accessible from the [LEP website](#) and published on the [Combined Authority website](#), as is the Register of gifts and hospitality for LEP Board members. The Code sets out comprehensive requirements in relation to declaring interests at meetings, and the circumstances in which a conflict of interest will preclude a LEP Board member from participating in decision-making.

At the beginning of each meeting, all members present are asked to declare any potential conflict of interest. These declarations are minuted.

The LEP has also approved arrangements under which allegations that the Code of Conduct has been breached can be investigated and for making decisions on such allegations. These can be found [here](#).

5.10 Conflict of Interest

The Combined Authority and the LEP have adopted a Conflicts of Interest Policy which provides an overview of how conflicts of interest are managed. Appended to the Policy is a Conflicts of Interest Protocol: loans or grants to businesses which sets out a process which the Combined Authority and the LEP follow to demonstrate that applications from businesses for loans or grants are dealt with in an impartial, fair and transparent way [here](#).

Officers

Combined Authority officers serve both the Combined Authority and the LEP. Officers must comply with the Combined Authority's Code of Conduct for Officers, which also reflects the Nolan Principles of public life and requires officers to register personal and prejudicial interests. Officers also need to comply with a Gifts and Hospitality policy. Failure to comply with the Code may lead to disciplinary action.

Senior officers and other officers involved in advising on LEP decisions are also required to complete and keep under review a separate LEP Officer register of interests. The register of the LEP's Chief Executive Officer is published on the LEP website [here](#).

5.11 Complaints Policy

The Combined Authority will consider any complaints received in accordance with its agreed complaints procedure, which can be found [here](#).

Any complaints about the LEP will be dealt with in accordance with the approved complaints process. The LEP has adopted a confidential complaints procedure, which can be found [here](#).

5.12 Whistleblowing Policy

The Combined Authority has adopted a whistleblowing policy, which can be found [here](#) to investigate and resolve any case where it is alleged by stakeholders, members of the public or internal whistle-blowers that the Combined Authority is acting in breach of the law, failing to adhere to the framework or failing to safeguard public funds. The LEP has adopted a whistleblowing policy, which can be found [here](#).

5.13 Resources and Capabilities

The Combined Authority and the LEP ensure that members and officers have the capacity and capability to deliver their respective roles. They support people to develop their expertise and update it to take account of developments.

The Combined Authority has the necessary staff resource with the necessary key functions to enable it to:

- Manage the process, including supporting business case development.
- Carry out programme and project appraisal.

- Co-ordinate and manage the decision process (e.g. time of meetings and associated paperwork).
- Oversee the delivery, monitoring and evaluation of schemes (e.g. benefits realisation management, financial and resource management, risk).

The Combined Authority draws on external expertise and technical support such as financial, economic, property, legal and evaluation advice, for example through consultancy frameworks or from partner organisations including Homes England, local authorities, Skills Funding Agency, and others

6 Local Engagement and Partnership Working

6.1 Local Engagement

Engagement with stakeholders and the wider public is regarded as a central part of the process to develop, monitor and implement strategies, funding programmes and all other aspects of the work of the Combined Authority and the LEP.

To support this process, a set of consultation and engagement protocols have been developed and the Consultation and Engagement team work with colleagues to ensure these principles are applied in any consultation and engagement activities that are undertaken. As well as carrying out insightful and robust consultation and engagement activities, relevant legislation must be adhered to. Partners are encouraged to adhere to these protocols where possible.

Engagement with stakeholders and the wider public is as inclusive as possible, using the following principles:

- Stakeholders and members of the public are aware of the approach to consultation and activities.
- Stakeholders and members of the public are able to have their say on proposals when they are still at a formative stage.
- Consultation is open, transparent and accessible.
- The consultation process is well planned, managed and coordinated and achieves value for money.
- Consultation is effective, meaningful and of a consistently high quality.
- Consultation feedback is properly considered, and outcomes are reported in a timely way.

To support any face-to-face engagement, a digital engagement hub ([yourvoice](#)) has been developed that enables information to be shared and feedback sourced electronically in a more interactive way.

Stakeholders are engaged in all work that the LEP and Combined Authority undertake. Regular updates are provided to existing panels and committees such as the District consultation sub committees.

As part of the LEP's work with business, a Business Communications Group (BCG) has been established, made up of representatives from key business organisations in the City Region. This group reports to the LEP Board. The group plays an active role in supporting business growth in the region by helping to coordinate effective communications between the LEP and the business community. The group also acts as an advisory group to the LEP Board; consulting with their members on barriers to growth and ensuring businesses are at the heart of all activities.

The Chair of BCG is the identified LEP Board member to represent the SME business community.

A Partnership Strategy has been developed and engagement and communication with partners takes place through a range of channels, including social media, press releases, websites, events and e-newsletters. Social media has been used particularly effectively for informal engagement on policy, future strategy and project development.

New methods to engage with key stakeholders, businesses and the public are continually sought, and effectiveness and lessons learnt are monitored.

6.2 Arrangements for Collaborative Cross-LEP Working

The LEP is committed to collaborating across boundaries, where interests are aligned when developing strategies and interventions to maximise their impact across their different objectives. This helps to ensure a more efficient use of resources and secure a better outcome than operating in isolation.

The LEP collaborates with other neighbouring LEPs on many areas of its businesses and details about these collaborations, and further potential opportunities, are regularly reported to the LEP Board. The LEP is committed to working with the LEP Network.

7 Assurance Around Programme and Project Delivery

Leeds City Region Assurance Process

7.1 Overview

This section sets out how the assurance process is used in the development and delivery of all project and programme investments. The assurance process will be applied to the assessment of schemes and programmes that flow through Combined Authority and the LEP, drawing on current national guidance (e.g. HM Treasury Green Book, DfT TAG and MHCLG Appraisal Guidance).

The assurance process (set out below) has three stages; Stage 1: Assessment and Sequencing, Stage 2: Scheme Development, Stage 3: Delivery and Evaluation. It provides a practical 'step-by-step' framework to aid the development of business cases, to ensure successful delivery and to enable monitoring and evaluation. The assurance process is transparent and proportionate and offers a structured process for appraising, developing, planning, delivering and evaluation that is in line with HM Treasury guidance to deliver best public value.

The assurance process is used by the following:

- **Scheme promoters:** it provides a pathway to allow promoters to develop proposals in a way that will ensure their schemes have a robust business case, show value for money and show that they address the Combined Authority's investment priorities.
- **Decision-makers:** it is a framework to provide the information they need to take investment decisions and to prioritise between different proposals in a clear and transparent manner.
- **Partners and the wider public:** to give confidence that there is a clear and transparent framework to appraise and prioritise schemes and to take investment decisions.

Under each stage outlined there are a series of activities (7 in total) that need to be carried out in order to progress each scheme. Whilst there are seven possible activities, not all would apply to all schemes and the process and intensity of appraisal applied can be tailored for each scheme depending on its type, scale and complexity, with the appropriate activities applied (e.g. not all schemes will be required to complete an outline business case (decision point 3); they could proceed straight to full business case (FBC), (decision point 4).

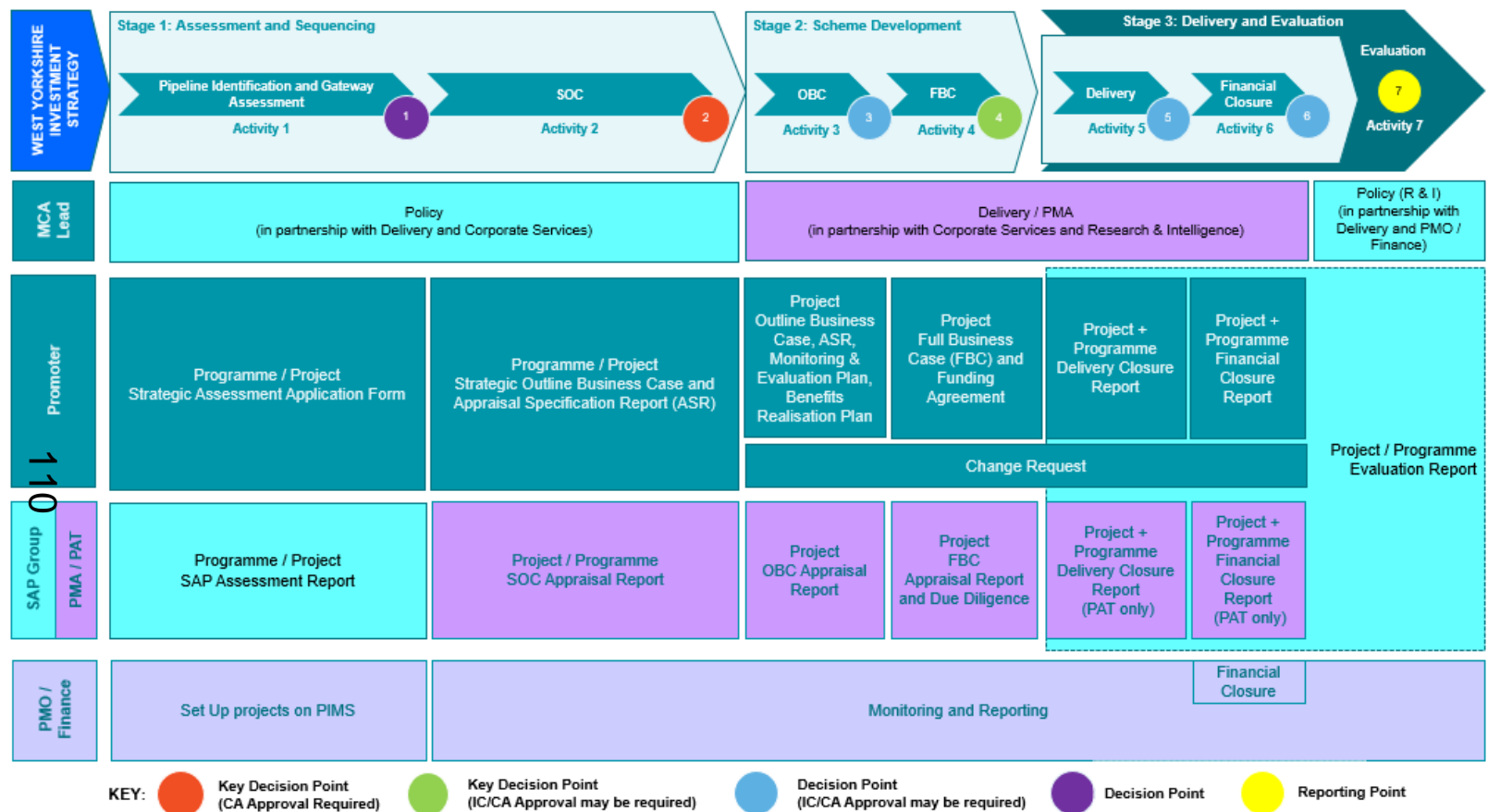
At the end of each activity, a scheme is required to go through a decision point (DP1 to DP6) or reporting point (DP7). It is here where a scheme is appraised using the HM Treasury 'five cases model'¹⁷. As such, scheme sponsors must demonstrate that a robust, accurate and compelling business case exists at each stage of the process (subject to the assurance pathway and approval route as recommended by the Combined Authority's Programme Appraisal Team (PAT)).

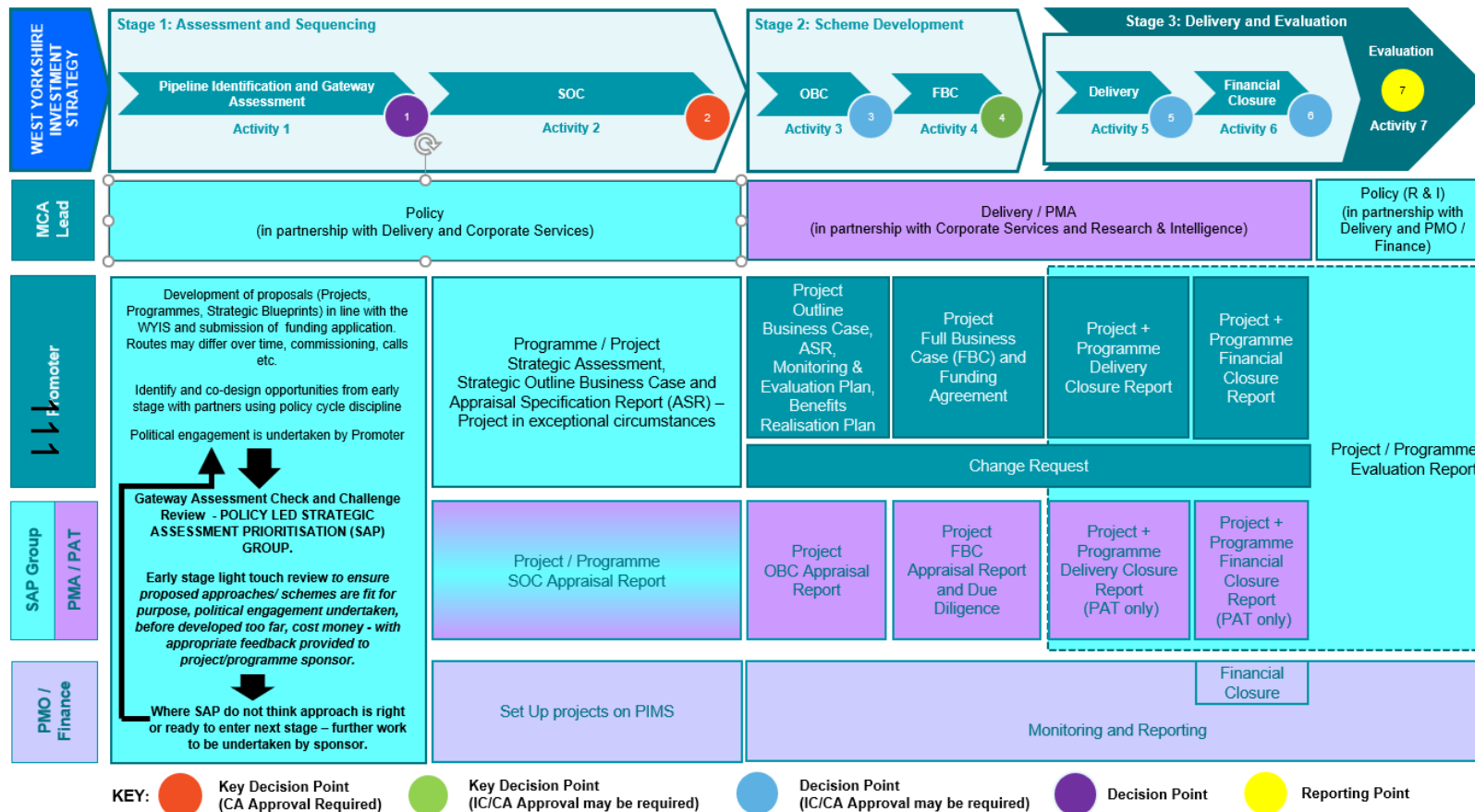
Subject to the exceptions, such as small grant programmes, for example, business growth grants and loans, where alternative arrangements are in place, all

¹⁷ The HM Treasury "five cases model" includes the Strategic, Commercial, Economic, Financial and Management cases.

programmes and schemes require approval from the Combined Authority at Decision Point 2 (Strategic Outline Case (SOC)), in order to proceed to Stage 2: Scheme Development. It is at decision point 2 where the Combined Authority approve the indicative funding, approval pathway and route and tolerance levels.

Development funding for development of the next stage / activity can be approved at any decision point.





7.2 Stage 1: Assessment and Sequencing

Criteria for prioritisation

As set out in section 2 above, the aim of the Strategic Economic Framework (SEF) is to form the new overarching economic framework for the region, building on the successes of the Strategic Economic Plan (SEP). It sets out the vision for the region and our priorities for achieving this.

The ~~new~~ West Yorkshire Investment Strategy (WYIS) will provide a vehicle for translation of the Combined Authority's SEF objectives, Recovery Plans, the Mayor's manifesto commitments and the City Region's devolution agreements in to funding and operating priorities that deliver the wider strategic aims of the Combined Authority, thus providing a sound basis for taking investment decisions. Partners will be able to apply for funding clearly aligned to our investment priorities.

~~Once the first~~ WYIS ~~has been approved this~~ will be reviewed annually to take account of changing economic circumstances, updates to the SEF, what is working well and what is not, and new funding and investment opportunities which set out the focus for our investments as well as align with the Assurance Framework annual review.

Activity 1: Pipeline Identification and Gateway Assessment:

Programmes / schemes will start to be developed through an ongoing dialogue with the Region's businesses, third sector and public organisations, in line with the WYIS. It will also ensure stakeholders are informed about the availability of funding the WYIS objectives, allow them to identify, develop and co-design project/programme opportunities from an early stage and apply for funding clearly aligned to our investment priorities. The LEP is expected to play an important role in identifying sector led opportunities.

Other avenues for potential schemes to access funding opportunities could be through either a commissioning process or through open calls with specified deadlines for submissions. Any commissioning or open calls will aim to address specific gaps to help the Combined Authority achieve its overall economic ambitions.

Programmes / schemes will be assessed on a case-by-case basis by the Strategic Assessment Prioritisation Group (SAP) to determine if they are eligible to proceed, through an early-stage gateway check and challenge review. The role of SAP is explained below in section 7. If programmes / schemes are eligible, they will be awarded '*approved development status*' (Decision Point 1) and will then progress to Strategic Outline Case (SOC) as part of the assurance process (Activity 2). Programmes / schemes at this stage will be provided with feedback and can be rejected or deferred until further supporting information is provided. This is carried out by assessing strategic fit against the WYIS. The SAP Group will recommend a Strategic Assessment (SA) decision notification for approval by the Managing Director (or by an officer under sub-delegated authority from the Managing Director) (Decision Point 1).

The City Region's carbon emission reduction target was set in July 2019. This target commits the region to be net-zero carbon by 2038, with significant progress by 2030. Therefore, the vast majority of schemes funded by the Authority will be expected to

contribute to this commitment. The Combined Authority ~~is currently has~~ developed ~~and consulting upon the an~~ approach ~~it will adopt~~ to carbon appraisal ~~which .The changes that will be introduced will~~ forms an integral part of the ~~new~~ Assurance Framework and features in all stages of business case development from ~~SOC-SA~~ through to FBC ~~the aim is to introduce a clearly defined appraisal framework to support investments.~~

Activity 2: Strategic Outline Business Case (SOC):

Eligible programmes / schemes will, once awarded approved development status at Decision Point 1, submit a SOC whereby a full appraisal will be undertaken. At SOC scheme promoters will be expected to set out their proposed approach to establishing value for money (VfM) at a programme / scheme level for review by the Combined Authority before commencing to the next stage of the assurance process. For transport scheme, promoters will be required to submit an Appraisal Specification Report (ASR).

The SOC will be appraised by the Combined Authority's Portfolio Management and Appraisal Team ~~and~~ / or Research & Intelligence Team and a recommendation presented to the Programme Appraisal Team (PAT) for progression of the scheme.

The programme / project will then be presented for recommendation by the Programme Appraisal Team (PAT) for approval by the Investment Committee and Combined Authority.

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).

7.3 Stage 2: Scheme Development

Once a programme / scheme has gained SOC approval from the Combined Authority, the scheme will then be required to submit an 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 OBC will be appraised by the Combined Authority's Portfolio Management and Appraisal Team and a recommendation presented to the Programme Appraisal Team (PAT) for progression of the scheme. The role of PAT is explained below in section 7. The programme / project will then be presented for recommendation by the Programme Appraisal Team (PAT) for approval by the decision-maker (Decision Point 3) as set out in the approval pathway and route approved at Decision Point 2.

The Full Business Case (FBC) confirms 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 SOC or / and at OBC should be resolved within the FBC submission. If conditions have not been met, the scheme may be required to return to Activity 3 (OBC). The Economic Case must be developed in consistency with the agreed ASR.

The FBC will be appraised by the Combined Authority's Portfolio Management and Appraisal Team and a recommendation presented to the Programme Appraisal Team (PAT) for progression of the scheme. The programme / project will then be presented for recommendation by the Programme Appraisal Team (PAT) for approval by the decision-maker (Decision Point 4) as set out in the approval pathway and route approved at Decision Point 2.

The FBC approval will be granted with a condition that the scheme remains within set tolerances. 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) following a recommendation from the Programme Appraisal Team (PAT). If the condition is not met, the project will be required to re-submit the FBC.

7.4 Stage 3: Delivery and Evaluation

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

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 appraised by the Programme Appraisal Team (PAT) for progression of the scheme. The programme / project will then be presented for recommendation by the Programme Appraisal Team (PAT) for approval by the decision-maker (Decision Point 5) as set out in the approval pathway and route approved at Decision Point 2.

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 appraised by the Programme Appraisal Team (PAT) for closure of the scheme. The programme / project will then be presented for recommendation by the Programme Appraisal Team (PAT) for approval by the decision-maker (Decision Point 6) as set out in the approval pathway and route approved at Decision Point 2.

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.

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~~ process and will be undertaken when the Programme (or

project in some circumstances), is completed for an evaluation of the benefits, outcomes and economic impact compared to the overall programme 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 programmes and schemes. Interim evaluations may also be undertaken as required as set out in the Monitoring and Evaluation Plan.

7.5 Change Requests

During any Stage / Activity, if a scheme requires additional funding, an increase in timescale or changes in scope, a change request is required to be submitted for the scheme to be re-appraised to ensure value for money is still being achieved.

Change requests will be appraised by the Combined Authority's Portfolio Management and Appraisal Team and a recommendation presented to the Programme Appraisal Team (PAT) for progression of the scheme. The change request will then be presented for recommendation by the Programme Appraisal Team (PAT) for approval by the decision-maker, dependent upon the tolerances set out at Decision Point 2.

Appraisal

7.6 Who will undertake the appraisal of schemes?

The Combined Authority appraisal function

Each programme / scheme will be assigned a lead appraiser, who will be responsible for carrying out the objective appraisal of the business case. This may be done using expertise from the Combined Authority's Portfolio Management and Appraisal Team and / or Research & Intelligence Team, or where necessary bringing together expertise from within the Combined Authority or from external advisors and partners. This may cover financial, transport, economic, property, legal matters, and experience of the relevant priority areas of the SEP.

After the lead appraiser's appraisal, Business Cases and Change Requests will be further appraised by the Programme Appraisal Team (PAT) or the Strategic Assessment Prioritisation Group (SAP). The programme / scheme will then be presented to the decision-maker (~~Decision Point 4~~) as set out in the approval pathway and route approved at Decision Point 2.

There will be a clear separation between the appraisal function and the project sponsor / promoter. This means that staff carrying out appraisal will not be involved in advising on project and business case development activity. As part of the appraisal process, scheme promoters will be engaged to review any key issues arising from the ongoing appraisal as appropriate.

The Combined Authority appraisal function, the SAP group and Programme Appraisal Team (PAT) scrutinise, and quality assure the process to ensure that the work undertaken is independent of the authority promoting the scheme.

Strategic Assessment Prioritisation Group (SAP)

The SAP is responsible for undertaking the assessment of potential schemes, for alignment and contribution to the policies and strategies of the Combined Authority, through the Strategic Assessment form that is submitted to the Combined Authority, at activity 1. The assessment will focus on how;

- A project / programme will address the key problem which a project / programme is seeking to address (and hence the reasons why the public sector should intervene and fund).
- Clarity and robustness of a schemes design - through a clearly designed logic chain – where the relationship between need and problem is clearly linked to outputs, impacts and outcomes much earlier in the design process.
- Manage the potential project development costs required.
- Establish and share potential innovation / collaboration opportunities with respective applicants. Any local best practice and knowledge sharing that can be used to enhance the proposal.

The SAP provide evidence and recommendations to the Director of Delivery and the Director, Strategy Communications and Policing on a decision for every Strategic Assessment submitted, for approval. The SAP agree any conditions that are required as part of a project / programme progressing through activity 1, and which, subject to approval, will form part of the Strategic Assessment certificate.

The SAP consists of a core membership representing Combined Authority policy, strategy and communications, finance, delivery and PMA functions. Attendance at SAP meetings is supplemented by appraisers, independent technical advisers, promoters and their advisors, and other attendees as required to supplement the decision-making process. Other officers may be invited onto the group, including relevant Policy Managers, depending upon the Strategic Assessment that is due to be submitted.

The SAP is an internal assurance group and has no formal approval making powers. The SAP make recommendations, which are then reported through the Combined Authority's governance arrangements for a formal decision.

Programme Appraisal Team (PAT)

The Programme Appraisal Team (PAT) is comprised of West Yorkshire Combined Authority officers who oversee the assurance process as schemes / programmes progress through it.

The PAT consists of a core membership representing Combined Authority programme delivery, PMA, policy, economic, legal, and financial functions. Attendance at PAT meetings is supplemented by case officers, independent technical advisers, promoters and their advisors, and other attendees as required to supplement the decision-making process.

The PAT is an internal officer assurance group and has no formal approval making powers. The PAT make recommendations, which are then reported through the current Combined Authority governance arrangements for a formal decision.

7.7 Who will approve schemes?

At Decision Point 1 the Combined Authority's Managing Director (or by an officer under sub-delegated authority from the Managing Director) approves 'approved development status' and where required can approve development funding for SOC production.

At Decision Point 2 (SOC) the Combined Authority approve the indicative funding, approval pathway and route, tolerance levels and development funding for future stages.

At Decision Point 3 and 4 the decision-maker (as set out in the approval pathway and route approved at Decision Point 2) approves indicative funding, approval pathway and route, tolerance levels and development funding for future stages.

The FBC approval will be granted with a condition that the scheme remains within set tolerances. 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 is not met, the project will be required to re-submit the FBC.

At Decision Point 5 and 6 the decision-maker (as set out in the approval pathway and route approved at Decision Point 2) approves the Delivery Closure (DP5) and Financial Closure (DP6). The decision-maker for Change requests is dependent upon the tolerances set out at Decision Point 2.

7.8 Appraisal proportionality

The Combined Authority will use national guidance for scheme appraisal; HM Treasury's Green Book, including supplementary and departmental guidance, such as the Department for Transport's (DfT) TAG and MHCLG's Appraisal Guidance where appropriate.

-The Combined Authority may also use local methodologies for this purpose with decision-makers determining the most appropriate for each scheme appraisal.

-The Combined Authority's approach for Value for Money Assessment is dynamic; as advances in techniques becomes clear this will be incorporated in its methodology and provided as supplementary guidance for promoters to that of the HM Treasury Green Book.

-It is important to note the Combined Authority's climate change aspirations. As of 2021 the Authorities methodology for carbon assessment forms part of the appraisal process, a proportionate approach will be utilised, and guidance will be given on a scheme by scheme basis on the level of requirement.

The assurance process adopts a proportionate approach based on an assessment of risk, cost, novelty 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 Authority uses a variety of templates with 'How to Guidance' provided to the promoter in order for the 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.

7.9 Methodology to assess Value for Money (VfM)

The range of toolkits (HMT Green Book, DfT TAG, MHCLG Appraisal Guidance etc) are used to demonstrate the economic, social and environmental benefits and cost over an appropriate appraisal period in order to assess the VfM of a scheme. In line with recognised VfM guidance, the assessment will consider:

- **Economy:** Minimising the cost of resources used.
- **Efficiency:** The relationship between the output from goods or services and the resources to produce them.
- **Effectiveness:** The relationship between the intended and actual results of public spending (outcomes and meeting objectives).
- As set out in the LEP National Local Growth Assurance Framework guidance, the methodology used to assess VfM will be in line with the established guidance prescribed by the relevant Government department:

Compliance with Department for Transport's TAG guidance

All transport schemes will be subjected to the minimum requirements on modelling and appraisal in developing a Value for Money (VfM) statement, as set out in the National Assurance Framework Guidance (LEP and Single Pot). This includes using the definitive version of the National Trip End Model (NTEM) (DfT's planning dataset) in forecasting the Central Case scenario. This essentially means that although the local development dataset, as supplied by the local planning authorities, will be used the total future demand will be constrained to NTEM at a suitable geographic level. However, the Combined Authority will also advise promoters to develop a range of sensitivity scenarios based on alternative planning assumptions to present to decision-makers on how the scheme's VfM performs under different future conditions.

The modelling and appraisal work will be independently scrutinised to ensure it has been developed in accordance with TAG, is robust, and is fit for purpose. A review panel made up of the senior officers of the Combined Authority, referred to as the Programme Appraisal Team (PAT), will be used, so that appropriate and independent recommendations can be provided to decision-makers. Responsibility for quality assurance of the assessment and scrutiny will rest with the Combined Authority's Head of Portfolio Management and Appraisal (PMA).

In-line with TAG, the promoter will not carry out any modelling and appraisal work for any activity in Stage 2 prior to Appraisal Specification Report agreement with the Combined Authority's assigned officer. All evidence supplied as part of economic case in all activities in Stage 2 will be appraised against the methodology set out in

the agreed ASR. An Appraisal Summary Table (AST) and VfM Statement will be produced by following TAG and DfT's VfM guidance.

The Economic Appraiser will provide an assessment on the VfM Statement for decision-makers, summarising as part of the appraisal. The conclusions from VfM assessment will take into consideration whether benefits outweigh the costs whilst identifying key risks and sensitivities that may affect the VfM conclusion. The experts will also set out what level of Analytical Assurance PAT and decision makers may attach to the VfM position based on quality of work, uncertainty in appraisal and risks.

Preference will be given to schemes which offers at least 'High Value for Money', accounting for significant non-monetised impacts and key uncertainties. The justification for a recommendation for a project to proceed with a Value for Money less than 'High' will be set out in the reports seeking approval from the relevant decision-makers.

-In line with the recently revised Green Book, in assessing value for money, a stronger emphasis may 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.

To establish Value for Money the Combined Authority follows the new Green Book advice and reviews the following:

- Objectives: A number of SMART objectives and Critical Success Factors are used at Strategic Outline Case stage to ensure the short-list options, that will be assessed in fuller detail at Outline Business Case (OBC) stage, are aligned with strategic objectives of the organisation and as a result is likely offer VfM to the society.
- Benefits: Net present value to society of all social, economic and environmental benefits. The benefits may be monetised, quantitatively or qualitatively or quantitative. This is carried out in greater detail at OBC stage.
- Costs: Net present public resource costs following whole life costing method. This includes capital costs, operating and maintenance costs and as well as opportunity costs (if appropriate). This is carried out in greater detail at OBC stage.
- Risk: Risk costs associated with managing and mitigating identifiable and significant risks. This is carried out in all stages with increasingly detailed analysis as the scheme progresses through different business case stages. Residual 'hard to quantify' risk and uncertainty, where it is likely to be

significant, are also considered as part of the value for money judgment. ~~For Example can be the impact of public transport fare revenue due to increased practise of work from home and online shopping.~~

- Wider Impacts: Additional wider impacts which are not readily or credibly quantifiable or monetisable, but which are considered decisively important enough to be taken into account are considered. The Combined Authority requires an economic narrative or other ways of justification for such impacts. This is carried out in greater detail at OBC stage.
- Equality and Diversity: The distribution of the likely impact in different parts of the society and across protected characteristics are considered in the VfM judgement.

Estimating economic and wider benefits

All programmes and schemes will be expected to have a positive (direct or indirect) impact on growth through job creation, skills improvement, increased productivity, and improved connectivity, to ensure that the good growth aspirations articulated in the SEF are realised. This also includes inclusive growth and clean growth aspirations.

A range of tools and models will be used to help estimate the direct, indirect and wider economic impact of scheme proposals in order to facilitate the prioritisation and decision-making process. It would be expected that the promoter engages with the Combined Authority on the approach and the preferred model(s) to be used to appraise the economic benefits, reflecting the scheme context and scope. For transport schemes this should be set out in the ASR.

~~The Combined Authority are now in the process of procuring expert advice to frame and have develop~~ed a robust ~~quantifiable~~ methodology (quantitative and qualitative) for assessing all new scheme's predicted carbon emissions / wider clean growth impacts, ~~building on the recent work~~ to strengthen how clean growth and climate change impacts are considered as part of all new schemes that come through the Combined Authority's Assurance Framework. ~~This will include a review of all existing Combined Authority schemes and additional resource to support the development and implementation of the new assessments.~~

~~The qualitative assessment will seek to consider the strategic importance of the scheme (e.g. an assessment of how the scheme contributes to the priorities and ambitions of the SEP, SEF and the WYIS.~~

~~The outcomes of the assessment of applications made in response to funding opportunities are reported to the LEP Board, the Combined Authority and the West Yorkshire and York Investment Committee.~~

7.10 Due diligence

Due diligence refers to the process of undertaking independent verification of key information provided by scheme promoters in support of funding proposals. It is intended to supplement the appraisal process and support the effective management

of risk. It will be undertaken by the Combined Authority's Programme Manager and may take place at any stage in the assurance process prior to entering into a grant funding agreement (GFA).

The scope of due diligence will depend on the nature of the funding proposition and the promoter. Where the promoter is a private sector body it is likely to take the form of an independent assessment of ownership structure and financial standing and any other appropriate risk considerations determined at that time.

7.11 Risk Management

Risk is managed in line with HM Treasury 'Orange Book' Guidance on the Principles and Concepts of Risk.

The LEP has agreed that the Combined Authority, through the Section 73 Chief Finance Officer, manages risk on the LEP's behalf.

The Combined Authority recognises that effective risk management is an integral part of good corporate governance and as such should be a part of everyday management processes. The Combined Authority is committed to ensuring the robust management of risk, and as such a corporate risk management strategy is in place to set out a consistent approach to all risk management activities undertaken throughout the Organisation. This includes the Combined Authority's risk appetite statement, which is based on risk category. The Risk Management Strategy can be found [here](#) and the description of the risk faced by the LEP is part of the reports reviewed by the LEP Board at each meeting.

Full scheme-level risk analysis and mitigation plans are required for each programme and scheme when developing their business case. These are required to comply with the Combined Authority Risk Management Strategy and are assessed as part of the appraisal process set out in this Assurance Framework.

Robust processes for the identification, analysis and management of risks is contained within the Combined Authority's Risk Management Strategy and supporting documents. These provide details on the regularity with which to review risks and guidance for effective risk identification, assessment and escalation.

7.12 Funding Agreements

At the point where funding is released, the Combined Authority will enter into a funding agreement with the promoter. Any funding conditions will be specified in the funding agreement and can include but not limited to:

- A funding cap.
- The promoter's Chief Internal Auditor to provide assurance and to certify all expenditure on an annual basis.
- Claw-back provision in place to ensure funding is only to be spent on the specified scheme and that any cost savings achieved on the completed scheme are returned.
- Where projects could trigger a return on investment, they may be subject to overage. A consistent overage mechanism will be applicable where

projects receive support through either grant or loan support or on disposal of property or assets.

- The Combined Authority, as the accountable body, will determine when to release funding.
- The Combined Authority may arrange for local audit of schemes to detect any misuse of funds.
- All organisations that receive funding through the Combined Authority and / or LEP are contractually required to acknowledge this, and that of Government in all communications and marketing activity. This includes use of logos on relevant communications materials, inclusion of specified wording in press releases and development of stories and case studies that showcase the impact of schemes.

The Combined Authority and the LEP will look to recover funding where there has been non-compliance, misrepresentation or under-performance. The Accountable Body arrangements in Appendix 2 set out how concerns are escalated, including taking a legal opinion on the likelihood of recovery.

7.13 Management of contracts

West Yorkshire Combined Authority has implemented a performance management process which is aimed at ensuring contract performance is achieved and that all contract deliverables and obligations are met. The process will ensure that the following key contract management elements are implemented:

- Contract managers who understand all contract requirements, deliverables and provider obligations.
- Contract managers have a detailed understanding of the Combined Authority's responsibilities within external funding agreements linked to supplier agreements.
- Regular contract performance meetings are held with providers to review contract delivery in order to maintain ongoing quality and performance of the contract.
- Performance reporting updates are submitted on a regular basis by providers, highlighting performance against key performance indicators and service levels (as appropriate).
- Implementation of regular quality and compliance audits which provide the required evidence in support of contract compliance for LEP funded programmes and agreements.
- Ongoing contract management to include programme risk and issues management.
- Ensure ongoing delivery of value money through effective change management control in accordance with the contract terms and conditions.
- Problem resolution and implementation of improvement plans where necessary to support increased performance.

The Finance, Resources and Corporate Committee and LEP Board receive regular high-level reports on the progress of funded programmes and schemes together with any significant risks, issues and opportunities. More detailed reporting including specific supplier performance against these programmes and schemes are reported to the relevant panel / committee / project board and also to the Combined Authority's Senior Management Team.

Any contract negotiations that result in material changes will be assessed and dealt with through the standard variation process as determined within the Combined Authority Contract Standing Orders.

The LEP Board will be consulted on all contract changes that are considered to be critical in nature towards the delivery of LEP funded programmes and schemes.

8 Monitoring and Evaluation

8.1 Monitoring

All schemes are monitored throughout their progression through the assurance process. The Combined Authority use a web-based Portfolio Information Management System (PIMS), to ensure a consistent approach to monitoring and management of all schemes. A key benefit of PIMS is that information is available to view by all parties to the project. This helps to ensure the accuracy of the data held.

The system provides the following benefits:

- **Transparency**
 - Allows informed and improved decision making.
 - Provides visibility of scheme progress.
 - Provides a full audit trail of scheme data.
 - Linkages and dependencies between various schemes in the portfolio can be viewed and managed more easily.
- **Consistency**
 - Provides a robust and automated method of scheme assurance.
 - Standardised templates and reports offer robust scheme controls.
 - Centralised repository for cost and risk management activities will provide a uniform approach.
- **Efficiency**
 - Manual data input and manipulation is retained by the PMA and verified by project sponsors.
 - Standardised reports, documents and dashboards enable project teams and stakeholders to concentrate on delivery.
 - Resource management allows for resource planning ahead of demand.
 - The organisation's ability to plan using future scheme deliverables is increased.
 - Lessons learned can be more easily understood and shared between stakeholders.
- **Focus on delivery**
 - Aggregation of scheme data can identify trends in advance.
 - Facilitates alignment of schemes to corporate strategy.
 - Recommendations and actions to be carried out in a more structured and timely way.

Programmes and schemes funded by the Combined Authority and the LEP are required to have an outputs and benefits realisation plan as part of business case development. These should be produced as part of activity 3 (OBC) and refined and be in place at the end of activity 4 (FBC). These should be linked to the Monitoring

and Evaluation Plan to ensure a joined-up approach to [appraisal](#), monitoring, ~~appraisal~~ and evaluation.

Key metrics of information on performance are reported at regular intervals including expenditure, progress, outputs and benefits, risks and issues, as well as match funding. A rolling schedule of growth deal funded schemes is published on the [Combined Authority](#) and [LEP](#) websites.

The LEP Board and the Finance, Resources and Corporate Committee receive regular high-level reports on the progress of funded programmes and schemes together with any significant risks, issues and opportunities to enable effective management of all schemes and programmes. These reports are published on the Combined Authority and LEP websites.

8.2 Evaluation

Programmes and schemes funded by the Combined Authority and the LEP are required to have a monitoring and evaluation plan as part of business case development. These should be produced as part of activity 2 (SOC) and refined and be in place at the end of activity 4 (FBC).

The outputs from the monitoring and evaluation plan, together with the ~~outputs from the outputs and benefits~~ realisation plan will be used to assess the effectiveness and impact of investing public funds and the extent to which schemes are contributing to the overall objectives of the Combined Authority and the LEP.

An Evaluation Strategy has been now been adopted by the Combined Authority and can be accessed through [this link](#).

The ~~introduction of the~~ Evaluation Strategy ~~will shape~~ ~~ese~~ the design and development of project level evaluation activity through its focus on “Logic Models” as the basis of “activity 7” of the Assurance Framework reporting. ~~shaping Logic models set out the relations between what we deliver and the outcomes and impacts we hope to achieve. In doing so, they shape the information we monitor during delivery and capture at project closure and introducing more consistency to learning insights that we synthesise and communicate.~~ The Evaluation Strategy sets out how logic models should be developed.

Our approach to the development of the evaluation strategy recognises that it is locally owned ~~and~~ managed, ~~and~~ ~~drawings~~ on local systems. ~~A key principle is that # evaluation~~ will be proportionate and selective (i.e. not everything will be evaluated). The Evaluation Strategy in section 1.3 – Designing Effective Evaluation provides guidance ~~on determining proportionality.~~ ~~and that p~~ Partnership working with LEPs and Government ~~takes place is also integral~~ to identify opportunities for thematic evaluations that could be conducted across LEP areas or centrally commissioned.

~~Introducing these changes to Q~~ our approach to monitoring and evaluation and focusing the evaluation around [SEF WYIS](#) success measures will align the LCR Assurance Framework ~~with the~~ “National Local Growth Assurance Framework” (MHCLG, ~~January 2019~~ [September 2021](#)).

These key themes focus on:

- **Strengthening understanding of the expected impacts, outcomes and additionality of all forms of schemes at an early stage in their design to improve the ex-post evaluation of interventions.** All project sponsors will be required to adopt a consistent approach to the use of “Logic Models”. Logic models represent an essential element of project and programme development and whilst the requirements for the use of logic models will be proportionate to the scale of the intervention, it is viewed that all schemes will benefit from this approach as through review their will be learning through delivery of what the project did relative what it was designed to achieve.
- **Communicating and synthesising the learning from project evaluation** – the ~~updated~~ strategy places a greater focus on synthesising consistent messages from project learning across all project types – with these insights flowing directly from the relationships set out in the project logic model. Greater emphasis is placed on the structured communication of the outputs from project closure reports through learning and dissemination events and the project closure reports will be designed to shape this messaging.
- **Understanding the wider benefits flowing from our funding programmes** – the ~~updated~~ strategy more clearly defines the relationship between project monitoring, benefits realisation and the net additionality achieved across the wider City Region geography. The updated strategy in this theme consolidates and aligns with the ‘Independent Evaluation of Local Growth Interventions’ currently being conducted~~ing~~ by MHCLG.

8.3 Five Year gateway reviews

As part of the Leeds City Region Growth Deal agreement, the West Yorkshire plus Transport Fund is subject to five-yearly gateway reviews to assess impact. The first review in 2019 has been passed successfully and funding confirmed until 2024/25. The next review will be undertaken in 2024.

The devolution deal and the Single Investment Fund (SIF) also requires an independent panel to assess investments’ impact on economic growth at five-yearly Gateway Reviews. This additional evaluation provides a further incentive to encourage appropriate project appraisal, assurance and value for money processes.

9 Appendices

Appendix 1 – Mayoral Functions.

The following functions are the responsibility of the Mayor:

- a) Transport
 - (i) Power to draw up a local transport plan and strategies (although the Combined Authority may amend these).
 - (ii) Power to request local regulations requiring large fuel retailers to provide Electric Vehicle charging points.
 - (iii) Bus franchising powers.
 - (iv) Ability to pay grants to operators.
- b) Housing and regeneration
 - (v) Land acquisition powers to support housing, regeneration infrastructure and community development and wellbeing subject to consent from specified Combined Authority members.
 - (vi) Power to designate a Mayoral Development Area and then set up a Mayoral Development Corporation subject to consent from specified Combined Authority members.
- c) Finance
 - (vii) Setting a precept on council tax to fund Mayoral Functions.
 - (viii) Power to charge business rate supplement (subject to ballot).

Appendix 2 – Accountable Body Arrangements

Agreement between the Leeds City Region Enterprise Partnership and the West Yorkshire Combined Authority

1. Introduction

The LEP is a strategic body responsible for driving inclusive growth, increase prosperity and improve productivity (“LEP activity”). The LEP works collaboratively and in partnership with the West Yorkshire Combined Authority, as its accountable body (“the Accountable Body”).

2. Accountable Body roles and responsibilities

Underpinning good governance is an expectation of mutual support between the LEP and the Accountable Body. The Accountable Body is responsible for:

- Carrying out **finance functions** on behalf of the LEP.
- **Oversight** of the LEP’s financial and governance, transparency and accountability arrangements.
- Providing **additional support** as agreed by the LEP.

The LEP has agreed that the Accountable Body’s specific roles and responsibilities are:

a) Finance functions

On behalf of the LEP, the Combined Authority holds, allocates and releases all funding for LEP activity (“LEP funding).

This includes approving and entering into agreements relating to LEP funding. The Accountable Body does not use any LEP funding for their own purposes, nor without a clear mandate from the LEP.

The Section 73 Chief Finance Officer shall ensure that appropriate financial statements are provided to the LEP in a timely manner; a separate financial statement for LEP funding is published each financial year.

The Accountable Body is responsible for treasury management and borrowing functions relating to LEP activity and funding.

LEP funding is included in the Accountable Body’s accounts, and the LEP’s web-site links to the Accountable Body’s accounts.

b) Oversight functions

The Accountable Body has oversight of the LEP’s financial and wider governance, transparency and accountability arrangements, including compliance with the Assurance Framework. The Accountable Body through its Section 73 Chief Finance

Officer ensures that LEP funding is administered properly, that is, that LEP funding is spent or released:

- In accordance with formal approvals only, and not for unapproved purposes¹⁸.
- With propriety and regularity and to deliver value for money.
- Subject to the statutory checks and balances which require the Accountable Body to act prudently in spending.
- In accordance with the Assurance Framework and any other relevant procedure.
- In compliance with any grant requirements and conditions.

The Accountable Body ensures that decisions on LEP funding are:

- Reached in line with clear and transparent processes.
- Made on merit.
- Taken in accordance with the Assurance Framework.
- Compliant with all legal requirements including relating to State Aid, public procurement, transparency, data protection and the public sector equality duty.

The Accountable Body also promotes the highest standard of conduct by the LEP, LEP Board members and officers, by reference to the seven principles of public life.

Scrutiny

The Combined Authority's statutory Overview and Scrutiny Committees have a key role in securing independent and external scrutiny of LEP activities. The Committees' terms of reference reflect that the Committee may make reports or recommendations on any matter considered by the LEP or relating to LEP governance. The Committees may also review or scrutinise any decision made, or other action taken, in connection with any function of the Combined Authority, including in relation to its role as Accountable Body.

The LEP recognises the role of the Combined Authority's statutory Scrutiny Officer in facilitating the Overview and Scrutiny Committees to carry out appropriate scrutiny of LEP Board decision-making and LEP achievements.

The LEP agrees to respond positively to any request to share information with the Committees, so that the Committees have the necessary information to provide robust scrutiny and advice. Any member of the LEP Board, including any private sector representative, may be asked to attend or otherwise contribute to a meeting of any of the Committees.

¹⁸ Including the services of lobbyists

The contribution of the LEP to any meeting of the Overview and Scrutiny Committees will be recorded with the outcome in the minutes (published on the Combined Authority's website). The LEP will ensure that there is a link from the LEP website to the Overview and Scrutiny Committees' published reports and minutes.

Audit

To ensure they have proper processes in place to manage risk, maintain an effective control environment and report on financial and non-financial performance, the LEP utilises the Accountable Body's Governance and Audit Committee, and its internal and external auditors to provide assurances in relation to LEP activities, as well as the Section 73 Chief Finance Officer.

The LEP and the Accountable Body (through its Governance and Audit Committee) will agree a risk based internal audit plan for each financial year of LEP and Combined Authority activities, that will provide assurance to the Section 73 Chief Finance Officer and the LEP Board at appropriate points through the financial year.

c) Support functions

The Accountable Body acts as the independent secretariat to the LEP¹⁹, providing the following technical and other support:

- Compiling, maintaining and publishing agenda, reports and minutes of meetings in accordance with agreed procedures.
- Retaining all documentation relating to the Local Growth Fund and other funding sources.
- Dealing with any request for information, complaint or concern raised in accordance with the appropriate procedure.
- Appraisal functions as set out in the Assurance Framework.
- Legal advice.
- Recovering funding where there has been non-compliance, misrepresentation or under-performance²⁰.
- Risk management.

3. Section 73 Chief Finance Officer - Resources

¹⁹ The Combined Authority is not a constituent member of the LEP, although the Mayor is on the LEP Board. Local Authority representatives are appointed in their capacity as district councillors, not members of the Combined Authority.

²⁰ The Accountable Body will report to the LEP Board providing information on schemes which have received funding, including

- a description of schemes where concerns have been identified,
- relevant details including the amount of funding awarded and the sum at risk due to concerns, and
- where recovery of funds is considered, a legal opinion which sets out the legal basis for recover and likelihood of success

The Accountable Body will ensure that the Section 73 Chief Finance Officer is given appropriate resources to carry out their functions in respect of the LEP, including audit. The LEP and the Accountable Body shall keep resource needs under review and consider if they are appropriately met.

4. Non-compliance by the LEP

Any decision of the LEP made in contravention of processes set out in the Assurance Framework will be invalid on the basis of non-compliance, unless the LEP has given prior approval for variation in respect of the LEP's decision-making process.

In the event that the Accountable Body is not able to endorse any decision of the LEP, the Section 73 Chief Finance Officer would refer the matter back to the LEP for re-consideration.

The LEP and the Accountable Body are committed to proactively raising with the Cities and Local Growth Unit any significant instance of non-compliance, non-delivery or mismanagement by the LEP which cannot be resolved locally. Should any such instance arise, the Section 73 Chief Finance Officer will also report it to the LEP Board and to the Combined Authority's Governance and Audit Committee.

Appendix 3 – Section 73 Chief Finance Officer – responsibility arrangements

1. Introduction

The Combined Authority must by law²¹ make arrangements for the proper administration of its financial affairs and secure that one of its officers has responsibility for the administration of those affairs. This role is carried out by the Combined Authority's Director of Corporate Services and extends to include the financial affairs of the LEP.

The Chair of the LEP and the LEP's Chief Executive Officer have agreed the following responsibility arrangements with the Section 73 Chief Finance Officer of the West Yorkshire Combined Authority (the Combined Authority), recognising the role of the Section 73 Chief Finance Officer in relation to instilling good and proportionate LEP governance, including the oversight of the proper administration of the LEP's financial affairs.

2. Financial administration

The Section 73 Chief Finance Officer shall be supported by the LEP and the Combined Authority (in its capacity as accountable body for the LEP) to carry out such checks as are necessary to independently ensure the proper administration of financial affairs in the LEP.

The LEP shall act promptly working with the Combined Authority to address any concerns or improper financial administration identified. The Section 73 Chief Finance Officer will report all concerns to the LEP's Chief Executive Officer in the first instance, making recommendations about any improvements required. The LEP is responsible for ensuring that all concerns are addressed.

The Chief Finance Officer will report any significant concerns directly to the LEP Board, setting out any improvements required. The LEP Board and the Section 73 Chief Finance Officer shall agree an action plan setting out how such concerns are to be addressed. This may include identifying training needs to ensure compliance. There will be a standing item on the LEP Board agenda reporting on progress on implementing the action plan, until the Section 73 Chief Finance Officer is satisfied that the issue has been resolved.

The Section 73 Chief Finance Officer will notify the Cities and Local Government Unit of any significant concern where:

- The concern is about systemic financial problems, repeated non-compliance or fraud, or
- An action plan cannot be agreed, or
- In the opinion of the Chief Finance Officer, the LEP Board does not achieve sufficient progress against the action plan.

²¹ Section 73 of the Local Government Act 1985

3. Advice of the Section 73 Chief Finance Officer

The Section 73 Chief Finance Officer shall work with the Chair of the LEP and the LEP's Chief Executive Officer to ensure that procedures are in place to consider the financial implications of decisions before and during the decision-making process.

The LEP shall ensure that the Section 73 Chief Finance Officer is given sufficient access to information in order to carry out their role. The Section 73 Chief Finance Officer or their nominee shall be entitled to:

- Attend all LEP Board agenda setting meetings.
- Have access to all LEP Board documentation (including LEP Board reports before publication).
- Comment on any proposed decisions, by:
 - Recording an opinion on financial implications and an assessment of risk (such as delivery risks and cost overrun risks) in any report to the LEP Board or relevant Panel, and / or
 - Attending and speaking at any meeting of the LEP Board²² or relevant Panel.

Should the LEP Board decide on a course of action which goes against the advice of the Section 73 Chief Finance Officer, the LEP Board must indicate the rationale for their decision, which will be recorded in the minutes of the meeting. However, in the event that the Accountable Body is not able to endorse any decision of the LEP, the Section 73 Chief Finance Officer would refer the matter back to the LEP for re-consideration.

If the role of the Section 73 Chief Finance Officer results in a potential conflict of interest, impartial advice should be sought by the LEP's Chief Executive Officer to ensure transparency from a source which is external to the Combined Authority.

4. Risk management

The LEP has agreed that the Combined Authority through the Section 73 Chief Finance Officer, manages risks on the LEP's behalf. The risk appetite of the LEP is understood by both the LEP Board and the Section 73 Chief Finance Officer. The Section 73 Chief Finance Officer ensures that the Combined Authority's risk management strategy addresses:

- Risks arising in relation to LEP activity.
- The process for the LEP Board to oversee risk and the escalation of risk analysis and risk management requirements within the LEP.

[The LEP risk register can be found here.](#)

At the beginning of the financial year, the LEP and the Section 73 Chief Finance Officer will agree the budget risks facing the LEP. These will be kept under review

²² See further LEP Procedure Rules. The Section 73 Chief Finance Officer is not a member of the LEP Board and does not vote

by the Section 73 Chief Finance Officer throughout the year, who will report any significant issues to the LEP Board.

5. Audit

The LEP and Combined Authority have agreed audit arrangements as set out in the Assurance Framework. The Section 73 Chief Finance Officer and the LEP's Chief Executive Officer shall report to the LEP Board on any completed audit by internal or external auditors where any recommendations relate to the LEP and provide a copy to the Cities and Local Growth Unit as appropriate.

Appendix 4 – Governance arrangements

West Yorkshire Combined Authority

Membership

The Combined Authority as a Mayoral Combined Authority comprises the following members:

- The Mayor,
- 5 elected members from each council in West Yorkshire (one appointed by each council),
- 3 additional elected members for political balance jointly appointed by the West Yorkshire councils,
- 1 elected member appointed by the City of York Council, and,
- 1 person nominated by the LEP (the LEP Member).

Of these, the elected member appointed by the City of York Council and the LEP Member are required by statute to be non-voting, except in so far as the Combined Authority gives them voting rights.

The Combined Authority's website [here](#) provide details of all current members of the Combined Authority.

Voting members on committees and panels include members from the private sector representatives and local authorities.

The Mayor appoints one of the members of the Combined Authority as a Deputy Mayor, who will act in place of the Mayor if for any reason the Mayor is unable to act or the office of Mayor is vacant.

Strategies

The Mayor is responsible for approving the local transport plan (subject to the Combined Authority's power to make amendments – see below) and may make other strategies in relation to the exercise of any Mayoral Function, in consultation with the Combined Authority.

The Combined Authority will approve any strategy in relation to Non-Mayoral Functions. Where a Non-Mayoral Function has been conferred on the Combined Authority further to the devolution deal, the approval of that strategy requires the support of the Mayor. The Combined Authority may also amend the Mayor's local transport plan if a majority of the members agree to do so.

The West Yorkshire Investment Strategy (WYIS) is approved by the Combined Authority and is subject to confirmation by the Mayor when in office.

Budgets

There are separate budgets for Mayoral Functions (the Mayor's budget) and Non-Mayoral Functions (the Combined Authority's budget).

The Mayor may raise money by precept and has the power, with the agreement of the Combined Authority and in consultation with the business community, to raise a Business Rate Supplement to fund infrastructure investment.

The Mayor's budget is subject to approval by the Combined Authority in accordance with statutory processes. These provide that the Combined Authority may:

- Approve the Mayor's draft budget, (default simple majority voting arrangement applies) or
- Veto the draft budget, and approve a budget incorporating the Combined Authority's recommendations by 5 / 8 majority of the members of the Combined Authority excluding the Mayor.

Investment decisions

Decisions relating to progressing a scheme under the assurance process fall to the Combined Authority, (or a decision-making committee of the Combined Authority or officer as set out in the assurance pathway and approval route for the scheme). Any such decision by the Combined Authority which relates to exercising any Non-Mayoral Function which was conferred further to the devolution deal requires the support of the Mayor.

~~The Mayor may request a review of any investment decision with regards the SIF before the Mayor came into office. Any such request must be submitted by the Mayor to the Combined Authority's Managing Director within three months of the Mayor taking office. The Combined Authority will carry out the requested review at the next ordinary meeting of the Combined Authority following receipt of the request, provided that this is not within 10 working days of that meeting. If the request is received within 10 working days of the next meeting, the Managing Director may refer the request to be considered at the subsequent meeting.~~

The Mayor also makes any decisions which relate to Mayoral Functions (or may delegate any such decisions as set out in this Assurance Framework).

Officers

Combined Authority officers serve both the Combined Authority and the LEP. They are appointed on merit in accordance with open recruitment arrangements and new officers undergo a structured induction process.

The Combined Authority complies with statutory requirements in relation to publishing officer salaries on the website [here](#).

The authority of officers to act on behalf of the Combined Authority is set out in the officer delegation scheme [here](#).

LEP Board

Membership

At least two-thirds²³ of the members of the LEP Board²⁴ must be private sector representatives²⁵.

The number of LEP Board members shall not exceed 20²⁶, excluding any additional member co-opted to the LEP Board. A maximum of 5 co-optees with specialist knowledge may be appointed to the LEP Board.

The Mayor is a member of the LEP Board.

The LEP's Constitution [here](#) sets out requirements in relation to LEP Board membership, including eligibility criteria, appointment processes, terms of office (including arrangements for resignation), and provisions relating to the LEP's Chair and Deputy Chair.

The LEP website [here](#), and the Combined Authority's website [here](#) provide details of all current members of the LEP Board.

The LEP Board has adopted an Equality and Diversity Policy including Diversity Statement explaining how the LEP seeks to ensure diverse representation at LEP Board and on advisory Panels which is reflective of their local business community (including geographies and protected characteristics). This can be viewed [here](#).

The LEP Board annually reviews its membership having regard to its Diversity Statement, taking into account the skills, knowledge and competencies it needs, the geography of the City Region, its key business sectors and different sizes of business operation.

The LEP Board appoints its private sector representatives, including the Chair, in accordance with open recruitment processes which are set out in the LEP recruitment procedure (which also covers engagement with the business community in relation to the appointment of the LEP Chair, succession planning and induction arrangements for private sector representatives) which can be found [here](#).

One LEP Board member is appointed to represent and engage with the SME business community, and another as Diversity Champion.

²³ To comply with this requirement of the National Local Growth Assurance Framework (2019) and Strengthened Local Enterprise Partnerships report (2018), new members were appointed to sit on the LEP Board on 25 February 2020, with effect of 31 March 2020.

²⁴ Any co-optee appointed to the LEP Board is to not be considered as a member of the LEP Board for the purpose of this requirement

²⁵ A private sector representative must be or have been employed by an organisation not included as central Government, local Government or a public corporate as defined for the UK National Accounts. Those from Higher Education or Further Education Institutions are not classified as public sector organisations.

²⁶ This requirement is met as a result of the decision made by the LEP Board with regards to the LEP Board membership on 25 February 2020, with effect of 31 March 2020.

The LEP has adopted a LEP Board Members' Remuneration and Expenses scheme which can be found [here](#).

Appendix 5 – Economic Services: approval arrangements

The Managing Director has delegated authority to award an Economic Services grant to a company or other legal entity²⁷ (“Business”) under any programme or scheme approved under the Leeds City Region Assurance Framework.

In accordance with the Conflicts of Interest Protocol, where any potential conflict arises from the involvement with a Business of any person on the LEP or any relevant committee, an application must be determined by the Managing Director, the Combined Authority or relevant committee.

A grant may only be awarded

- Where the application meets the eligibility and / or assessment criteria for the programme or scheme.

The **Advisory Groups** are set out in Table 2 below.

Table 2

Programme	Advisory Group	Membership	Thresholds
Business Growth Programme	Appraisal Advisory Group	Officers from the Combined Authority; officers from partner councils; Business Enterprise Fund	Considers any application for a grant over £50k and not exceeding £100k
Digital Investment Funds	Digital Investment Fund Appraisal Group	Officers from the Combined Authority	Considers any application for #Welcome and #Grow for a grant over £25k and not exceeding £50k

²⁷ Including a social enterprise, trust, partnership or sole trader.

Appendix 6 – Assurance process principles for ESIF Sustainable Urban Development (SUD) purposes

Purpose

The urban agenda and the role of cities in driving forward smart, sustainable and inclusive growth is central to the successful delivery of the 2014-20 ESI Funds Growth Programme in England.

The Leeds City Region Sustainable Urban Development (SUD) Strategy, which aims to address integrated urban challenges and opportunities in the region, was submitted to the Ministry of Housing, Communities and Local Government (MHCLG), now the Department for Levelling Up, Housing and Communities (DLUHC) back in September 2015 and was formally agreed.

The ~~Ministry of Housing, Communities and Local Government~~DLUHC – otherwise known as the Managing Authority - agreement of the SUD Strategy will ensure that funds worth up to 10% of the Leeds City Region European Structural and Investment Funds (ESIF), European Regional Development Fund (ERDF) allocation will be made available in order to implement the SUD strategy.

In order to put in place the delegated functions that are required by Article 7 of the EU Regulation 1301/2013, with regard to project selection, DLUHC MHCLG have now established the West Yorkshire Combined Authority as an Intermediate Body (IB) in line with Articles 123 and 125 of EU Regulation 1303/2013.

The Combined Authority, as the Intermediate Body will, in order to make decisions with regard to its role in the project selection process, use the principles of the assurance process as outlined below. Any process will be undertaken in line with the selection criteria as defined by the ESIF national Growth Programme Board.

This appendix presents the Leeds City Region assurance process as the model and framework that the Combined Authority has adopted in assisting in the selection of schemes as part of the ESIF programme 2014-2020 for SUD.

Background

- In July 2012, the Leeds City Region agreed a 'City-Deal' with HM Government giving greater local control over spending and decision-making particularly with regard to economic development, regeneration and transport. This 'City-Deal' agreed to the creation of a West Yorkshire Combined Authority and a commitment to develop an assurance process. The assurance process, once approved by HM Treasury, would provide a consistent, robust appraisal process for schemes and programmes to inform investment decisions.
- In light of this, and the flexibility that is inherent within the assurance process, it represents a means to structure the local appraisal of ESIF SUD schemes rather than developing a separate process. This approach complements the formal technical assessment carried out by ~~MHCLG~~DLUHC.

Introduction to selection of schemes using the Assurance Process principles

The process adopted here reflects the guidance issued by [MHCLG-DLUHC](#) and adheres to the process and role of the Intermediate Body.

The Finance, Resources and Corporate Committee provides advice to the Combined Authority in line with the nationally agreed criteria and in line with the agreed and signed Memorandum of Understanding between the Combined Authority and [MHCLG-DLUHC](#).

The Finance, Resources and Corporate Committee provides advice to the Combined Authority to whether proposals set out at Outline and subsequently Full Application appropriately address:

Local strategic fit as defined in the Selection Criteria²⁸ for the ERDF 2014-2020 programme, which includes how:

- The proposed operation contributes to the needs / opportunities identified in the Call for Proposals to which it is responding.
- The proposed operation is aligned to the local growth needs set out in the local ESI Funds Strategy and contributes to the specific objectives, outputs and results of the relevant priority axes set out in the Operational Programme.

In addition, the Combined Authority provides advice to [MHCLG-DLUHC](#) on the following value for money and deliverability selection criteria:

Value for money

- The operation must represent value for money. In assessing value for money, [MHCLG-DLUHC](#) take account of:
 - Efficiency: the rate / unit costs at which the operation converts inputs to the Fund outputs.
 - Economy: the extent to which the operation will ensure that inputs to the operation are at the minimum costs commensurate with the required quality.
 - Effectiveness: the extent to which the operation contributes to programme output targets, results and / or significant strategic impact at the local level.

Deliverability

- The operation is deliverable within the requirements of the fund specific Operational Programme taking account risks, constraints and dependencies

²⁸ Selection Criteria [here](#)

- Evidence has shown that this type of operation is effective or where the operation is new or innovative, the risks have been considered and appropriate mitigations put in place.

Using the assurance process principles

The assurance process is designed to ensure any schemes seeking public finance should be subjected to a rigorous appraisal. HM Treasury has developed the Green Book which provides the basis for how schemes should be appraised using the 'five cases model' to carry out a holistic assessment.

The five cases are:

- (i) Strategic: does the scheme fit with the aims of the City Region's Strategic Economic Plan? **(Used for selection of schemes for SUD as part of the ESIF Strategy)**
- (ii) Economic: is the scheme value for money? **(Used for selection of schemes for SUD as part of the ESIF Strategy)**
- (iii) Commercial: is there demand for the scheme and is it commercially viable?
- (iv) Financial: is the scheme affordable and sustainable?
- (v) Management: is the scheme deliverable with achievable objectives? **(Used for providing advice on the selection of schemes for SUD as part of the ESIF Strategy)**

The Green Book details approaches and tools that can be adopted in order to effectively appraise schemes. It is accepted that the detail and extent of appraisal should reflect the size and complexity of schemes, but within all appraisals there should be some consideration of each of the five cases.

The assurance process has been developed in line with these principles and was a key requirement that emerged from the LEP's City-Deal. The assurance process will be used by the LEP and the Combined Authority for all of its different funding regimes, providing a consistent and robust approach to appraise schemes. This means all schemes, irrespective of objectives or thematic area (transport, regeneration, housing, skills, innovation, enterprise etc.), will be assessed under this 'single' framework. This will better able the LEP and the Combined Authority to compare and prioritise schemes and programmes.

It is the assurance process which is used to form the basis for the 'local' appraisal and selection of SUD ESIF schemes outside the formal [MHCLG-DLUHC](#) assessment.

For the purposes of selecting SUD ERDF schemes, the key principles of the assurance process are used – but only using cases 1, 2 and for advice case 3 as described above and in line with the nationally agreed criteria and the agreed and signed Memorandum of Understanding between the Combined Authority and [MHCLG-DLUHC](#).

Strategic Fit – Proposed scope

The proposed assessment of strategic fit is currently structured around the four pillars of activity that are central to the Leeds City Region Strategic Economic Plan (SEP):

1. Growing businesses
2. Skilled People, Better Jobs
3. Clean Energy and Environmental Resilience
4. Infrastructure for growth

Promoting social inclusion and combating poverty, designed to reflect aspects of the social outcomes that are promoted within the ESIF programme, are integrated within the pillars.

The pillars have been broken down into activity that could contribute to strategic outputs within the respective pillar and schemes would be scored against these criteria.

Value for Money (VfM) – Economic impact – proposed scope

In assessing the value for money of each of the schemes, the process effectively mirrors that of the assurance process - ensuring that the costs and benefits of schemes are taken into account and wherever possible quantified. This is more straightforward for some schemes than others and there is an onus on reflecting local intelligence and priorities. New jobs and catalytic schemes are 'worth' more in some areas than others simply because there are fewer jobs or because it is more difficult to create and sustain jobs in certain locations. This is especially the case where disadvantage is long-term and entrenched.

The Research and Intelligence team own and manage the Regional Econometric Model, a complex tool that enables scenarios to be assessed in terms of their net economic impact. This provides a range of outputs with a focus on impacts in terms of employment and gross value added (a measure of economic impact). These outputs can be calculated over a range of different geographies.

Other approaches are used to quantify the outputs / outcomes that by their nature have a direct impact that is more social rather than economic.

In terms of the local assessment, additional measures of value for money are being used where necessary to provide more information on the potential impact of schemes. Such measures and ratios include:

- Total GVA of the project
- Ratio of GVA to Total Cost AND public sector support
- Total cost per job
- Total GVA per job
- Cost benefit ratio
- Grant per job
- Cost per business assist
- Cost per skill outcome
- Capital / build costs

The appraisal is informed and supported by national and local research in terms of the costs of outputs and outcomes. This includes elements such as guidance issued by OFFPAT, evaluations of RDA activity and more recent, evidence emerging from the What Works Centre for Local Economic Growth and bespoke evaluations such as that carried out on the Combined Authority's Business Growth Programme (BGP).

Undertaking the work

~~The responsibility of the Assurance Process is the responsibility of the Director of Delivery, to whom a Head of Feasibility Portfolio Management and Appraisal (PMA) and Assurance reports.~~

~~The Head of Feasibility and Assurance PMA commissions the Head of Research and Intelligence (under the Director of Strategy, Communications and Policing), to undertake the appraisal work on local strategic fit and economic - value for money (VfM). The appropriate policy lead will also support the approach, under the supervision of the Head of Research and Intelligence, to provide the advice that is considered and discussed by the Investment-C relevant thematic committee. This in turn, leads to recommendations to the Combined Authority to make decisions on the selection of operations.~~

~~The responsibility of the assurance process is the responsibility of the Director of Delivery, to whom a Head of PMA reports.—~~

~~The Head of PMA oversees the appraisal work on relating to the five cases including local strategic fit and economic—value for money (VfM). This review is undertaken by dedicated staff, drawing on wider technical support as required, and involves dialogue with scheme promoters as appropriate.—~~

Reporting

The results from the appraisal are presented in a summary assessment report, provided by ~~MHCLG~~DLUHC, alongside ~~MHCLG's~~ DLUHC's own formal technical assessment. This provides an insight into the strengths and weaknesses, bringing together the metrics and other qualitative and quantitative information.

Appendix 7 – Adult Education Budget

Devolution of the Adult Education Budget (AEB) is a shift from current centrally coordinated arrangements and will allow for local decisions to be taken to deliver learning opportunities aligned with the needs of individuals and employers across West Yorkshire.

Taking on these devolved powers is clearly a significant opportunity for the region. Currently around 90% of the funding is delivered without Local Authorities and the Combined Authority having a formal influence over AEB planning, and with no consequence to funding allocations if delivery does not meet local needs or align to our collective strategies.

Our devolved AEB Strategy proposes close working between Local Authorities and the Combined Authority to oversee provider delivery plans and performance, increasing the scrutiny on delivery and focussing on impact for our communities.

The Combined Authority is the accountable body in terms of assurance for AEB funding.

The table below sets out the decision-making in relation to policy, funding and contract allocation for AEB functions.

Decision-making: Policy, funding, and contract allocations

Decision	Decision-maker	Rationale
To approve or vary the AEB Strategy as required, including: <ul style="list-style-type: none"> Interim review 2021 (aligning to Mayoral priorities) Refresh 2024 	Combined Authority	The Strategy governs funding principles and will be revised in line with governance and assurance processes. Conflicts of interest are managed under the Members' Conflicts of Interest policy.
To agree the governance arrangements for AEB functions	Combined Authority	The Combined Authority is responsible for agreeing how its functions, including AEB functions, are discharged.

Formatted: No bullets or numbering

Decision	Decision-maker	Rationale
To approve the Funding Rules and Performance Management Framework	Combined Authority	<p>The Rules and Framework set out clear parameters for contractual decisions, which can appropriately and effectively be carried out by officers subject to strategic direction from the Combined Authority, avoiding the need for frequent referral of operational decisions to the Combined Authority.</p> <p>Variations and urgent amendments will be delegated to the Managing Director.</p>
To reallocate budget in response to underperformance / over performance outside performance management framework.	Combined Authority	<p>Decision on strategic funding usage.</p> <p>The Employment and Skills Panel may make recommendations to the Combined Authority on any such decision.</p> <p>Approval of financial values removes any conflict of interest claims, while ensuring clear methodology has been followed which aligns to strategy.</p>
To make interim changes to the policy and / or AEB Strategy in response to emerging economic needs, crisis responsiveness or similar.	Combined Authority	<p>Decision on strategic funding usage.</p> <p>The Employment and Skills Panel may make recommendations to the Combined Authority on any such decision.</p>

Decision	Decision-maker	Rationale
<p>To determine Grant Agreement Allocations & Procurement values annually agreed in March (once West Yorkshire AEB allocation confirmed):</p> <ul style="list-style-type: none"> outline in October 2020 final awards in March 2021 (once West Yorkshire AEB allocation confirmed) Annually agreed in March 	Managing Director	<p>Grant allocation amounts will be determined in accordance the methodology outlined in the AEB Strategy as approved by the Combined Authority.</p> <p>Approval of top line procurement values by the Managing Director while ensuring clear methodology has been followed which aligns to the Strategy.</p>
<p>To agree contracts for Services awarded through procurement and in March 2021, subsequent years confirmed in March annually based on performance management framework.</p>	<p>> £1m – Managing Director</p> <p>< £1m – Director of Economic Services</p>	<p>In accordance with the AEB Strategy, Combined Authority Procurement Strategy, Funding Rules, Performance Management Framework, and Contracts Standing Orders</p>
<p>New procurement rounds:</p> <ul style="list-style-type: none"> Planned responsiveness pot Refresh after 4 years <p>Bringing on new providers in light of provider base failure</p>	<p>> £1m – Managing Director</p> <p>< £1m – Director of Economic Services</p> <p>Advised by AEB Performance Group and ESP</p>	<p>In accordance with the AEB Strategy, as approved by the Combined Authority.</p> <p>ESP may make recommendations to the Combined Authority on any such decision.</p> <p>Conflicts of interest are managed under the Members' Conflicts of Interest policy.</p>
To approve or vary the AEB Procurement Strategy	Sub delegated from the Managing Director to the Director of Employment & Skills / Head of Employment and Skills	In accordance with the AEB Strategy and with the Combined Authority's Procurement Strategy

Decision	Decision-maker	Rationale
To approve overperformance and contract Growth requests	Sub delegated from the Managing Director to the Director of Employment & Skills / Head of Employment and Skills	In accordance with the mechanism set out in the Performance Management Framework, as approved by the Combined Authority. Technical expertise and performance data available at AEB Performance Group level.
Underperformance and contract reduction / termination	Sub delegated from the Managing Director to the Director of Employment & Skills / Head of Employment and Skills	Clear mechanism will be outlined in Funding Agreements, Performance Management Framework, which will be approved by the Combined Authority ahead of implementation. Technical expertise and performance data available through the AEB Performance Group.
To approve Funding clawback	Sub delegated from the Managing Director to the Director of Employment & Skills / Head of Employment and Skills	Clear mechanism will be outlined in Funding Agreements, Performance Management Framework which will be approved by the Combined Authority, along with Audit plans. Technical expertise and performance data available at AEB Performance Group level.
To agree Delivery plans Agreed annually with providers Variation approval based on performance and / or responsiveness	Sub delegated from the Managing Director to the Director of Employment & Skills / Head of Employment and Skills	Expertise regarding technical delivery and alignment to strategy available from the AEB Performance Group. Will deliver strategic aims as set by the Combined Authority. Employment and Skills Panel will be informed of any decisions, in line with Conflicts of Interest policy.

Decision	Decision-maker	Rationale
To add subcontractors to delivery plans within year upon request Annually	Sub delegated from the Managing Director to the Director of Employment & Skills / Head of Employment and Skills	Expertise regarding due diligence and strategic appropriateness is available from the AEB Performance Group. In accordance with the Funding Rules which outline strict requirements regarding subcontracting practice. Responsiveness required in year to ensure delivery timescales are met
To approve subcontracting where not already approved under current ESFA regulations. ESFA guidance available here .	Sub delegated from the Managing Director to the Director of Employment & Skills / Head of Employment and Skills	Expertise regarding due diligence and strategic appropriateness available from the AEB Performance Group. Funding rules outline requirements regarding subcontracting practice. Responsiveness required in year to ensure delivery timescales are met.
To make minor technical or process driven amendments to the Funding Rules in line with strategic direction set by the Combined Authority.	Sub delegated from the Managing Director to the Director of Employment & Skills / Head of Employment and Skills	Any amendments must remain in accordance with the AEB Strategy, as approved by the Combined Authority. Swift decisions needed to minimise any impact of responsiveness on delivery – decisions are predominantly technical, and process driven.

10 GLOSSARY

ASR	Appraisal Specification Report: A report produced by the scheme promoter, in conjunction with the West Yorkshire Combined Authority, setting out the agreed approach to appraisal of the scheme, as part of the assurance process.
AST	Appraisal Summary Table: A summary of the key consequences relating to the environmental, economic and social impacts of schemes. They are used to help determine which schemes should proceed and if they do, to decide which options to choose.
BCG	Business Communications Group: A group of people made up of key representatives from organisations in the City Region. They support business growth and act as an advisory group to the LEP Board.
BCR	Benefit Cost Ratio: An indicator used in cost-benefit analysis that attempts to summarise the overall value for money of a project or proposal.
BEIS	Business, Energy and Industrial Strategy: A ministerial department supported by 41 agencies and public bodies. It brings together responsibilities for business, industrial strategy, science, research and innovation, energy and clean growth, and climate change.
BGP	Business Growth Programme: The department for Business, Energy & Industrial Strategy set up grants for businesses that meet certain requirements. Businesses can apply to the Leeds City Region LEP to obtain these grants.
CBA	Cost Benefit Analysis: A systematic approach to estimating the strengths, weaknesses and alternatives for a decision to be made. It involves adding up the benefits of a course of action and then comparing these with the costs associated with it.
CSF	Critical Success Factors: A management term for an element that is necessary for an organisation or project to achieve its goals.
DfT	Department for Transport: A ministerial department supported by 23 agencies and public bodies. They work with agencies and partners to support the transport network and plan and invest in transport infrastructure.

ERDF	European Regional Development Fund: Aims to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions. The ERDF focuses its investments on several key priority areas and is designed to reduce economic, environmental and social problems in urban areas.
ESIF	European Structural and Investment Funds: Includes money from the European Social Fund, European Regional Development Fund and European Agricultural Fund for Rural Development.
EU	European Union: An association of European nations formed in 1993 for the purpose of achieving political and economic integration. Incorporating the European Community, the European Union's member states are Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom. In 2016 the United Kingdom voted by referendum to withdraw from membership in the European Union.
EZ	Enterprise Zone: An area in which state incentives such as tax concessions and infrastructure incentives are offered to encourage business investment. There are 24 enterprise zones in England.
FBC	Full Business Case: Provides the detail of the preferred solution for a project or programme. It confirms the benefit, cost and risk of delivering the preferred solution. FBC+ represents a full business case with finalised costs.
GPF	Growing Places Fund: Funding from the Ministry of Housing, Communities and Local Government that supports key infrastructure schemes designed to unlock wider economic growth, create jobs and build houses in England. This fund comprises of £730 million.
GVA	Gross Value Added: Measures the contribution made to the economy and is a key indicator of the state of the whole economy. It measures the value of goods and services produced in an area.
Green Book	HM Treasury guidance for public sector bodies on how to appraise proposals before committing funds to a policy, programme or project.
HE	Homes England: Formerly known as Homes and Communities Agency. An executive non-departmental public body that is sponsored by the Ministry of Housing, Communities and Local Government. HE helps create successful communities by making more homes and business premises available to the residents and businesses who need them.

HMT	Her Majesty's Treasury: The Government's economic and finance ministry, maintaining control over public spending, setting the direction of the UK's economic policy and working to achieve strong and sustainable economic growth.
LCR	Leeds City Region: A functional region around Leeds, West Yorkshire.
LEP	Local Enterprise Partnership: Locally-owned voluntary partnerships between local authorities and Businesses. Set up in 2011, they play a central role in deciding local economic priorities and undertaking activities to drive economic growth and create local jobs.
LGF	Local Growth Fund: Growth Deal funding provided to Local Enterprise Partnerships for schemes that benefit the local area and economy.
LIS	Local Industrial Strategy: Led by Mayoral Combined Authorities or Local Enterprise Partnerships, to promote the coordination of local economic policy and national funding streams and establish new ways of working between national and local Government, and the public and private sectors.
LVU	Land Value Uplift This is quantification of the net benefits of a scheme proposal. This measures the difference of value from the land's current use to when it is used for another purpose as an economic uplift and captures all private sector costs of development.
MCA	Mayoral Combined Authority: A combined authority with a mayor that is elected by the residents of the area. The mayor, in partnership with the combined authority, exercises the powers and functions devolved from Government, set out in the local area's devolution deal.
MD	Managing Director: The person who is in overall charge of the running of an organisation or business. The Managing Director of the Combined Authority is also the Chief Executive Officer of the LEP.
MHCLG	Ministry of Housing, Communities and Local Government: Formerly known as Department for Communities and Local Government (DCLG). A ministerial department supported by 13 agencies and public bodies. They create great places to live and work, and to give more power to local people to shape what happens in their area.
NPV	Net Present Value: The difference between the present value of the future cash flows from an investment and the amount of investment. NPV is used to analyse the profitability of a projected programme or project.
Nolan Principles	The seven principles of public life, which are the basis of the ethical standards expected of public office holders.

OBC	Outline Business Case: This sets out the preliminary information regarding a proposed project / programme. It contains information needed to help make a decision regarding the implementation of the project / programme such as envisaged outcomes, benefits and potential risks associated.
Orange Book	HM Treasury guidance for public sector bodies on risk management.
PAT	Programme Appraisal Team: A team formed to ensure compliance with the assurance framework. It is a formal group of West Yorkshire Combined Authority officers who oversee the assurance process.
PCR	Project Closure Report: The final document produced for the project and is used by senior management to assess the success of the project, identify best practice for future schemes, resolve all open issues and formally close the project.
PIMS	Portfolio Information Management System: A bespoke management system used to provide transparency, consistency, efficiency and focus on delivery.
PMA	Portfolio Management and Appraisal Team: A team formed to ensure a rigorous approach to the assurance process, including the appraisal of schemes and monitoring and reporting on our portfolio, so we get the best schemes for our money
QRA	Quantified Risk Assessment: A structured approach to identifying and understanding the risks associated with hazardous activities. The assessment takes inventory of potential hazards, their likelihood and consequences.
RAG	Red, Amber and Green rating: Also known as the traffic light system and used as a visual cue to project performance.
REM	Regional Econometric Model: Incorporates aspects of four major modelling approaches; Input - Output, General Equilibrium, Econometric, and Economic Geography. It estimates the changes in total regional income and employment.
SA	Strategic Assessment: This determines the strategic context for a programme / project and provides an early opportunity for key stakeholders to influence the direction, scope and scheme content.
SEP	Strategic Economic Plan: A long-term plan that shows how the LEP and Local Authorities will grow the economy and how its ambitions will be achieved. The SEP will be replaced by SEF during 2020.
SEF	Strategic Economic Framework: An agile, long-term strategic framework, incorporating both the new Local Industrial Strategy (LIS) as well as a full range of policies and strategies, reflecting the scale of our ambitions and priorities for the City Region.

SME	Small and Medium Enterprises: A company is defined as an SME if it has a staff headcount of either <50 (small) or <250 (medium sized). The company also needs to have a turnover or balance sheet total of ≤€10m (small) or ≤€50m (turnover) or ≤€43m (balance sheet) (medium).
SOC	Strategic Outline Case (SOC) The purpose of the SOC is to confirm the strategic context for the project, to make the case for change and to determine 'the preferred way forward'
SUD	Sustainable Urban Development (part of the ESIF programme): Part of the European Structural and Investment Funds programme operating as an Integrated Territorial Investment Instrument, which demonstrates the value of place-based solutions in responding to social, environmental and economic challenges. The area to be covered by SUD is the City Region's urban core of West Yorkshire and York.
TfN	Transport for the North A statutory sub-national transport body, which is a partnership of public and private sector representatives working with central Government and national transport bodies to develop and deliver strategic transport infrastructure across the North of England .
UDM	Urban Dynamic Model: A simulation of how transport interacts with population, employment and land-use over long periods of time, typically ten years or more. It helps understand how transport could contribute to economic regeneration.
VfM	Value for Money: The most advantageous combination of cost, quality and sustainability to meet customer requirements.
TAG	Web-based Transport Appraisal Guidance: Guidance on the conduct of transport studies. It provides advice on how to set objectives and identify problems, develop potential solutions, create a transport model for the appraisal of the alternative solutions and how to conduct an appraisal which meets the department's requirements.
West Yorkshire Transport Levy	An annual levy on the West Yorkshire authorities, which is used to invest in priority schemes / programmes across West Yorkshire, helping to deliver a number of key transport priorities.

Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 26 January 2022

Subject: **Corporate Performance Report**

Director: Angela Taylor, Director, Corporate and Commercial Services

Author(s): Alice Rowland, Interim Corporate Planning and Performance Manager

1. Purpose of this report

- 1.1 To provide the LEP Board with an update on a range of corporate and governance matters.

2. Information

- 2.1 As previously agreed, a corporate performance report is now being submitted to each meeting of the LEP Board, to provide information on budgets, performance management, risk, audit, scrutiny and any other matters that emerge. This is in line with recommended practice as set out in the Strengthened Local Enterprise Partnerships document and in line with the commitments in the Assurance Framework.

Revenue Budgets

- 2.2 Work is underway to finalise the proposed revenue budget for 2022/23. As previously reported this is a particularly challenging year, with sources of funding unconfirmed and recurring grants not yet notified. A balanced budget will be presented to the Combined Authority meeting of 3 February and a verbal update can be provided to the Board.

2021/22 LEP Annual Delivery Plan and Corporate Plan

- 2.3 The 2021/22 LEP Annual Delivery Plan is available on the LEP website. This will also form an integral part of the organisation's overarching Corporate Plan, which sets out the priorities for the LEP and the Combined Authority as a whole.
- 2.4 This wider Corporate Plan for 2022/23 is currently being developed, building on the plan in place for 2021/22. This was extensively reviewed following the transition to the new Mayoral Combined Authority model in May 2021, in order to reassess the key priorities of each of the six directorates and to ensure the mayoral pledges and priorities are adequately reflected in these.

- 2.5 The Combined Authority business planning process is also well underway, and initial draft business plan by directorate will be considered by the Combined Authority Board on 3 February.

2021/22 Corporate Performance

- 2.6 Corporate key performance indicators have been developed for this year and have been considered by the Finance, Resources and Corporate Committee to ensure they address the ambition of the organisation. For this year each indicator also has a focus on equality, diversity and inclusion within it.
- 2.7 The indicators are attached as **Appendix 1**. Performance to date against them is indicated by the RAG status.

Corporate risk update

- 2.8 In line with the provisions of the corporate risk management strategy, regular review of the key strategic risks affecting the organisation continues to be undertaken and the corporate risk register updated accordingly.
- 2.9 A summary of the headline strategic risks is included at **Appendix 2** to this report.

Internal Audit

- 2.10 The internal audit plan as approved by the Governance and Audit Committee of the Combined Authority covers the activities of the whole organisation. Since the last meeting of the LEP Board there have been no audit reports issued that are directly relevant to LEP activities.

3. Clean Growth Implications

- 3.1 None arising directly from this report.

4. Financial Implications

- 4.1 As set out in the report.

5. Legal Implications

- 5.1 None arising directly from this report.

6. Staffing Implications

- 6.1 None arising directly from this report.

7. External Consultees

- 7.1 None.

8. Recommendations

8.1 That the LEP Board note the corporate performance information provided.

9. Background Documents

9.1 None.

10. Appendices

Appendix 1 – 2021/22 KPIs

Appendix 2 – Strategic risks

This page is intentionally left blank

Corporate Key Performance Indicators 2021-22

Boosting productivity: helping businesses to recover from the Covid-19 pandemic and helping people find and retain good jobs in a post-Brexit landscape							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG	Notes	
BP1	Implement the Covid Economic Recovery Plan (ERP) and respond to the challenges/opportunities of Brexit, providing intensive support to businesses	ERP endorsed by Combined Authority board by Sept 2021	Head of Business, Innovation and Skills	ERP focusses on achieving a fair, just and lasting recovery - with inclusive growth central to this A basket of 15 indicators has been selected from the SEF indicators, and will be reported through the State of the Region.	G R E E N	Plan considered by the Combined Authority on 9 September 2021	A revised version of the ERP, incorporating the Mayor's vision and pledges for economic recovery, was presented to the Combined Authority at their September meeting. Each of the Committees of the Combined Authority will now be taking forward discussions on relevant elements of the plan, and how they will be delivered through the work programmes of those Committees
BP2	Ensure successful commissioning and delivery of Adult Education Budget services.	Contract with a minimum of 40 training providers	Head of Employment & Skills	We have embedded our Equality, Diversity and Inclusion aspirations into our provider base monitoring, linking to equality impact assessment to support protected characteristics groups. 2021/22 to be a baseline year with 2019/20 figures to be used as baseline as follows: <ul style="list-style-type: none"> 43% Learners from ethnic minority groups (WY demographic 20%) 23% Learners with learning difficulties and disabilities (increase from 19% to match WY Demographic) 43% Unemployed Learners 67% Female learners 	G R E E N	38	We aimed to contract with up to 50 training providers to deliver quality and innovative training programmes to our residents and communities of need. Following a robust moderating process, allocations for 20 grant providers and 18 contracts for service providers have been approved. This will enable the Combined Authority to increase the skills and quality of training within our region. Allocation letters and contracts award letters have been sent out, followed by a 2 week standstill period. It should be noted that the current engagement data reflects only 6% of the funding use, as recruitment continues throughout the year. Current engagement is as follows: <ul style="list-style-type: none"> 34% Learners from ethnic minority groups 19% Learners with learning difficulties and disabilities 48% Unemployed Learners 62% Female learners
BP3	Support people to access employment or re-train through Combined Authority led support programmes	4,000 people accessing employment or training support through the [re]boot, Employment Hub and other adult skills programmes	Head of Employment & Skills	Of the 4,000 participants: 16% will be from a BAME background 8% will have a disability 19% will be over 50 (This is the breakdown specified by the funder)	A M B E R	1,610	<ul style="list-style-type: none"> ESF Employment Hub – 1,023 to end Dec 21 – quarterly monitoring - local relationships are being built particularly with new JCP staff in JCP pop up jobcentres. Face to face delivery is being monitored and whilst slow and steady as staff and customers build confidence in this way of working we have reports that a lot of customers are still preferring the virtual delivery.

Boosting productivity: helping businesses to recover from the Covid-19 pandemic and helping people find and retain good jobs in a post-Brexit landscape							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG		Notes
							<ul style="list-style-type: none"> [re]boot - 265. Contractors are being closely managed and targets distributed where there is underperformance. An extension to delivery has been granted 31st March 2022. DFE bootcamp completions – 265 Teacher cpd - 99 Employment Hub 2 (Gainshare): The grant funding agreements have been sent and LA partners have customers ready to enrol on the programme. Skills Connect training courses launched Dec 2021
BP4	Implement new investment and placemaker funds with a focus on start-ups & scale-ups post-Covid.	250 pre-start and start-up businesses to be supported	Head of Business Support	50% of beneficiaries to be female 20% to be BAME 3% to have a Disability. (2021/22 is effectively the baseline year, but the above targets have been informed by other similar schemes across the country)	G R E E N	On track	<p>The tender to deliver Start-Up West Yorkshire has been awarded to People Plus Ltd and the programme was formally launched at an event on 3 November.</p> <p>People Plus have an initial 18-months contract with an option to extend for another 18-months, subject to performance or any changes to strategic priorities. There is a strong focus on EDI in the contract and People Plus is working with a number of community anchors and enterprise agencies with strong local links in some of our more disadvantaged areas, including the Paddock Trust, Airedale Enterprise Services, Inspired Neighbourhoods and Barca-Leeds. The support is being delivered as part of the existing AD:VENTURE enterprise support programme, but with a clearly defined target market that complements existing provision. Business to consumer start-ups are a key target for the programme as they have previously been excluded from EU-funded support, and are also common amongst the BAME communities.</p> <p>Since the programme launch, 79 referrals have been made to Start-Up West Yorkshire. 40 clients have been signed up to the support, just under half of whom are female (47%) and 35% of whom are from BAME backgrounds. The first round of webinars commenced in December 21, and over 30 diagnostic meetings have been arranged for January 22. 12 clients are booked on to webinars in January 22.</p> <p>In addition, a tender was published in November 21 for a scale-up / accelerator support programme for a small number of start-ups with high growth potential. Similar EDI targets are in place for this contract and</p>

Boosting productivity: helping businesses to recover from the Covid-19 pandemic and helping people find and retain good jobs in a post-Brexit landscape							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG	Notes	
							the new enterprises will be supported to address significant social, economic & environmental challenges. Delivery is expected to commence in early 2022.
BP5	Broker employment/apprenticeship opportunities to aid recovery through strategic engagements and collaborations with businesses to connect with education, apprenticeships, training, skills initiatives and new employment opportunities.	Broker 425 engagements and collaborations	Head of Employment & Skills	<p>15% of those businesses supported will be in the 20% most disadvantaged areas</p> <p>Businesses to engage with people in education, particularly those most disadvantaged in the labour market including young people with special educational needs and disabilities.</p>	GREEN	702	Over-achieving against targets, largely due to the success of the Skills for Growth programme which supports businesses to engage with the full breadth of the education system, and has been extremely well-received. On school partnerships activity, there is a particular need for business volunteers to develop strategic relationships with schools, particularly in Leeds and Bradford due to unmet demand from schools. Close working with LAs to target businesses. Employers also engaged through Employment Hub 1, [re]boot and DFE bootcamps.
BP6	Support delivery of 187,500 square feet of commercial space through the Enterprise Zones programme	187,500 square feet of commercial floorspace delivered across the Enterprise Zone Programme	Head of Economic Implementation	<p>Occupiers locating to the EZ are securing and maintaining existing jobs and creating further opportunities within demographically deprived areas of the Leeds City Region.</p> <p>Numbers of new jobs created are captured as part of contractual monitoring under terms within the Grant Funding Agreement</p> <p>Parry Lane – through SCAPE the construction contract with Balfour Beatty of £4.77m has the potential to deliver £2.59m of social value delivered through a series of TOM's (see notes)</p>	GREEN	<p>150,500 sq ft delivered at Gain Lane, Bradford.</p> <p>177,500 sq feet delivered at Moor Park, Kirklees</p> <p>Total 328,000 sq feet delivered</p>	<p><u>Parry Lane Social Value Measures</u> Local Investment to date: 48% of spend within 10miles, 60% of local labour within 10miles. Environment to date: 100% of waste diverted from landfill including 7400 tonnes of waste concrete to be re-used.</p> <p>Construction careers have been promoted at primary schools, Oastlers High School and Bradford University with further events planned by March 2022.</p> <p>Biodiversity- the biodiversity project will invest 15 units of biodiversity measures into unusable land to enhance local biodiversity in an urban area.</p> <p>The joint brief with Bradford Council for the sale of land for commercial use will include a ranking system that will score prospective purchasers according to key outputs including new jobs, skills, training and apprenticeship opportunities, low carbon construction</p>

Enabling Inclusive Growth: Enabling as many people as possible to contribute to, and benefit from, economic growth, especially those disproportionately affected by the Covid-19 pandemic							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG		Notes
GR1	Focus on reducing inequalities in our communities, including those caused by the Covid pandemic, across all our services/functions.	Aim to slow the rate of widening inequality / start closing the gaps	Director of Strategy, Comms and Policing	The aim is to ensure that excluded / disadvantaged groups and communities are able to benefit from and contribute to economic growth. Indicators relating to equality, diversity and inclusion are contained within the State of the Region, including a separate report on Women and Girls.	A M B E R		<p>Metrics aimed at narrowing and closing the region's socio-economic inequalities are contained within the State of the Region report, the first of which has been published and which will be published annually going forward. This includes a separate report Women and Girls.</p> <p>The new CA decision making Committees will receive regular reports on the indicators in their area of responsibility, including relating to inclusive growth.</p> <p>Proposals underway for a WY Mayoral Inclusivity Champion to be appointed to provide regional leadership on ED&I with a view to narrowing socio-economic and health inequalities.</p>
GR2	Improve attainment and ambition among our most disadvantaged young people, working closely with schools/colleges to aid recovery.	<p>Engage with 180 schools to support positive destinations of young people, particularly the most disadvantaged.</p> <p>(Note: engagement is with School Senior Leadership Teams and careers leaders to support progress towards Gatsby benchmarks of good careers guidance, rather than directly with pupils)</p>	Head of Employment & Skills	<p>Tailored support provided to schools to improve ambitions and destinations, particularly by providing meaningful encounters with employers - which is proven to improve positive destinations and to overcome the lack of social capital experienced by disadvantaged young people.</p> <p>Additional support provided to 92 most disadvantaged schools - additional support for pupil premium or disadvantaged young people via action plans.</p>	G R E E N	180	180 schools currently engaged in the network. Work underway to ensure that appropriate support is being provided to ensure that disadvantaged pupils are not disproportionately affected by any negative impacts of the covid pandemic on learning and attainment.
GR3	Expand affordable ticketing to under 25's, jobseekers and those without bank accounts, reducing inequalities heightened by Covid.	<p>Engage with 40 employers (including Job Centre Plus) to extend access to the MCard Mobile App and gifting of ticketing products to job-seekers, students and employees.</p> <p>Reduce the cost of on-bus MCard tickets to the same level as pre-pay off-bus tickets.</p>	Head of Customer Services	<p>Supports access to education, employment and training. MCard Mobile gifting functionality opens up new opportunities to work with Job Centre Plus on tickets for job seekers</p> <p>At the end of March 22 we will secure high level demographic intelligence about the individuals</p>	A M B E R	Patronage c.75% of pre pandemic prior to end of academic year	<p>Fare Deal for Under 19s launched and MCard promotion under way</p> <p>January 2022: MCard Mobile app gifting functionality now introduced in 20 employer and education establishments, including the first Job Centre Plus (Leeds city centre)</p>

Enabling Inclusive Growth: Enabling as many people as possible to contribute to, and benefit from, economic growth, especially those disproportionately affected by the Covid-19 pandemic							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG		Notes
				benefitting from the new MCard Mobile App arrangements.			
GR4	Enable older and disabled people to access free/discounted travel.	Operating in pandemic environment volatile market conditions. Focus of team is on maintaining bus network within existing funding.	Head of Mobility Services	Concession is aimed at older, less mobile members of community	AMBER	Patronage c 60% of pre pandemic	Concessionary pass use continues to be comparatively lower than that of fare payers and impacted by the current phase of the pandemic
GR5	Fund socially necessary bus services, safeguarding community connectivity in a post-Covid funding environment.	Operating in pandemic environment volatile market conditions. Focus of team is on maintaining bus network within existing funding.	Head of Mobility Services		RED	Patronage c 65% of pre pandemic	Tendered bus services continue to operate during the pandemic but are affected by sustained patronage loss and the effects of high staff absence due to sickness/ isolation have impacted on service delivery. The impending withdrawal of emergency funding together with wide cost pressures in the bus industry are causing bus operators to withdraw services and creating pressure on the CA to fund their continued operation
GR6	Deliver projects/programmes to improve inclusivity e.g. Superfast Broadband connectivity to 40,000+ premises	<p>An additional 3,585 premises enabled for connection to Superfast Broadband.</p> <p>Contract 2 will deliver 544 premises in year.</p> <p>Contract 3 is contracted to deliver 3,041 premises by March 2022. On completion of the programme the project is contracted to deliver 5571 premises (end of June 2022).</p>	Head of Economic Implementation	The Superfast West Yorkshire & York broadband Contract 2 completed in Sept 21 and the contract enabled a total of 11,448 premises in deprived areas across the whole project. These homes and businesses will have access to Broadband with speeds greater than 30mb/s. This has helped support business continuity and growth & enabled people to work remotely during the Covid19 pandemic. Broadband contract 3 includes a Social and Economic Value Plan focused on Skills development & employment.	AMBER	<p>(In year performance)</p> <p>Contract 2 - 699 premises</p> <p>Contract 3 – 1809 premises</p>	<p>Contract 2 has largely completed. As of 30th December, the contract has enabled 41269 premises over its lifetime, including over 1,000 businesses. This is one short of the contractual target of 41270.</p> <p>By 30th December Contract 3 had delivered 1809 premises and 480 businesses. This is behind contractual target.</p>

Delivering 21st Century Transport: Ensuring our transport network recovers to provide the services that people need, while laying the foundations for future improvements							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG & Direction of travel	Notes	
TR1	Work with partners to rebuild confidence in public transport and ensure it is fit for purpose post-Covid through the 'back to bus' campaign	Not yet defined but patronage return is currently 65% when compared to 2019, operators are looking for patronage to return to 75-80% by March 2022	Head of Transport Policy	Stability in the bus network will help to ensure communities are better served.	A M B E R	An operator led campaign of back to bus was launched in June 2021	<p>Bus patronage across West Yorkshire is currently 75 to 80% when compared with 2019. This is comparable to other City Regions. Omicron variant has reduced demand for bus services. The Bus Service Improvement Plan sets out a number of initiatives to further encourage customers back to bus. In 2022 the plan sets out that:</p> <ul style="list-style-type: none"> • Rollout of new colour coded bus stop maps and flags region wide • Expand MCard mobile app to link ticket sales, journey planning and in-journey information • Trial 90-minute multi journey tickets • Enhanced Safer Travel West Yorkshire partnership with West Yorkshire Police • Early network and service enhancements
TR2	Lead work on bus reform to drive up standards of bus travel, ensuring passenger safety post-Covid.	Complete a Bus Recovery Action Plan by end 2021 (Government announcement dependant) Complete a Bus Service Improvement Plan by October 2021	Head of Transport Policy	<p>The Bus Service Improvement Plan will look to enhance the bus service offer and provide connectivity to communities. The following key performance indicators are identified (to 2030):</p> <ul style="list-style-type: none"> • Improved journey times -15% reduction in average journey time • Improved reliability and punctuality -to achieve 99.5% reliability and punctuality • Increased bus patronage -2019 levels + 16% • Increased customer satisfaction* with local bus services -to achieve a 9 in the West Yorkshire Residents Perceptions of Transport Survey • Weekday mode share on radial routes into district centres moved from car to bus -Reduce car share by 4%, 	G R E E N	<p>Bus Service Improvement Plan was published on 31st October 2021</p> <p>West Yorkshire Bus Service Improvement Plan (BSIP) - West Yorkshire Combined Authority (westyorks-ca.gov.uk)</p>	<p>The Bus Service Improvement Plan set out the following deliverables for 2022:</p> <ul style="list-style-type: none"> • Rollout of new colour coded bus stop maps and flags region wide • Expand MCard mobile app to link ticket sales, journey planning and in-journey information • Trial 90-minute multi journey tickets • Enhanced Safer Travel West Yorkshire partnership with West Yorkshire Police • Early network and service enhancements <p>The amount of funding which the Combined Authority will receive through BSIP is uncertain and may fall short of the ask.</p>

Delivering 21st Century Transport: Ensuring our transport network recovers to provide the services that people need, while laying the foundations for future improvements							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG & Direction of travel		Notes
				increase bus share by 10% <ul style="list-style-type: none"> Improved environmental performance and reduced carbon emissions of the bus network -a 50% zero emission bus fleet Improved service provision for those travelling in the early morning and evening - 5% increase Improved housing accessibility by bus via the core bus network - 60% Improved employment accessibility by bus via the core bus network – 70% Improved satisfaction with personal security while on the bus -90% Improved passenger satisfaction with value for money -75% 			
TR3	Answer travel enquiries and improve passenger information including on-street real time displays	Answer 1 million travel enquiries Delivering 100 new Real Time Information screens Re-introducing 3,000 stop specific roadside information displays	Head of Customer Services	All passenger information is available in several languages and in a range of accessible formats (including language-line, easy-read and large print). Braille and audio information are also available on request and Real time audio information will be available at 200 new bus stops on the core bus network by the end of March 2022.	A M B E R	Usage around 60% of pre pandemic	BSSG funding to be issued direct to operators and uncertainty over network changes could impact on patronage return January 2022: Stop specific timetables are now in place at the 3,000 busiest bus stops in West Yorkshire and are being updated on agreed Combined Authority service change dates. As and when service changes slow down, we will look to further expand timetables to the 8,000 busiest stops.

Delivering 21st Century Transport: Ensuring our transport network recovers to provide the services that people need, while laying the foundations for future improvements							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG & Direction of travel		Notes
TR4	Influence Government on major strategic rail investment including HS2 and Northern Powerhouse Rail	Secure commitment to TRU, NPR, HS2, ECML and Electrification investments.	Head of Transport Policy	To influence Government so that the principles of inclusivity, diversity and equality are incorporated in the design of new rail facilities and infrastructure including TRU, NPR and HS2.	AMBER	The IRP was published in November 2021	Following publication of the IRP meetings have been held with DfT, Treasury, TfN, other Transport Authorities and Local Authorities to continue to influence the scope of TRU, NPR, HS2 and other rail investments. The governance for the study identified in the IRP is currently being finalised.
TR5	Further develop mass transit proposals for West Yorkshire	Finalise the Strategic Outline Business Case (SOBC) for mass transit by December 2021 for submission to PAT by first quarter 2022	Head of Transport Policy	The principles of inclusivity, diversity and equality are incorporated into the route options and design with an initial set of indicators presented as part of the SOBC.	GREEN	Mass Transit SOBC was submitted December 2021	The Mass Transit Vision Document and Strategic Outline Business Case (SOBC) is due to be considered by the Combined Authority in March 2022. The Vision Document, SOBC and future Outline Business Cases will consider a number of areas where inclusive, diversity and equality can be incorporated into the delivery, including: an affordable fare structure; maximising local supply chains and skills; new jobs and training opportunities; accessible infrastructure and a service offer that provides a real alternative to the car. The design will focus on creating a safe and welcoming space and environment for all
TR6	Continue delivery of transport infrastructure projects/programmes to promote sustainable travel choices	<p>Transport 2021/22 spend achieved in accordance with agreed target of £80m (WY+TF)</p> <p>TCF 2021/22 spend achieved in accordance with agreed target of £65.8M spend</p>	Head of Transport Implementation / Head of TCF	<p>Transport projects encourage active travel and improve accessibility.</p> <p>WY+TF: 9km of improved infrastructure to allow access to active travel for accessible users</p> <p>6 transport hubs delivered in low deprivation areas</p> <p>522 real time (audible) bus stops in Leeds to improve services for accessible users</p> <p>Stourton P&R 77 buses per week day 2021/2022 to improve access from low deprivation areas to Leeds City Centre</p> <p>TCF programme working on stakeholder mapping to ensure inclusivity in consultation and engagement</p>	GREEN / AMBER	<p>Transformational programme / projects that are being shaped through consultation and engagement, risks around land assembly, road space reassignment, timescales to deliver significant change.</p>	<p>WY+TF: completion 2035, however ED&I outputs will be able to be achieved earlier when individual projects complete DP7 (project closure).</p> <ul style="list-style-type: none"> 8.4km of improved infrastructure completed. Castleford-Wakefield Greenway in construction and will be completed by March 22. 6 transport hubs delivered (Compton, Pudsey, Lincoln Green, Middleton, Rothwell, Cottingley) 1x transport hub at Bramley due to complete Jan 22 560 real time (audible) bus stops in Leeds Stourton P&R opened September 2021, so buses now operational (KPI complete). M&E data will be collated for usage. <p>RAG – Green for above</p> <p>TCF: 31 out of 33 projects have complete consultation and engagement activities, a number of these have completed a second stage of engagement too. Halifax Bus Station (£17.7m) and Leeds City Centre Cycle Connectivity (£7.06m) are in construction phase. White Rose Rail Station (£12m) and York Rail Station Gateway (£13.1m) are moving towards contract awards</p>

Delivering 21st Century Transport: Ensuring our transport network recovers to provide the services that people need, while laying the foundations for future improvements							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG & Direction of travel		Notes
							to allow start of construction phase. 9 further projects (total £112.7m) are working on FBC's. 4 projects have submitted OBC's for approval in quarter 4 and 20 projects are currently working on OBC submissions, with the majority of these having OBC submissions planned for the next 3-6 months. TCF schemes are currently transitioning into the CRSTS bid/programme which will allow more funding flexibility to deliver beyond March 2023. RAG – Amber on above
TR7	Enhance the MCard mobile app and adapt Travel Centres to offer new products for a changed market	50% of sales to be via the Mcard Mobile app by March 2022	Head of Customer Services	App use will be reviewed geographically to understand access. The App provides an efficient retail means for the MCard product range. But for those who still require face to face service, the Travel Centres will be retained.		App has been launched	Strong growth in sales through app although most transferred from other retail channels.

Tackling the Climate Emergency: Ensuring a green recovery and accelerating our plans for a net zero carbon economy by 2038 at the latest							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG		Notes
CE1	Ensure a green recovery from Covid and accelerate plans for a net zero carbon economy by 2038 at the latest.	<p>Publish the Mayor's Climate and Environment Plan by September 2021</p> <p>Secure necessary funding (£96.1m) to deliver the plan and Mayor's pledge</p>	Head of Place and Environment Policy	<p>The plan will be focussed on addressing a fair, just transition to net zero, and ensuring that the costs and benefits are shared equally.</p> <p>A basket of SEF Indicators - rates of fuel poverty, residents and businesses at risk of flooding and access to green spaces – will be reported on through the State of the Region.</p>	GREEN	<p>Plan endorsed by Climate, Energy and Environment Committee on 20 October, and published in Combined Authority papers to be discussed and endorsed on 22 October.</p>	<p>Next steps are to publicise the Plan, including as part of our involvement in COP26, and commence a climate conversation, led by the Mayor.</p> <p>The Bus Service Improvement Plan sets out that by 2030:</p> <ul style="list-style-type: none"> Weekday mode share on radial routes into district centres moved from car to bus -Reduce car share by 4%, increase bus share by 10% Improved environmental performance and reduced carbon emissions of the bus network -a 50% zero emission bus fleet. By 2036 to be 100% zero emission
CE2	Deliver a programme of carbon and waste reduction initiatives at all Combined Authority facilities and across our investment programmes.	<p>% of waste recycled, energy use</p> <p>A suite of targets and indicators to be developed following installation of recycle facilities at all bus stations (currently in progress). Target indicators to be in place for financial year 2022</p>	Head of Assets	<p>A review of research and intelligence to fully understand the impact of carbon reduction and climate improvement is required to determine the relevant metrics for EDI impacts</p> <p>Discussions with R&I confirm that link between recycling and EDI is difficult to establish. There may be a link to air quality from waste not recycled (eg burnt) and the impacts on Co2 and NOx emissions on low income/high population areas. Work continues in this area.</p>	AMBER	32% waste recycled	<p>New waste management contract has increased % of waste recycled from 8% to 32%. New energy supply contracts increased use of sustainable sources. Recycling facilities now installed in major bus stations. Review of data sets for carbon impact on EDI ongoing, anticipated November 2021 to feed into new processes and/or indicators as appropriate for financial year 2022</p>
CE3	Provide support and advice to businesses to help them to introduce energy efficiency measures.	Provide 175 businesses with intensive clean growth support	Head of Business Support	<p>10% of grant-recipients deliver an Inclusive Growth commitment in addition to clean growth commitments. These can include:</p> <p>Paying staff the Real Living Wage</p> <p>signing up to the Fair Work Charter</p> <p>Upskilling lowest paid staff</p> <p>Recruiting people with long-term health conditions</p> <p>Working with a local school</p>	GREEN	127	127 businesses have been supported to implement more environmentally sustainable ways of working, through investments that reduce energy consumption and costs, and improve approaches to recycling and reuse.

Tackling the Climate Emergency: Ensuring a green recovery and accelerating our plans for a net zero carbon economy by 2038 at the latest							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG		Notes
				Offering placements to people disadvantaged in the labour market.			
CE4	Support businesses to implement sustainable travel plans through the Travel Plan Network (TPN)	Support 100 businesses to implement sustainable travel plans	Head of Business Support	<p>The TPN Team is working on a major initiative with NHS providers across the region to address health inequalities through active & sustainable travel measures impacting on staff and service-users</p> <p>25% of businesses supported are in the 20% most disadvantaged areas</p>	GREEN	52	52 businesses have been supported to date. The TPN team is also supporting the NHS Integrated Care System (ICS) and its partners to embed sustainable travel options throughout the NHS in the region. The first forum session will take place in February 22 and will allow the TPN to provide intensive support to 24 organisations.
CE5	Finalise programme of low carbon schemes supported by the Energy Accelerator	<p>Project Formally Closed with EIB</p> <p>Closure within 80 days (19 Nov 21) of final report (31st Aug 21) as per contractual commitments</p>	Head of Economic Implementation	<p>Programme has indirectly had positive impacts on:</p> <ul style="list-style-type: none"> Green energy as environmental/racial justice Responding to high levels of unemployment Levelling up in Schools Responding to vulnerable populations and improving access to public transport Tackling Fuel Poverty Responding to inequalities in access to arts and heritage 	GREEN	Complete	<p>Programme closed 31st July 2021 with final report submitted to EIB on time (31.08.21). EIB has confirmed approval of final report by email – formal acceptance letter awaited (Oct 21)</p> <p>Lessons learnt workshop complete and project sponsor survey issued.</p>
CE6	Implement the Connectivity Strategy and pipeline, promoting active & decarbonised travel.	<p>Revise and finalise the Connectivity Plan with transport pipeline covering all modes and secure funding from the Intra-City Transport Fund.</p> <p>Agree a 5 year deal with Government by end of 2021 (Government announcement dependant)</p>	Head of Transport Policy	<p>To ensure access for all across the transport network. Transport Strategy</p> <p>Mode Share targets: 25% of trips by bus 300% by cycle 75% by rail.</p> <p>To reduce inequality in access to employment. To increase MCard transactions.</p>	GREEN	The City Region Sustainable Transport Settlement has been submitted and indicative funding settlement of £830m provided (to be confirmed in March 2022)	<p>The City Region Sustainable Transport Settlement is the first portion of funding to support delivery of the Connectivity Strategy. The bid has been submitted an indicative funding settlement of £830m has been allocated for delivery April 2022 to 2027</p> <p>The Bus Service Improvement Plan set out the following deliverables for 2022:</p> <ul style="list-style-type: none"> Rollout of new colour coded bus stop maps and flags region wide Expand MCard mobile app to link ticket sales, journey planning and in-journey information Trial 90-minute multi journey tickets Enhanced Safer Travel West Yorkshire partnership with West Yorkshire Police Early network and service enhancements

Tackling the Climate Emergency: Ensuring a green recovery and accelerating our plans for a net zero carbon economy by 2038 at the latest							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG	Notes	
Ensuring Effective and Efficient Policing: Support the Mayor/Deputy Mayor to secure an efficient and effective police service for West Yorkshire							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG	Notes	
EP1	Oversee progress against the Police and Crime Plan, ensuring proactive monitoring and transparent reporting.	Governance review to identify possible improvements to scrutiny framework completed by end of March 22. New Police and Crime Plan to be published by end of March 22.	Head of Policing and Crime	Consultation on the new Plan to reach as many people as possible and survey available in different languages and formats with open offer of assistance in completing it for those who request it. Data to be collated from those responding to the survey and a full equality impact assessment to be done as part of the work on the new Police and Crime Plan by 30th November 2021	G R E E N	On track	The Mayor/DMPC continue to attend the governance meetings and meet regularly with the Chief Constable. Community Outcomes Meeting is now held in public to improve transparency and accessibility. Consultation on the Police and Crime Plan for 2022-25 continues. Diversity of respondents is being monitored and action being taken to drive further engagement and responses from under-represented groups. The Draft Police and Crime Plan will be presented to the Police and Crime Panel in January and further refined before formal publication in March 2022.
EP2	Commission targeted services to increase community safety and support victims of crimes, ensuring these demonstrate value for money.	Commissioning strategy in place based on Needs Assessment. Continual monitoring of external spend through returns to ensure Value for Money and successful delivery on agreed outcomes. Recommission 2 key contracts by April 2023 and offer and manage financial assistance by way of grants	Head of Policing and Crime	Open and transparent bidding process. Consideration of EDI Internal challenge through internal commissioning group. Currently considering what EDI performance measures could be measured based on the records we received from our providers. This information will be available by 31 st March 2022.	G R E E N	On track	Currently manage total funding of £12m for 2021/22 with 20 Contracts with a total value of £2.7m and 116 Grants with a total value of £9.3m. Further Ministry of Justice funding has been announced for additional Independent Sexual Violence Advisers and Independent Domestic Violence Advisers (amount to be confirmed).
EP3	Work with community safety and criminal justice partners to ensure joined up local priorities.	Specialist advisors within P&C department. Comprehensive partnership meetings in place covering all 16 priorities within the Police and Crime Plan. Violence Reduction Unit (VRU) working through a Public Health Approach. Secure both an effective partnership response to Community Safety and improvements in the criminal justice system by 2024	Head of Policing and Crime	Equality, Diversity and Inclusivity is a key consideration of all partnership boards Police and Crime department sit on. Currently considering what EDI performance measures could be measured based on the records we received from our providers. This information will be available by 31 st March 2022.	G R E E N	On track	Work continuing with safeguarding partners, CSPs, Local Criminal Justice Board, Partnership Executive Group and the monitoring of compliance with statutory duties. Recruitment planned of specialist policy officers to support the Violence against Women and Girls, Criminal Justice and Victims and Witnesses workstreams.

Tackling the Climate Emergency: Ensuring a green recovery and accelerating our plans for a net zero carbon economy by 2038 at the latest							
Business plan objective		2021/22 Target	Owner	Equality, Diversity and Inclusion measure	Performance		
					Current result/RAG		Notes
EP4	Provide strategic financial oversight to ensure appropriate use of the policing budget and to address the financial implications of the Covid pandemic.	Annual accounts to be approved and signed off by Nov 2021 Understanding of key driver eg, CSR and impact of medium and long term resourcing of WYP. Advise the Mayor about the setting of the police budget and the policing precept by 31st January 2022	Head of Policing and Crime	The needs assessment is being updated to include information and data from partnerships and key in WYCA data dashboard and this will be completed by 31st March 2022.	G R E E N	On track	Monthly meetings are being arranged with WYP's Chief financial officer and a finance business partner is being recruited to work closely with the policing and crime team Monthly meetings taken place with the Chief Constable, DMPC and Statutory Financial Officers to discuss budget for 2022-23. The Mayor's precept survey has been launched (06/01/2022)
EP5	Ensure meaningful and inclusive community engagement on policing and crime issues.	Consultation and engagement plan in place within Policing and Crime and VRU. Engagement Plan in place. Target to complete all actions within the Plan by 31st March 2022	Head of Policing and Crime	Collect diversity data on Police and Crime Plan engagement - target is to ensure that the consultation is reflective of the population of West Yorkshire and this is done by 30th November 2021.	G R E E N	On track	Busy timetable of engagement for both Mayor and DMPC including Call for Evidence about Keeping Women and Girls Safe, the Women and Girls Roundtable, and community engagement on the new Police and Crime Plan. Diversity of respondents to the online survey is being monitored and action taken as a result.

This page is intentionally left blank

Corporate risk update January 2022

Original risk	Key mitigations	Likelihood	Impact	Rating & Trend		Owner
Due to the long term impacts of the COVID-19 pandemic on the regional economy and on travel habits, there is a risk that key corporate objectives cannot be met	<ul style="list-style-type: none"> Research and Intelligence continue to model potential impacts and long term scenarios Working closely with partners and representative groups to identify possible long term impacts and develop joint responses Updating business plans to identify key areas for re-prioritisation 	3 Possible	5 Critical	Very high	↔	Managing Director
Due to the financial impacts of the COVID-19 pandemic, there is a risk that the medium to long term financial health of the Combined Authority will be adversely affected	<ul style="list-style-type: none"> Financial scenario modelling undertaken and being continually updated Continued liaison with Government to understand funding opportunities Budget Working Group and Finance & Resources Committee to oversee response 	3 Possible	5 Critical	Very high	↔	Managing Director
Due to over-optimistic profiles, capacity and recruitment and retention challenges, there is a risk that the Combined Authority fails to directly deliver projects funded through fixed capital funding programmes, within the stipulated timescales or budget, or with the anticipated level of benefits	<ul style="list-style-type: none"> Significant monitoring and controls in place through Assurance Process Challenge on delivery profiles of individual schemes through Assurance Framework Ongoing work to widen the advertising reach for vacancies 	3 Possible	4 Serious	High	↔	Director of Delivery
Due to over-optimistic profiles, capacity and recruitment and retention challenges, there is a risk that our District partners fail to fully deliver projects funded through fixed capital funding programmes, within the stipulated timescales or budget, or with the anticipated level of benefits	<ul style="list-style-type: none"> Significant monitoring and controls in place through Assurance Process Continuing to provide support to districts through secondment of projects/programme staff Challenge on delivery profiles of individual schemes through Assurance Framework 	3 Possible	4 Serious	High	↔	Director of Delivery
Due to challenges in bringing forward Enterprise Zone sites within Growth Deal funding and occupier incentive timescales, there is a risk that there is insufficient floorspace to generate projected business rates income.	<ul style="list-style-type: none"> Prudent level of income forecasting included within budget projections New Head of investment & Development role to oversee EZ strategy Cross-directorate approach established to link into broader funding opportunities and to maximise Inward Investment reach. 	3 Possible	4 Serious	High	↔	Director of Economic Services
Due to the high volume of people and inherent operational risks present in a bus station, transport interchange or CA facility, there is a risk that a major accident or injury occurs at a CA facility	<ul style="list-style-type: none"> Health and safety policies, procedures and processes in place Ongoing staff training Continual monitoring of Health and Safety risks Working with district emergency planning units to share knowledge and develop joint plans 	2 Unlikely	5 Critical	High	↔	Director of Transport & Property Services
Due to the significant amount of change within the organisation and associated increasing workload pressures, there is a risk that staff wellbeing is adversely affected.	<ul style="list-style-type: none"> Significant activity in place to promote wellbeing and signpost staff to support Specific support services in place including EAP and Mental Health First Aiders Capacity issues being identified and monitored through SLT and MCA Board 	3 Possible	4 Serious	High	↔	Managing Director
Due to the need to improve recruitment processes and reach, there is a risk that the CA is not able to fill vacant roles or attract a suitably diverse and skilled workforce, ultimately impacting on the ability to meet corporate objectives.	<ul style="list-style-type: none"> HR Advisor to lead recruitment & diversity activity in post Interim improvements to advertising of vacancies put in place 	3 Possible	4 Serious	High	↔	Director of Corporate & Commercial Services
Due to the business failure, sale, or substantial change in bus/rail providers, there is a risk that there is a	<ul style="list-style-type: none"> Close relationships with operators to obtain early warnings Continued dialogue with DFT, TFN 	3 Possible	4 Serious	High	↔	Director of Transport & Property Services

Original risk	Key mitigations	Likelihood	Impact	Rating & Trend		Owner
substantial reduction or alternation of services to customers.						
Due to an internal failure of controls, protocols and systems or a malicious attack there is a risk that the CA falls victim to a cyber security breach	<ul style="list-style-type: none"> Mandatory data protection and information governance training for staff Routine monitoring of suspicious e-mails and threat ICT security policy and Information Governance policies in place Technical security controls in place 	3 Possible	4 Serious	High	↔	Director of Corporate & Commercial Services
Due to a major unanticipated change in national policy, or an unplanned response to a national emergency situation, there is a risk that organisational objectives cannot be achieved as anticipated and/or there is a need to divert resources	<ul style="list-style-type: none"> Continued dialogue with Government Policy and Strategy directorate continuing to monitor emerging national trends 	2 Unlikely	5 Critical	High	↔	Managing Director
Due to uncertainty surrounding the availability and timing of future funding streams, there is a risk that some key economic support services will cease and the knowledge and expertise we have developed to deliver them will be lost.	<ul style="list-style-type: none"> Continuing to liaise with Government on clarity over funding through UK Shared Prosperity Fund, Levelling-Up Fund Funding sources being considered through annual budget setting process 	3 Possible	4 Serious	High	↔	Director of Economic Services
Due to lack of compliance with legislation, there is a risk that the Combined Authority faces a legal challenge.	<ul style="list-style-type: none"> Policies and processes in place to minimise risk Mandatory compliance training for staff Ongoing monitoring of legislative changes and consequences decisions by legal team. Ongoing monitoring of compliance issues through Regulatory and Compliance Board 	2 Unlikely	4 Serious	Medium	↔	Director of Corporate & Commercial Services
Due to the role of the organisation broadening under the MCA model, there is a risk that the organisation's processes, systems and structures are insufficient to adequately support the organisation in achieving its objectives.	<ul style="list-style-type: none"> MCA Programme includes significant projects to update systems and processes MCA Digital programme in delivery to further improve ICT infrastructure and tools Integrated Corporate Systems project in delivery to modernise the organisation's HR/Finance systems 	3 Possible	3 Moderate	Medium	↔	Director of Corporate & Commercial Services
Due to the increased breadth and volume of activities for the organisation under the MCA model, there is a risk that we fail to have in place sufficient capacity or skills to deliver on increasing priorities and responsibilities	<ul style="list-style-type: none"> MCA programme includes organisational design workstream to ensure skills and capacity are in place to deliver against priorities Capacity and skills gaps to be identified through business planning process 	3 Possible	3 Moderate	Medium	↔	Director of Corporate & Commercial Services
Due to different priorities and differential capacity, there is a risk that our relationships with key partners are not sufficiently strong to deliver on objectives.	<ul style="list-style-type: none"> Continue work to strengthen key partnerships Member and Officer representation on formal and informal groups, Panels and Committees across every aspect of the organisation's work. 	2 Unlikely	4 Serious	Medium	↔	Managing Director
Due to a legacy/outdated structure and resourcing in the Communications Team, there is a risk that perception management and effective communication of the CA and the LEP are compromised.	<ul style="list-style-type: none"> One structural review took place in 2020 and a significant organisational restructure of the service is underway 	3 Possible	3 Moderate	Medium	↔	Director of Strategy, Communications & Policing
Due to the ambitious approach to tackling the climate emergency adopted by the CA in setting a target of becoming net zero carbon by 2038, there is a risk that the CA will not have the capacity and resources to achieve this ambition, or that some existing priorities may not be delivered due to a shift in focus towards reducing carbon emissions.	<ul style="list-style-type: none"> A Clean Growth policy and action plan in place Clean Growth continue to be incorporated into core activities through the annual business planning cycle. Wellington House refurbishment plans include carbon cutting measures (solar panels, electric vehicle charging and low-energy lighting). 	3 Possible	3 Moderate	Medium	↔	Director of Strategy, Communications and Policing

Original risk	Key mitigations	Likelihood	Impact	Rating & Trend		Owner
	<ul style="list-style-type: none"> The City Region’s Energy Strategy and Delivery Plan also outline a range of partnership projects that will further support clean growth led by the CA. 					
Due to staffing availability issues as a result of an increase in Covid-19 cases and/or self isolation, there is a risk that frontline services and business as usual activities cannot be adequately provided.	<ul style="list-style-type: none"> Staffing levels being monitored and individual circumstances being regularly reviewed Individual resilience plans in place for frontline services 	2 Unlikely	4 Serious	Medium	↔	Director of Transport & Property Services
Due to the increased profile of the Combined Authority following the transition to the MCA Model, there is a risk that security arrangements in place for individuals and buildings is not sufficient.	<ul style="list-style-type: none"> Security review undertaken for individuals and practical actions being implemented as a result of this Security review of buildings undertaken and practical measures being implemented Training and awareness raising for staff generally 	2 Unlikely	4 Serious	Medium	↔	Managing Director

This page is intentionally left blank



**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.

This page is intentionally left blank