

LEEDS CITY REGION ENTERPRISE PARTNERSHIP BOARD

**MEETING TO BE HELD AT 1.00 PM ON THURSDAY, 1 DECEMBER
2022
IN COMMITTEE ROOM 1, WELLINGTON HOUSE, 40-50 WELLINGTON
STREET, LEEDS**

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 21 SEPTEMBER 2022

(Pages 1 - 14)

5. MAYOR'S UPDATE

(Led by: Mayor Brabin)

6. GOVERNANCE ARRANGEMENTS

(Led by: Mark Roberts, Lead Officer: Caroline Allen)

(Pages 15 - 18)

**7. ECONOMIC REPORT - CRISIS IN THE COST OF LIVING AND
DOING BUSINESS**

(Led by: Mark Roberts, Lead Officer: Alan Reiss)

(Pages 19 - 34)

8. ECONOMIC PLAN

(Led by: Mark Roberts, Lead Officer: Phil Witcherley)

(Pages 35 - 40)

9. COMMITTEES UPDATE REPORT

(Led by: Mark Roberts, Lead Officer: Myles Larrington)

(Pages 41 - 46)

10. ASSURANCE FRAMEWORK ANNUAL REVIEW

(Led by: Mark Roberts, Lead Officer: Melanie Corcoran)

(Pages 47 - 130)

For Information

11. CULTURAL FRAMEWORK

(Pages 131 - 156)

**12. DRAFT MINUTES OF THE COMBINED AUTHORITY HELD ON
21 OCTOBER 2022**

(Pages 157 - 168)

13. DATE OF NEXT MEETING

The next meeting will be held on 8 March 2023.



**MINUTES OF THE MEETING OF THE
LEEDS CITY REGION ENTERPRISE PARTNERSHIP BOARD
HELD ON WEDNESDAY, 21 SEPTEMBER 2022 AT COMMITTEE
ROOM 1, WELLINGTON HOUSE, 40-50 WELLINGTON STREET,
LEEDS**

Present:

Mark Roberts	Private Sector (Interim LEP Board Chair)
Helen Featherstone	Private Sector
Amir Hussain	Private Sector
Professor Simon Pringle	Private Sector
Kamran Rashid	Private Sector
Andrew Wright	Private Sector
Beckie Hart	Business Representative
Councillor Susan Hinchcliffe	Bradford Council
Councillor Matthew Morley	Wakefield Council
Councillor Shabir Pandor	Kirklees Council
Councillor Jenny Lynn	Calderdale Council (Observer)

In attendance:

Ben Still	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Liz Hunter	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Philip Witcherley	West Yorkshire Combined Authority
Patrick Bowes	West Yorkshire Combined Authority
Julie Haigh	West Yorkshire Combined Authority
James Briggs	West Yorkshire Combined Authority
Sarah Bowes	West Yorkshire Combined Authority
Marianne Hewitt	West Yorkshire Combined Authority
Jennifer Robson	West Yorkshire Combined Authority
Myles Larrington	West Yorkshire Combined Authority

1. Chair's Opening Remarks

The Chair noted that this was the first time that the Board had met since the sad passing of Her Majesty Queen Elizabeth II.

The Chair reflected that, throughout her remarkable life, Her Majesty The Queen had displayed an exceptional commitment to West Yorkshire and its

people. Following her first visit to the county in 1953, Her Majesty The Queen had continued to attend multiple engagements in West Yorkshire over successive years, visiting many local businesses and frequently offering her support to business communities.

On behalf of the Board, the Chair expressed his respects to Her Majesty Queen Elizabeth II and sent his deepest condolences to the Royal Family.

2. Apologies for Absence

Apologies for absence were received from Mayor Tracy Brabin, Professor Shirley Congdon, Councillor Richard Cooper, Councillor Denise Jeffrey, Councillor James Lewis, Mandy Ridyard, Councillor Tim Swift, Kully Thiarai and Councillor Andrew Waller.

3. Declarations of Interest

In accordance with the requirements of the LEP Board Members' 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.

Andrew Wright declared an interest in relation to Item 10 due to him being a member of the University of Leeds Steering Board for the Nexis bid.

Kamran Rashid declared an interest in relation to Item 10 due to him being part of the team responsible for the winning bid for the City of Culture 2025 on behalf of Bradford Council.

Councillor Susan Hinchcliffe declared an interest in relation to Item 12 due to her being Leader of Bradford Council.

4. Exclusion of the Press and Public

The Chair explained that Item 12 had been identified as containing exempt information within the meaning of Part 1 Section B paragraph 3 of the Leeds City Region Partnership Access to Information Annex. It had therefore been recommended to the Board that the press and the public should be excluded during consideration of this item.

Resolved: That, in accordance with Part 1 Section B paragraph 3 of the Leeds City Region Partnership Access to Information Annex, the public be excluded from the meeting during consideration of Agenda Item 12 on the grounds that it was 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 that in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

5. Minutes of the meeting held on 15 June 2022

Resolved: That the minutes of the meeting of the Leeds City Region Enterprise Partnership Board held on 15 June 2022 be approved.

6. Governance Arrangements

The Board considered a report of the Head of Legal & Governance Services regarding changes to governance arrangements

The Chair introduced the item and asked the Head of Legal & Governance Services to present the report to the Board. The Board was asked to:

- Note an update in relation to the process to recruit a new private sector LEP Chair and Board Members.
- Approve the proposal in relation to the revising of governance arrangements between meetings.
- Approve the proposal in relation to the remuneration review for the new Chair between meetings.
- Confirm a LEP Diversity Champion.

The Head of Legal & Governance Services explained that, at the June Annual Meeting authority had been delegated to the Chair to explore options and progress a recruitment process to fill three private sector representative vacancies, in consultation with the LEP Chief Executive. It had been hoped that the proposed timeline and recruitment procedure for the new Chair could have been shared with the Board at this meeting. However, the Board was still awaiting the approval of The Leeds City Regional Enterprise Partnership Integration Plan which had been submitted to the Government on 27 July 2022.

The Head of Legal & Governance Services advised that the process for the recruitment of the new Chair necessitated a change to the governance arrangements for the Board. To enable the recruitment process to continue without undue delay, the Board was asked to delegate authority to the LEP Chief Executive, in consultation with the Mayor, to make such revisions to the governance arrangements as appropriate, which may include:

- The LEP Constitution
- Procedure rules
- The Recruitment and Appointment Procedure for Private Sector Representatives (which includes the Chair)

The Board had previously been advised at the June meeting that the remuneration in relation to the role of LEP Chair would be retained and would be assessed independently prior to recruitment commencing. The Head of Legal & Governance Services informed the Board that this process would take

place in parallel with the revisions to the governance arrangements and would be carried out by the LEP Chief Executive in consultation with the Mayor between meetings.

The Board was advised that these processes may commence prior to the next LEP meeting in December, but that the Board would be kept up to date with progress.

The Board was also asked to endorse the process to appoint a LEP Diversity Champion to join the Board as a co-opted Member in accordance with the best practice set out in the Leeds City Region Assurance Framework. The LEP Procedure Rules require the LEP Board to appoint a member to act as the LEP's Diversity Champion in order to encourage diversity and ensure that the LEP is acting in line with its diversity statement.

A number of Expressions of Interest had been received, however the process had not concluded at the time of publication of this agenda. The Chair proposed the appointment of Asma Iqbal at the meeting subject to the approval of the Board.

Board members welcomed Asma to this new role and expressed their thanks to all those involved in the recruitment process.

Resolved:

- i. That the update in relation to the process to recruit a new private sector LEP Chair and Board Members be noted.
- ii. That the proposal in relation to the revising of governance arrangements between meetings be approved.
- iii. That the proposal in relation to the remuneration review of the new Chair between meetings be approved.
- iv. That Asma Iqbal be appointed as the LEP Diversity Champion as a co-opted Member of the Board for the term of office of the Interim Chair.

7. Mayor's Update

The Mayor's Update was presented to the LEP Board on the Mayor's behalf by Councillor Pandor. Councillor Pandor highlighted several matters to the Board:

- The Mayor was presently abroad on a trade mission in India. The purpose of the mission was to establish stronger links with India on behalf of The Board and the West Yorkshire Combined Authority.
- Councillor Pandor noted that the Mayor had been actively promoting her new bus fares initiative called 'Mayor's Fares'. From 4 September,

single journeys will be capped at £2 and the MCard DaySaver will be £4.50, reduced from £5.50 – an almost 20% saving on the current price.

- Since the LEP Board last met, the Country have a new Prime Minister, The Rt Hon Elizabeth Truss MP. Councillor Pandor also explained that The Rt Hon Simon Clarke MP had been appointed as the new Secretary of State for Levelling Up, Housing and Communities.
- Mayor Brabin continues to call on the government to do more immediately to tackle the Cost-of-Living Crisis. It is likely there will be further announcements on Friday 23 September as the newly appointed Chancellor of the Exchequer, The Rt Hon Kwasi Kwarteng MP, is expected to present a mini budget to Parliament.

The Board thanked Councillor Pandor for the update.

8. Economic Update

The Board considered a report of the Director of Strategy, Communications and Policing which provided an update on the latest economic and business intelligence.

The Chair introduced the report by noting the significant impact the current economic climate was having on businesses within West Yorkshire. He then asked The Head of Research and Development to present the Economic Update to the Board along with a presentation on the recent LCR Business Survey.

The Head of Research and Development highlighted to the Board several macroeconomic issues that were affecting West Yorkshire and were outlined in the report:

- CPI inflation rose by 10.1% in the 12 months to July 22, up from 9.4% in June, and was now at a 40-year high
- The key driver of inflation over the period was food prices, which had risen by 12.7% in the last year. The largest risers were bread and cereal, reflecting the pressure on wheat and grain prices caused by the Russia-Ukraine War. More than a quarter of the world's wheat exports come from Russia and the Ukraine.
- Producer input prices rose by 22.6% in the year to July 2022, down from a record high of 24.1% in the year to June. However, producer output prices rose by 17.1%, up from 16.4%. This indicated that there was still headroom for producer output prices to rise further in the coming months, allowing businesses to fully pass on the impact of inflation to consumers.

- On 4 August 2022, the Bank of England's Monetary Policy Committee (MPC) voted by a majority of 8-1 to increase the Bank rate by 0.5 base points, from 1.25% to 1.75%. This measure had been taken in an attempt to reduce inflationary pressures in the UK. The Bank also forecast that real wages were expected to decline by 3.5% throughout 2022 with a further 4.25% fall in 2023.

Consequently, the economic environment remained challenging for both households and businesses in West Yorkshire.

The Head of Research and Development then turned to the LCR Business Survey which was the result of fieldwork carried out by BMG Research during June to August 2022 and indicated that:

- 41% of businesses believed that their performance had improved over the past 12 months
- 43% of businesses expect the business climate to remain as it currently is, whilst 30% expect it to worsen
- 30% expect to increase employment levels over the next 12 months
- 30% of respondents expect their wage bill to remain the same over the next 12 months
- Of the 66% that expect their wage bill to increase, over half anticipate wage increases of less than 10%
- 69% expect the prices they charge to customers to increase over the next 12 months
- Over half expect that price increase to be between 5 and 10%

The Head of Research and Development noted that, in response, a number of Business Support Programmes had been established to support businesses during this challenging period.

Members made several observations as follows:

- Businesses in West Yorkshire were continuing to face challenges due to the significant increases in energy costs. While this varied from sector to sector, manufacturing businesses were seeing their energy bills increase by around 250%. Work was currently being undertaken by the CBI to obtain further data from businesses within West Yorkshire to help determine the full impact of this.
- It was noted that businesses had been given an emergency package of government support including a cap significantly reducing the price paid for energy from 1 October. However, under this plan, the support from government would only last for six months. As such, it was observed that this was creating considerable uncertainty. Several Board members shared the view that the current energy crisis is likely to last for several years and that longer term help would be required for businesses in West Yorkshire.

- Board members expressed a collective desire to see more analysis undertaken of the impact the energy cost crisis is having on the West Yorkshire economy with assessments on what could happen in a worst-case scenario if additional help was not provided by central government. It would also be an opportunity for the Combined Authority to think about what further measures may be taken within its own remit to offer direct support to businesses.
- It was agreed that a strong focus should be on encouraging businesses to reduce their energy output voluntarily through the adoption of sustainable technologies to help reduce their dependence on oil and gas given the fluctuating prices and the fact that the government's intervention is an acknowledgement that the energy market was not functioning effectively.

Resolved: That the latest intelligence around the state of the UK and West Yorkshire economy, and how it relates to ongoing or future work plans be noted.

9. Economic Strategy

The Board considered a report of the Interim Director of Policy and Development on the proposed approach to creating an Economic Strategy for the West Yorkshire Region.

The Chair introduced the report and noted that it had much in common with the previous paper; he then invited the Interim Director of Policy and Development to present the report who explained that the purpose of the report was to seek the Board's views on the proposed creation of an Economic Strategy for the West Yorkshire Region from 2022 to 2030. The intention was for this Plan to help tell the overall story for the region by capturing our strengths and opportunities.

The Economic Strategy will be the overarching Plan under which will sit the existing and new strategies and policies. The existing strategies that consider our economic objectives include the Economic Recovery Plan, Business Productivity and Resilience Plan, Innovation Framework, Digital Framework and the Healthtech Strategy. Each District Partner also has an economic strategy or plan.

The proposal is to write the strategy in collaboration with Local Authority (LA) and wider partners to ensure that it acknowledges and considers the economic strategies on a local level. The Board's views were therefore sought as to any other organisations that should be invited to participate. The proposal is for a three-pronged approach:

- Review existing policy and refer to the findings of the work

underway to address the current cost of living crisis and use this to inform our approach to creating the right conditions for a thriving economy by 2030.

- Review the approach to sectors to ensure that we have a robust and resilient method to ensure economic growth and a thriving region by 2030.
- Conduct a scenario planning exercise to test our economy's resilience against possible scenarios to inform how we plan for mechanisms and interventions to help ensure economic resilience and capitalise upon opportunities.

The Interim Director of Policy and Development noted that the approach will draw upon existing policy approaches including the Mayoral Pledges, the West Yorkshire Investment Strategy, State of the Region Report, the Economic Recovery Plan, the Fair Work Charter for West Yorkshire, and Local Authority policies.

The Board made several observations:

- The last time there was a Strategic Plan was back in 2014. Although many approaches had been tried since this time, a unified strategy is required in order to maximise the amount of support provided to businesses within West Yorkshire.
- The demographics of our workforce have changed considerably since 2014 as have skill shortages, our net zero commitments and home working patterns. It was also noted that the Combined Authority's work on sectors had evolved and that this is particularly relevant at present as many programmes were going through the assurance processes. Members of the Board expressed support for the approach in the paper which will review the existing strategies and consolidate them. The new Economic Strategy will also consider how West Yorkshire may evolve further up to 2030 and beyond.
- Members of the Board felt that the new Economic Strategy would help to encourage further inward investment both locally and from government given that a comprehensive plan which links our existing commitments with new ones is likely to be well received by decision makers in Whitehall.
- It was agreed by many members that the new Economic Strategy should build upon the work of the existing Industrial Strategy and West Yorkshire Recovery Plan and that it was vital to repurpose existing work so this was not lost, while ensuring our priorities evolve to address the Cost-of-Living-Crisis and our commitments to net zero.

Resolved:

- i. That the views of the Board on the approach to creating an Economic

Strategy for West Yorkshire be noted.

- ii. That advice as to what success looks like be provided and that expectations for the strategy be set, and
- iii. That the Board be involved in reviewing the strategy as it evolves.

10. Committees Update Report

The Board considered a report providing an update on the work of the six Thematic Committees as follows:

- Andrew Wright, Deputy Chair of the Business Economy and Innovation Committee, presented an update on proceedings of the Committee which met on 12 July 2022. He advised that the Committee now has several new members and that the focus of the Committee continued to be on promoting the growth service which is an important part of the solution to the cost-of-living-crisis. The mayor's Manufacturing Taskforce had now also been launched and was steadily progressing.
- Helen Featherstone, Deputy Chair of the Culture, Heritage & Sport Committee presented an update on the meeting of the Committee which met on 21 July 2022. She explained that the Committee also has several new members. A central focus of the last meeting was the Creative Catalyst Programme which is presently engaging with 56 businesses. It was noted that the Mayor's Screen Diversity Programme had also been launched to encourage young people to gain some experience in the entertainment industry.
- The Chair, Mark Roberts, presented an update on the Climate, Energy and Environment Committee which met on 19 July 2022 to discuss the State of the Region monitoring indicators, the Climate and Environment Plan, two connected reports on flooding and the Carbon Impact Assessment.
- In the absence of Shirley Congdon, Deputy Chair of the Employment & Skills Committee, Mark Roberts, presented the update on the Employment and Skills Committee which met on 6 July 2022 to discuss a draft of the Digital Skills Plan, which the Board would later consider at Agenda Item 10.
- Amir Hussain, Deputy Chair of the Place, Regeneration & Housing Committee, presented the update on proceedings of the Committee which met on 7 July and 1 September 2022. The committee had received and considered updates on Creating Great Places and Accelerated Infrastructure, Safer Parks, Digital Infrastructure, Housing Revenue Fund and the Brownfield Housing programme, including Project Approvals.

- Councillor Hinchcliffe, Chair of the Transport Committee, presented the update on proceedings of the Committee which met on 1 July 2022. This included the latest position on the Bus Service Improvement Plan, the Mayor's Fares Scheme, Enhanced Partnership Scheme and the transport indicators for the next iteration of the State of the Region report. The Committee had also approved the progression of five schemes through the Combined Authority's Assurance Framework.

Resolved: That the updates from the Thematic Committees be noted.

11. Cultural Framework

The Board considered a report of the Head of Transport Policy which provided an update on the revised Culture, Heritage and Sport Framework.

Helen Featherstone introduced the item updating the Board on the development of the revised Framework and seeking their feedback.

She explained that, over the next three years, the Combined Authority was looking to invest £11.5 million in culture, heritage and sport. The Combined Authority therefore requires a Framework that identifies the outcomes that are a priority to focus on and how these investments are sequenced.

The Culture Committee meeting in March 2022 agreed that the region's Culture, Heritage and Sport Framework should be revised in consultation with a range of stakeholders from the sector, and our communities. The proposed timeline for this is as follows:

- Priorities workshop with culture and sport sector: 12 April 2022
- External consultation exercise with and sector and community groups: April – Sept 2022
- Public Consultation on Your Voice: 25 July – 18 Sept 2022
- Draft Cultural Framework to Culture, Heritage and Sport Committee: Oct 2022
- Formal sign off by LEP and Combined Authority: Dec 2022

Since March 2022, the Combined Authority had held a range of face-to-face workshops and online sessions to seek views on the Framework. One of the aims of consulting with the Board was to ascertain how best to engage with business to help grow the creative industries sector.

As part of the Framework, the Combined Authority were in the process of reviewing the business support offer for the creative and sport sectors to ensure that a range of different models, including co-operatives, CICs and social enterprises, can benefit from business support.

Helen Featherstone sought the Board's view on the Framework and asked for their feedback.

Members made the following comments:

- It was observed that many large tech companies were offering free courses to enable people to go through an isometric training process. This could help them to develop new skills and could also encourage young people to get involved in the tech industry. As such, it might be helpful to promote such courses as an alternative to other formal qualification routes.
- In relation to cultural activities, Board members agreed that it would be helpful to map our activities within specific areas and consider which organisations were already delivering programmes to see how this can be best leveraged.
- It was hoped that new Cultural Framework would bring about further funding for cultural activities and that these new investment priorities would be identified once the framework had been finalised.

Resolved:

- i. That the development of the revised Culture, Heritage and Sport Framework be noted, and;
- ii. That the feedback of Board members be noted and any further comments be provided to the Combined Authority's Head of Culture, Heritage and Sport, and;
- iii. That particular consideration be given to 'Theme 4 Business' of the Framework (see page 14 of the appended Framework document), and that the role of the LEP should be articulated in this section of the Framework;
- iv. That following feedback from the public engagement and stakeholder engagement (including the LEP Board), a final version of the Framework be drafted, and shared with the LEP Board and Combined Authority for final approval in December 2022.

12. Digital Update

The Board considered a report of the Head of Transport Policy on the Digital Skills Plan.

The Chair introduced the item following which Andrew Wright presented the report to the Board. The report sought input from the Board on:

- The proposed interventions in the Digital Skills Plan.
- The Board's endorsement of the Digital Skills Plan (including proposed performance targets) before its submission to the

Combined Authority.

- The Board's views on the proposition of refreshing the Digital Framework and understanding how the Board proposed to be involved.
- The Board's views on the proposition of converting the Local Digital Skills Partnership into a Local Digital Partnership, once the LDSP project ends.
- Asked the Board to consider the regional challenges around digital skills such as the need for social inclusion, place making, business support and inward investment. The Board also agreed to a deep dive on digital as a separate meeting in the future.

Andrew Wright highlighted several items to the Board which the Digital Skills Plan aims to address including:

- West Yorkshire has the fastest growing digital sector outside of London and is the UK's number one location for tech scale-ups. Increased digital skills would support this ecosystem.
- Increased digital skills would enable greater digital transformation across other key sectors, such as Manufacturing, Engineering and Health. Increased digitisation would help them to compete and support their sustainability.
- Over 80% of all jobs in West Yorkshire currently require the minimum of basic digital skills.
- With 80% of the 2030 workforce already in employment today, reskilling the existing workforce would be a major challenge between now and 2030.
- Fewer than 10% of pupils take a Key Stage 4 Computing qualification in West Yorkshire and girls are far less likely than boys to study digital-related courses.
- Socially, reducing the numbers of digitally excluded residents would have wider benefits on elements such as physical and mental health, regeneration and education.

The aim of the Digital Skills Plan was to prioritise skills and training to ensure everyone in West Yorkshire is equipped with the skills they need to secure work and to support local businesses and be a champion for our regional economy.

Members made several observations:

- Members of the Board noted that a great deal could be learnt from how the City of London successfully promotes cultural activities such as by ensuring that digital and skills are interconnected, with promotion activities linked to well-known tourist sites.
- A comprehensive sectoral approach should involve skills in addition to place and infrastructure such as 5G, smart cities, broadband and connectivity measures.

- It was hoped that any Digital Skills Plan would be ambitious in scope by establishing a strong partnership between the public and private sector by linking the needs of employers with the aspirations of individuals.
- Members of the Board noted that it was vital to emphasise the challenges in mapping digital skills onto qualification levels which can vary considerably from individual to individual.

Resolved:

- i. That the Digital Skills Plan be approved before its submission to the Combined Authority Committee.
- ii. That the Board note the proposal to convert the Local Digital Skills Partnership into a Local Digital Partnership once the LDSP project ends and that the feedback provided by Board members be noted.
- iii. That the Board note the proposal to refresh the Digital Framework and that the feedback provided by Board members be noted.
- iv. That the proposal to adopt the Digital Skills Plan as a deep dive on digital be accepted.

13. Enterprise Zones Programme

The Board considered a report of the Director of Economic Services regarding the Enterprise Zones Programme which was identified as containing exempt information within the meaning of Part 1 Section B paragraph 3 of the Leeds City Region Partnership Access to Information Annex, and where officers considered that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

Resolved: That the recommendations set out in the Exempt Report be approved.

14. Minutes of the Combined Authority held on 23 June 2022

Resolved: That the minutes of the West Yorkshire Combined Authority meeting held on 23 June 2022 be noted.

15. Draft Minutes of the Combined Authority held on 22 July 2022

Resolved: That the draft minutes of the West Yorkshire Combined Authority meeting held on 22 July 2022 be noted.

16. Date of Next Meeting

The next meeting will be held on 1 December 2022.



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

Date: 1 December 2022

Subject: **Governance Arrangements**

Led by: Mark Roberts, Interim Chair

Lead Officer: Caroline Allen, Head of Legal & Governance Services

1. Purpose of this report

1.1 To ask the LEP Board to:

- Make a recommendation to the Combined Authority for the role of Deputy Chair of the Culture, Heritage & Sport Committee following the standing down of the current Deputy Chair.
- Appoint a co-optee to the Board if required.

2. Information

[Appointment of Culture, Heritage & Sport Committee private sector Deputy Chair](#)

[Background](#)

- 2.1 The publication of the Levelling Up White Paper in February 2022 and the further detail provided by Government in March in the [Guidance to Integrate LEPs into Local Democratic Institutions](#) clarified that for LEPs within Mayoral Combined Authority (MCA) areas, the LEPs would be integrated into the MCA.
- 2.2 The Leeds City Region Enterprise Partnership Integration Plan was submitted to Government on 27 July 2022, however we still await Government approval of this.
- 2.3 As advised at the June Annual meeting, it was intended that the LEP Constitution, Procedure Rules and wider governance arrangements be retained in their current form until such time as the Integration Plan is approved and implemented and revised governance arrangements are

adopted. This includes the recruitment of private sector Members to the LEP Board and Combined Authority Committees.

- 2.4 Helen Featherstone has advised that she will be moving to a new role with a public sector organisation in mid January 2023 and therefore stepping down as a private sector Member from both the LEP Board and Culture, Sport and Heritage Committee with effect from 1 December 2022.
- 2.5 As well as this resulting in a further private sector vacancy on the LEP Board, Helen's departure will also leave the Deputy Chair role on the Culture, Heritage & Sport Committee vacant which is held by a private sector Member.
- 2.6 The existing LEP governance arrangements follow that the Deputy Chairs of the Committees are nominated from the existing private sector membership of the LEP Board. LEP governance arrangements also allow the LEP Board to appoint up to 5 co-opted (non-voting) Members, of which the Board currently has two, namely, the LEP Diversity Champion and the Business Representative Organisations Member. However as we await the outcome from Government on our LEP Integration Plan our private sector Member numbers on the LEP Board are depleted and it may therefore be the case that we are unable to nominate a Deputy Chair to the Culture, Heritage & Sport Committee from these Members.
- 2.7 Therefore the Chair along with the Mayor, as Chair of the Culture, Heritage & Sport Committee, have broadened the search to include private sector members from the Culture, Heritage & Sport Committees for this role, with the intention that should an appointment be proposed, this individual would also become a co-opted Member of the Board, serving a term of office until Summer 2023 when LEP governance arrangements become clearer.
- 2.8 A number of Expressions of Interest for this role were received but the process of discussions between candidates and an Appointments Panel had not concluded at the time of publication of this agenda. Therefore the Chair intends to propose the appointment verbally at the meeting for the Board's approval. In addition the Chair will seek approval of a recommendation to the Combined Authority to appoint the successful candidate to the role of Deputy Chair of the Culture, Heritage & Sport Committee.

3. Tackling the Climate Emergency Implications

- 3.1 LEP Board members and other private sector representatives also sit on the Climate, Energy and Environment Committee.

4. Inclusive Growth Implications

- 4.1 All members of the LEP Board, including co-optee Members, will be expected to promote the cause of inclusive growth.

5. Equality and Diversity Implications

- 5.1 All work to implement a private sector recruitment process will be undertaken in line with the organisation's Equality and Diversity policy, building on and enhancing the good practice of the Strengthened Local Enterprise Partnerships Review.

6. Financial Implications

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

7. Legal Implications

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

8. Staffing Implications

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

9. External Consultees

- 9.1 None

10. Recommendations

That the LEP Board:

- 10.1 makes a recommendation to the Combined Authority for the role of Deputy Chair of the Culture, Heritage & Sport Committee following the standing down of the current Deputy Chair (details to be verbally provided by the Chair at the meeting given the timing of publication of the agenda)
- 10.2 appoints a co-optee Member to the LEP Board if required, (details to be verbally provided by the Chair at the meeting given the timing of publication of the agenda)

11. Background Documents

- 11.1 None.

12. Appendices

- 12.1 None

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

Date: 1 December 2022

Subject: **Economic Update - Crisis in the Cost of Living and Doing Business**

Led by: Mark Roberts, Interim Chair

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

1. Purpose of this report

- 1.1. To provide an update on the latest economic and business intelligence for the Board, including the key headlines from the Autumn Statement, and what it means in the context of the current cost-of-living crisis.
- 1.2. To generate discussion among members regarding potential solutions to issues, and potential asks of the new UK Government.

2. Information

- 2.1. The data below is correct at time of publication.

Macroeconomy

- 2.2. At the last Monetary Policy Committee (MPC) meeting on 3 November 2022, it was decided by a margin of 7-2 to **increase the Bank Rate by 0.75 percentage points to 3%**. This decision was taken in response to the persistent economic pressures within the economy at present, which are forecast to remain throughout 2023. This rise is the largest single increase in 33 years, and is the eighth consecutive rise since December 2021. The MPC also published forecasts, which show that consumer spending is likely to fall in 2023. The forecast also predicted that UK economy will enter a recession in Q4 2022, and will not emerge from the recession until the second half of 2024.
- 2.3. **CPI inflation rose by 11.1% in the 12 months to October, the highest rate for over 40 years.** The key price rises came in the costs of energy and food and non-alcoholic beverages, which rose by 16.4% in the year to October 2022. Anecdotal evidence suggests that people are substituting out branded food items for supermarket own brand goods, in order to reduce the impact of inflation. However, experimental statistics from the ONS show that the average price of the 30 cheapest grocery items has risen by 17% in the past year, and for nine of these

30 items, prices have risen by more than 20%. This means that those who were already buying the cheapest food items are facing higher rates of inflation on food prices than average. The lowest-cost items that saw the biggest price increases over the past year were vegetable oil (65%) and pasta (60%).

2.4. The Chancellor of the Exchequer delivered the Autumn Statement on 17 November, outlining the Government's fiscal plans. For households, the key headlines were:

- The threshold for the additional rate of Income Tax (45%) will be reduced from £150,000 to £125,140, increasing taxes for higher earners.
- Tax-free allowances, including the Personal Allowance of £12,570, will remain constant in nominal terms until April 2028, meaning that all employees who earn enough to pay tax, including lower earners, will also pay more tax over the coming years.
- The National Living Wage will rise by 9.7% to £10.42, which will boost a full-time employee's wages by £1,600 per year where this is applied
- Benefits and pensions will be uprated by 10.1%, and the pensions triple lock guarantee will remain, offering some protection to the most vulnerable in society.
- The Energy Price Guarantee will rise from the current level, which holds average household energy bills at £2,500 per year, to £3,000 per year, whilst support for people using alternative fuels to heat their homes will double from £100 to £200. It should be noted that the Energy Bill Support Scheme of £400 will also end, meaning that average energy bills will effectively rise by £900 from April.
- There will be additional cost-of-living payments of £900 for people on means-tested benefits, £300 for pensioners and £150 for people receiving disability benefits.

Ultimately, the levels of support through the cost-of-living crisis will fall, but they will be more targeted. Two-thirds of the support offered throughout 2023/24 will go to those in the bottom half of the income distribution, compared with just over half in 2022/23.

2.5. For businesses, the key headlines were:

- The threshold at which businesses begin to pay VAT will be frozen until March 2026.
- There will be a re-evaluation of business rates, anticipated to bring about a tax reduction of £14 billion over the next five years. This will mean that two in three businesses will not pay any more than they currently do.
- A HM Treasury-led review of the EBRs will determine support for non-domestic energy consumers, excluding public sector organisations, beyond 31 March 2023. While the government recognises that some businesses may continue to require support beyond March 2023, the overall scale of support the government can offer will be significantly

lower, and targeted at those most affected to ensure fiscal sustainability and value for money for the taxpayer.

- Supporting research and development by increasing public funding to £20 billion in 2024-25.
- Investment Zones will now focus on leveraging research strengths from universities in 'left behind areas', current applications will no longer be taken forward

2.6. The announcement was also accompanied by forecasts from the Office of Budget Responsibility (OBR) on the state of the UK macroeconomy. The key headlines were:

- The UK is currently in a recession that is expected to last into 2024. Higher energy costs are the main cause of the current downturn in economic growth, and one-third of the world is also currently in a recession.
- CPI inflation will average 9.1% throughout 2022, falling to 7.4% in 2023, supporting the Bank of England's statement that we are currently around the peak of the current inflationary period.
- Nominal earnings will increase by 5.9% in 2022 and 4.2% in 2023, but after accounting for inflation, this is a real terms drop in earnings.
- Real Household Disposable Income, a measure of living standards, is projected to fall by 7.1% between 2022 and 2024 – the largest drop since before the 1950s, and will take living standards back to levels last seen in 2013/14. This will recover slightly over the following years, but by 2027/28, living standards will still be below pre-pandemic levels.

Following the Autumn Statement, the Mayor and LEP Chair issued public responses.

Regional Data

Households

- 2.7. In order to help with the rising cost of energy, the Government announced the Energy Price Guarantee for households, capping unit costs of electricity and gas at 34.04p per kWh and 10.33p per kWh respectively. This brings average household energy bills to £2,500 per year until April 2023, at which point the average household energy bill will rise to £3,000. It should be noted that this Energy Price Guarantee still represents a doubling of household energy bills on Winter 2021. Furthermore, households using more than the average amount of energy will still face bills of more than £2,500, and this is likely to disproportionately affect the elderly.
- 2.8. Fuel poverty in West Yorkshire was greater than the national average prior to the pandemic (**17% of West Yorkshire households, compared with 13% nationally**). With standing charges in Yorkshire among the highest in the UK, **simply using less power will not solve the problem for many**. Households in West Yorkshire pay on average 15p per day more in standing charges than those in London. Reducing standing charges to the levels seen in London would save West Yorkshire households a combined £4.5 million per month.

- 2.9. West Yorkshire households are in a worse position to deal with these increased costs for two reasons. Firstly, **dwelling with an EPC rating of C or above are lower in West Yorkshire than nationwide (46.9% compared with 53.8%)**. Secondly, **around 33% of the West Yorkshire population fall within the poorest 20% of neighbourhoods in England**.
- 2.10. Data from the End Fuel Poverty Coalition, a campaign group including trade union and think tank members, estimates that as many as 300,000 West Yorkshire households, or 30%, of homes will be in fuel poverty on 1 October 2022. By 1 April 2023, forecasts suggest that this figure may have risen to 330,000, or 1 in 3, West Yorkshire homes. Following the recent announcement that the Energy Price Guarantee will rise to £3,000 in April 2023, this figure is an underestimate of the scale challenge faced by West Yorkshire.
- 2.11. Government consulted with Housing Association sector partners to apply a cap on increase in social rents below the CPI+1% formula agreed with the sector in 2019. Government is seeking to control costs through the benefit system and protect tenants from the shock of significant rent increases. In the Autumn Statement it was announced increases to social rent will be capped at 7% for the next year, which the sector has accepted was a reasonable response. The sector also extended the 7% cap to the rental element of shared ownership homes. However, the Government has also continued the freeze on Local Housing Allowances, the maximum rent housing benefit can support tenants. In the private sector where rents continue to increase and are not capped, tenants will have to fund any additional rent over and above any housing benefit received.

Businesses

- 2.12. The Combined Authority has also commissioned research on the cost of doing business from Yonder, who carried out fieldwork between 21 and 27 October 2022, showing that **67% of businesses are concerned about the survival of their business** as a result of the cost-of-living crisis. This concern was most greatly felt among small and micro businesses. Other key findings include:
- Around half (44%) of businesses feel that the current Government support package, the Business Energy Relief Scheme, makes no difference to them in trying to ease the financial challenge of the energy crisis.
 - 56% of businesses said that they were not planning on increasing wages over the next 6 to 12 months. With inflation expected to remain high throughout 2023, this poses a significant threat to the quality of life in Yorkshire.
- 2.13. The Government's Business Energy Relief Scheme caps the unit cost of gas and electricity for businesses at the same rates faced by households, and will run until the end of March 2023, though this will be reviewed by the end of 2022. It could then be extended for vulnerable businesses such as the hospitality sector. The support announced for businesses is unclear with significant uncertainty for businesses and other organisations (e.g. councils) beyond the six months support confirmed.

- 2.14. There are 1,751 firms in West Yorkshire that are both energy intensive and operating in internationally competitive markets. Most of these are operating in the manufacturing sector. Due to the requirements around data reporting for businesses, it is not possible to provide accurate employee numbers or turnover, but a conservative estimate for these businesses most at risk are 57,000 employees and £8 billion in turnover.
- 2.15. For those at an enhanced risk of rising energy prices, those who are exposed to internationally competitive markets but do not meet intensity thresholds, there are an additional 6,266 firms in West Yorkshire, again covering much of the manufacturing sector. The same data restrictions apply to employee counts and turnover figures, but conservative estimates place these at 147,000 employees and over £20 billion in turnover.

Regional response

- 2.16. At the October meeting the Combined Authority approved a package of support to help with the cost of living crisis. Progress on delivery is as follows:

Support for businesses with energy efficiency is progressing through the launch of an emergency grants package which will provide grant support of up to £5,000 at 50% of project costs for small businesses (less than 50 employees) to implement energy efficiency measures. Procurement of a delivery partner has been undertaken and the CA is aiming to launch the scheme in December. The support is open to all sectors and will run until the end of March 2023. A broader net zero and climate readiness support programme will be considered for approval at the Combined Authority meeting on 8 December for launch in April 2023.

Mayoral Combined Authority emergency support for vulnerable communities

It is estimated that one in 5 of our region's 2.3m residents is spending nearly all of their available income on essential things, including energy and food. Prices generally have continued to rise rapidly, so placing further economic pressure on our most vulnerable communities. A new £3m Mayoral fund was agreed by the Combined Authority in October to directly respond to the cost of living crisis. Via our Local Authority partners, the fund is enabling local Voluntary and Community organisations to directly help those who are being failed by the labour market, in terms of access to good, well-paid work, in particular those in workless households and those experiencing in-work poverty. The fund is being used to help more households and individuals in these financially vulnerable communities pay for essential things during the cost of living crisis such as food and warmth, and to receive support such as on mental health and debt, the absence of which would present immediate and complex barriers to connecting into economic opportunity, increasing risk of economic exclusion and longer term economic scarring.

Employment West Yorkshire (name TBC) will be delivered by Local Authorities and will support 7,700 people towards and within work. The universal service will

provide bespoke support to individuals across West Yorkshire to gain employment support advice and support for re-training, upskilling, and secure or progress in employment. The service will ensure continuity from Employment Hubs which have supported over 10,000 people over the last few years, and will commence from April 2023. It will also include two new pilots to develop pathways to support individuals gain valuable digital skills and into sustainable 'green' jobs in most areas of West Yorkshire.

This service will complement and signpost to existing skills and employment support offers, for example: **Skills Connect** – adult skills training with 30 courses available online either for individuals to sign up to, or to register their interest. The courses are across a number of sectors including health and care sector, digital and construction, and **Employment West Yorkshire** a £6m programme including pre-start up support 'Exploring Enterprise' workshops for support individuals options to start up in business.

Asks of Government

- 2.17. In early October the CA submitted views informed by LEP Board members and wider business representatives to Government as part of the Energy Price Cap review. The letter which was sent to the Secretary of State for Business, Energy & Industrial Strategy from the Mayor and LEP Chair is attached as Appendix 1 of this report.

The asks of Government included:

- Commit to supporting energy-intensive and enhanced risk businesses, the hospitality sector and wider supply chain businesses post-March 2023 with the EBRs. Many investment decisions are not being undertaken due to difficulty in forecasting energy and input costs. Businesses want reassurance during their longer-term business planning. The CA looks forward to the Review of the EBRs on December 31st and how the aforementioned businesses will be supported post-March 2023.
- Deliver a more structured approach to the delivery of energy efficiency and low carbon heating for businesses backed by funding. This could be through new tax incentive schemes that support businesses to make energy efficiency improvements. The Review of the EBRs Terms of Reference states business should "identify measures that protect themselves from the impact of high energy costs". The CA would welcome further support from Government to help businesses identify these measures and further support locally funded schemes.
- Progress plans around investing in energy generation as outlined in the UK Energy Security Strategy. This could include plans to ramp up solar photovoltaics, wind power and developing commercially viable hydrogen generation. The Autumn budget introduced a new temporary 45% levy on electricity producers from 1 January. Experts have warned that the introduction of the new levy in the UK could curb investment in new renewable energy projects. Introducing a windfall tax on renewable energy

generation profits sends muddled signals to investors at a time when the government wants to see a step change of investment in low carbon generation (Ronan Lambe, Pinsent Masons).

- 2.18. Furthermore, prior to the Autumn Statement the Mayor sent a letter to the Chancellor of the Exchequer, which is attached as Appendix 2 of this report.

The letter called for the following:

- Help for businesses to bring down their energy bills through a reconsideration of the six-month cap on energy prices and more support for energy efficiency measures.
- Delivery of long-promised investment in the North, including Northern Powerhouse Rail in full with a new station in Bradford.
- Assurance of the Government's continued commitment to building a mass transit system in West Yorkshire, and funding to make it happen.
- More devolved funding to Mayors to end bidding contests for pots of money such as the recent Levelling Up Fund.
- A fair and long-term funding deal for local councils including adult social care and children with special educational needs and disabilities.
- Greater commitment from the Government on net zero along with the devolved powers and funding needed to make real progress.
- Investment in low-carbon energy to bring down household bills and reduce emissions.
- Proper funding for local police and the criminal justice system to reduce the backlog of cases in our courts.

Further comments following the Autumn Statement

- 2.19. The CA acknowledges that Government has changed its policy on Investment Zones. As Government refreshes this policy, the CA is planning to engage with Government to explore the opportunities for West Yorkshire going forward.
- 2.20. The Government announced there will be consideration of eligibility for single departmental-style settlements at the next Spending Review to be extended to other Combined Authorities following the outcome of negotiations with Greater Manchester and the West Midlands. West Yorkshire has previously called for this, and will be proactively seeking engagement with Government in order to shape the proposals, especially given the CA and LEP's long track record of delivery including the Leeds City Region Growth Deal.
- 2.21. The CA acknowledges the 7% social rent cap announced in the Autumn Statement will protect tenants to a degree; however, more work must be done to understand the longer term effects of the social rent cap on Housing Association business planning, and the sector's ability to raise capital for development

programmes delivering much needed additional affordable homes. If the cap affects the ability of the sector to borrow at reasonable rates, this will impact development pipelines and supply of new homes, as well as decarbonisation and improvement programmes for existing stock. There is no equivalent cap on privately rented homes and a continuing freeze on Local Housing Allowance means private rented tenants will have to fund any gap between housing benefit and rising rents.

- 2.22. The CA welcomes the commitment of Government to the national R&D budget but would support further information as to how this investment could be used to support and incentivise businesses to address current global challenges.

3. Tackling the Climate Emergency Implications

- 3.1. Fuel use increases over the Winter due to colder temperatures. West Yorkshire homes are less likely to have an EPC rating of C+, meaning that the region is more likely to need to use energy for heating. Analysis by the Resolution Foundation suggests it costs 58% more to heat a home rated as EPC D or lower, than it does C or above.
- 3.2. The grant programme for businesses to support with energy efficiency measures will help to reduce energy consumption, and hence reduce carbon emissions, as well as reducing businesses' energy bills.

4. Inclusive Growth Implications

- 4.1. According to the Resolution Foundation, lower-income households will have to reduce non-essential spending by three times as much as higher-income households to afford essential bills such as energy. West Yorkshire has a higher share of people in lower-income households, suggesting that spending will be cut significantly more across West Yorkshire than other areas.
- 4.2. Wages are already struggling to keep pace with inflation (median wages have increased by 7%, meanwhile inflation is above 10%). As of 1 November, the UK Government has not indicated that benefit payments (in and out of work) will be increased in-line with inflation. Therefore, many families will be facing real-term cuts in their household incomes (from wages and benefits). West Yorkshire has a higher percentage of people claiming out-of-work benefits compared to the national average (4.8% compared to 3.7%). West Yorkshire also has a higher percentage of people claiming in-work benefits compared to the national average (8.6% compared to 7.7%).
- 4.3. Whilst some households have been able to substitute towards cheaper food items to combat inflation, those who were already buying the cheaper items face either the inflation rate of these cheaper items (which is higher than inflation across the economy), or the need to reduce their food consumption.

5. Equality and Diversity Implications

- 5.1. A recent survey conducted by the Office for National Statistics showed that 89% of adults in Great Britain report concerns over the increase in the cost of living. Within this group, 57% have stated that they are spending less on non-essentials, 51% are trying to reduce their energy consumption at home, and 42% are cutting back on non-essential journeys. 23% are using their savings to cover the increased costs, whilst 13% have stated that they are using more credit than usual. Disabled people are more likely to have reduced their spending on food and essentials, than non-disabled people (42%, compared with 31%). Over 70% of the poorest people have already started to cut spending on food and other essentials. The survey also highlights that older people, particularly those aged between 55 and 74, have already started to reduce their energy consumption. The previous iteration of the survey highlighted that women and Asian people were in a particularly precarious position, relative to the national average.

The cap also remains on unit costs, so those who use more energy will pay more than the £3,000 average. This will disproportionately affect the elderly, the unemployed and those living in energy-inefficient homes. Analysis shows that one in four UK homes will face energy bills of over £4,000 in 2022/23.

- 5.2. In August the World Economic Forum reported that the cost-of-living crisis is expected to hit women hardest.

6. Financial Implications

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

7. Legal Implications

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

8. Staffing Implications

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

9. External Consultees

- 9.1. No external consultations have been undertaken.

10. Recommendations

- 10.1. That the LEP Board note the latest intelligence, discuss the implications of the current economic situation for businesses within the region, note the action taken so far by the Combined Authority, and note the next steps following the Autumn Statement. There may also be implications for our longer term Economic Strategy, to be discussed at Item 8.

11. Background Documents

- 11.1. There are no background documents referenced in this report.

12. Appendices

- 12.1. Appendix 1 – Letter from the Chair of the LEP and the Mayor of West Yorkshire to Grant Shapps, Secretary of State for Business, Energy & Industrial Strategy
- 12.2. Appendix 2 – Letter from the Mayor of West Yorkshire to Jeremy Hunt, Chancellor of the Exchequer

Tracy Brabin, Mayor of West Yorkshire
Mark Roberts, Chair of Leeds City Region Enterprise Partnership
West Yorkshire Combined Authority
40-50 Wellington Street
Leeds
LS1 2DE

[via email]

Rt Hon Grant Shapps MP

Secretary of State for Business, Energy & Industrial Strategy
1 Victoria Street
London
SW1H 0ET

Monday, 31 October 2022

Dear Secretary of State,

Re: Crisis in the Cost of Living and Doing Business

We would like to welcome you to your new role as Secretary of State. Our country is facing unprecedented economic challenges. Living standards are falling, businesses are at risk and public sector organisations are facing difficult decisions on their budgets. It is crucial that the Government continues to support businesses, the public sector and livelihoods to get through the ongoing energy crisis.

Our region is home to over 2.3 million people and 90,000 businesses – with strong employment levels in manufacturing, retail, and the public sector and third sector. As we know you will appreciate, the last two years has brought with them increased volatility and uncertainty for all sectors, culminating over the last few months in soaring energy prices and out of control inflation.

We want to outline to you the problems that businesses and the public sector in West Yorkshire are facing, particularly in light of potential cliff-edge support on energy bills:

- **We estimate that around 1,751 businesses within West Yorkshire are classed as energy intensive.** These businesses employ around 57,000 individuals and have an estimated combined turnover of £8 billion. They are predominantly within the manufacturing sector and are facing increased competition from international markets where energy bills and inflation are lower than the UK. Many of them also have local supply chains meaning that the impact will be considerably wider. Produmax Ltd, an aerospace engineering company based in West Yorkshire, are an example of a company at an enhanced risk of rising energy bills – they do not meet the energy intensity threshold but operate in internationally competitive markets. They currently export 70% of their output to major aerospace original equipment manufacturers (OEMs), but currently face an energy unit cost of 34p per kWh, whilst their competitors in the USA pay just 7p per kWh. This means that, not only are they less competitive, but they must also increase their revenue by 30% just to remain viable, before factoring in the necessary wage increases to support their employees through the current cost of living crisis.
- **Public sector organisations and the police are going to face significant financial blackholes as a result of increases in energy bills and inflation.** Local Authorities within West Yorkshire have reported significantly increased energy bills. For example, Bradford Council reported energy bill increases of 118% in August 2022 and Wakefield Council reported its annual energy bill will increase from £3.3 million to £9.9 million this year, forcing it to close its headquarters temporarily to save £200,000. While we are

grateful that the Government included the public and VCSE sector in the Energy Bills Relief Scheme, support after March 2023 is crucial.

- **Businesses in West Yorkshire have outlined a number of concerns to us in our regional business survey.** This includes:
 - Many sectors in our region (like manufacturing and construction) cite a decline in demand for products and services as the biggest barrier to economic growth.
 - As a result of inflation and energy bill costs, 69% of businesses told us that the price they charge customers is expected to increase by around 5-10%.
 - 33% of businesses in our region are expecting no wage increases over the next 12 months, putting further pressure on demand.

In response to the concerns from businesses, West Yorkshire Combined Authority are supporting 87 businesses through grant support with an approval totalling nearly £1.2m and with projected savings for businesses of over £1m each year. In addition to this we have agreed an Energy Price Crisis Emergency Grant programme and will be bringing forward a Business Sustainability Programme open to all sectors.

However, in light of the unprecedented challenges outlined above by residents, businesses and the public sector, we are calling on the Government to:

- Reverse the decision to make the Energy Bills Support Scheme a six-month scheme and reinstate the two-year commitment.
- Commit to supporting energy-intensive and enhanced risk businesses, the hospitality sector and wider supply chain businesses post-March 2023 with the EBRS. Many investment decisions are not being undertaken due to difficulty in forecasting energy and input costs. Businesses want reassurance during their longer-term business planning.
- Deliver a more structured approach to the delivery of energy efficiency and low carbon heating for businesses backed by funding. This could be through new tax incentive schemes that support businesses to make energy efficiency improvements.
- A commitment to support all local authorities, the police, and wider public sector by continuing support in relation to energy bills, particularly those which host facilities with high-energy needs. In addition, further support to help improve public sector energy efficiency would be welcome (for example by calling for additional funding as part of the Government's Public Sector Decarbonisation Scheme).
- Progress plans around investing in energy generation as outlined in the UK Energy Security Strategy. This could include plans to ramp up solar photovoltaics and developing commercially viable hydrogen generation.

We know that difficult decisions lie ahead for the Government. Businesses and the public sector across West Yorkshire, and indeed the country, are looking to the Government to provide help in the year ahead. Supporting households, businesses and public and third sector organisations will be crucial.

Yours sincerely,



Tracy Brabin
Mayor of West Yorkshire
West Yorkshire Combined Authority



Mark Roberts
Chair
Leeds City Region Enterprise Partnership



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Rt Hon Jeremy Hunt MP
Chancellor of the Exchequer
HM Treasury
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By email CEU.Enquiries@hmtreasury.gov.uk
public.enquiries@hmtreasury.gov.uk

15 November 2022

Dear Chancellor,

I congratulate you on retaining your appointment as Chancellor of the Exchequer. I look forward to working with you closely to deliver on levelling up and enabling West Yorkshire to reach its full potential.

I am writing ahead of the upcoming Autumn Statement, to set out key priorities to enable West Yorkshire to reach its full potential and reduce inequality. We need a plan to save our economy, protect our households and rescue our public services.

I would welcome an early conversation with you to discuss how we can work together to improve the lives of people in my region and ensure that we unlock opportunity so that we can make a full contribution to the UK economy.

In West Yorkshire we have a long track record of delivery which shows that a place-based approach to funding can have a real and long-lasting impact on local economic growth. As a result, the region is home to 81,000 businesses, and an internationally significant economy with an output of £57.3 billion.

West Yorkshire is a leading hub for financial, professional and businesses services contributing £15 billion to the UK economy. The region also has significant strengths around healthtech, advanced manufacturing and digital which will drive forward our productivity ambitions.

Small and Medium-sized enterprises are the lifeblood of the economy in West Yorkshire, and yet many are facing into a crisis in the cost of doing business. Though I

acknowledge the support you have provided, many businesses have been dealing with the impact of energy rises since October 2021. This is due to them not being subject to the energy price cap that has partially restrained increases in the domestic sector.

My asks of you as Chancellor ahead of the Autumn Statement are:

1. **Reconsideration of the six-month cap on business prices and a discussion on which sectors may be targeted/prioritised at a review point.** The government needs to take immediate action to help people tackle the crisis in the cost of doing business. I would welcome a discussion on further steps to be taken to support businesses with energy efficiency measures and bills. We can also supply rich evidence supplied by local businesses on their energy prices.
2. Provide long-promised investment in the North, especially on transport. This should include **delivering Northern Powerhouse Rail in full, with a new line from Manchester to Leeds and a vital new station in Bradford**, delivering on previous promises to ensure Bradford can reach its potential.
3. **Provide assurance of the Government's continued commitment to mass transit in West Yorkshire.** Leeds remains the largest city in Europe without a mass transit system, and while our initial allocation of £830m from this year's City Region Sustainable Transport Settlement has allowed us to begin the work, our ambitious vision will require continued support over several parliamentary terms.
4. **An end to bidding contests that consume time and resources**, such as the recent Levelling Up Fund bidding round and the bureaucracy around the UK Shared Prosperity Fund. Instead, devolve funding to Mayors to invest in programmes at pace that will help to grow their local economies. The right scale of devolved funding is critical; we need step change levels of investment in both our physical and social infrastructure to support a green and inclusive recovery.
5. Levelling up can only happen, and businesses can only thrive, if there is a strong foundation of public services. Local Authorities play a significant role in driving economic growth, yet core services continue to be under significant and increasing pressure, having lost nearly £15 billion of core government funding over the last decade. **Government must recognise the crucial role that councils play in growth and provide sufficient funding and certainty for councils in the long term.** This should include a long-term solution for funding adult social care and support for SEND.
6. **Increase government commitment to net zero.** West Yorkshire's asks of government in the Skidmore Review are:
 - a. National policy must provide long-term funding certainty to develop strategic approaches to decarbonisation.
 - b. Further devolved skills funding and powers to Mayoral Combined Authorities.

- c. Financial mechanisms/models to allow support homeowners to implement energy efficiency and heat decarbonisation without an upfront cost.
 - d. Introduce a comprehensive SME business efficiency programme based on the various ERDF supported local authority delivery projects.
 - e. Strengthen national policy guidance and the introduction of a legal provision for planning on climate change.
7. Work with us to turn ‘net zero’ into ‘net gain’. We are making major investments that will accelerate the UK’s progress towards zero carbon, from smart manufacturing and the export of electric vehicles to community-led retrofit and measures to decarbonise public transport and industrial emissions. These are all industries that will create jobs, grow the skills base, and improve community wellbeing. At COP27, the Prime Minister urged the world to go further and faster on the transition to renewable energy and to limit the devastating impact of the climate crisis. **Give local leaders the powers and funding necessary to develop local plans that enable co-investment with the private sector to meet our net zero target.**
8. **Accelerate the decoupling of gas from electricity prices** to enable consumers to benefit fully from cheap domestic low-carbon generation. I urge the government to commit to the 2019 manifesto pledge to invest in clean energy solutions and green infrastructure which will reduce carbon emissions and pollution, and deliver energy cost savings for business and households, not just in West Yorkshire, but across the UK.
9. **Provide proper funding to support our local police and the local criminal justice system**, in order to help address the likely increase in demand caused by the cost-of-living crisis, the impact of inflation and energy prices on our police budgets, and the backlog of cases in the criminal courts that is preventing people from obtaining swift justice.
10. **Work with us to maximise our innovation potential across our business base and seven HEIs**, including exploring opportunities to work collaboratively with your department and Innovate UK on regional opportunities to address some of our biggest challenges, including increased R&D spend in the region and any future Innovation Deals (Innovation Accelerators or beyond).

I look forward to welcoming you to West Yorkshire to meet with me and discuss how we can work collaboratively with you to deliver on our shared objectives.

Yours sincerely,



Tracy Brabin
Mayor of West Yorkshire

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

Date: 1 December 2022

Subject: **Economic Plan**

Led By: Mark Roberts, Interim Chair

Lead By: Phil Witcherley, Interim Director Inclusive Economy, Skills and Culture

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

1. Purpose of this Report

- 1.1. This report provides the LEP Board with a progress update on work to develop an economic plan for the region. This plan aims to cover the period 2022 to 2040.
- 1.2. In West Yorkshire, we have a long history of collaboration. We recognise the value of working together and the benefits this approach brings. We know that we can't realise our vision in isolation and will continue to work together in partnership to bring our ambitious economic plan to life. This plan will therefore build on, and not replicate, the existing economic plans and strategies of both the Combined Authority and in each of the districts.
- 1.3. Our approach will incorporate our existing live strategies and plans. This includes, for example, the West Yorkshire Skills and Employment Framework, our Innovation Framework and our Trade Strategy.
- 1.4. Developing of an economic plan will support and guide the Combined Authority's work to maximise economic opportunities across the region, target sector growth and build resilient business base and supporting infrastructure.
- 1.5. This work will incorporate thinking on a new approach to economic sectors as well as an outline of economic forecasts for the region.

- 1.6. It will also align closely to the wider West Yorkshire Vision that is being developed in collaboration with local authorities and partners. We will use the economic plan to create the right conditions to boost the economy in our region so we can see highly skilled people working in well paid jobs, able to access opportunities in a sustainable, carbon-free future and a great quality of life. An environment where entrepreneurial activity can flourish, where it is easy for businesses to start-up, grow, innovate, trade and invest. Where integrated infrastructure attracts the investment to create jobs in well-connected places with affordable homes.
- 1.7. An ambitious economic plan needs strong delivery mechanisms and clear policy direction. The plan is supported by a suite of policies and strategies that have been developed with strong collaborative leadership to give clear vision and direction for key policy areas. The policy and strategies underpin each of the regional outcomes. (Trade Strategy, Culture Framework, Digital strategy, Local employment plan, for example)

Progress so Far

- 2.1. Two activities have been in development, a review on our approach to sectors, and economic scenario forecasting.

Approach to Sectors

- 2.2. The Combined Authority has been developing a new approach to sectors for the region. Previously, under the former Strategic Economic Plan, we outlined a number of sectors that we would focus on for the region. This was key to securing inward investment and directing business support interventions.
- 2.3. Unlike other LEP areas, we have not previously outlined key sectors in our previous economic framework.



2.4. Following a private sector workshops on 7th November and the 15th November, we are progressing a sectoral framework which places sectors into three different strands:

- **Enabling Sectors:** significantly important sectors that are the catalysts for economic growth. They tend to

be high-growth and high-innovation enterprises. They have strong competitive advantage and link to key mayoral pledges.

- **Strategic Sectors:** strategically important to economic growth but may not be high-growth or high-innovation oriented. Some of these businesses retain a competitive advantage.
 - **Vital Sectors:** these are mostly foundational sectors of the economy. They employ a large number of people to support the day-to-day functioning of the economy. They are not high-growth or highly innovative and have relatively low competitive advantage. However, they do provide essential infrastructure on which other sectors depend.
- 2.5. These strands will be underpinned by our commitment to achieving carbon net zero targets, investing in technologies to improve productivity and inclusivity, and ensuring that we protect the most vulnerable.

Scenario Planning

- 2.6. The second piece of work relates to economic scenario forecasting.
- 2.7. Previously, the Northern Powerhouse Independent Economic Review (NPIER) characterised the north's economic position and identified opportunities for creating economic growth.
- 2.8. Our economy has significantly changed since 2016 when the NPIER was last undertaken. This includes demographics of the workforce, working arrangements, a growing focus on wellbeing, skills shortages (including digital skills), and the changing landscape of urban centres. In addition to this, political landscape of the north has also changed, where there are now seven combined authorities, of which six include metro mayors. The Chancellor reiterated his commitment to devolution in the autumn statement where he said "We are making progress towards trailblazer devolution deals with the Greater Manchester Combined Authority and West Midlands Combined Authority, and soon over half of England will be covered by devolution deals."
- 2.9. Recognising these changes, the Combined Authority has been working with academics from the Place-based Economic Recovery Network (PERN) to develop a series of economic scenarios that will help us identify risks and mitigate them in our approach to policy making.
- 2.10. PERN presented these scenarios and the wider research to the Business Representatives Group on 15th November
- 2.11. The economic scenarios provide four potential trajectories for growth in the region. Some are based on the optimism of the public services and businesses interviewed and some are based on the pessimism of the same survey's participants. The current trajectory of the region is also projected. These potential scenarios enable us to explore opportunity and mitigate

against risk. Helping the Combined Authority to determine where its resources would impact the best outcomes for the region.

- 2.12. The economic scenarios work will explore opportunities to build a low-carbon economy and create more sustainable and resilient businesses as well as ensuring inclusive growth by enabling as many people as possible to contribute to, and benefit from, economic growth in our communities and towns, irrespective of their background. Work is underway with WYCA research and intelligence to unpick the findings of the Y PERN scenarios research and to further develop our approach.
- 2.13. On the 16th November the Business Representatives Group (BRG) met to discuss the economic plan including the proposed approach to sectors and scenarios. This workshop was structured in three parts: ambition, approach, and next steps. Yorkshire PERN attended the workshop to present the work they have conducted on behalf of WYCA and to present four potential economic scenarios based upon their research with businesses. The meeting was also an opportunity to situate the economic plan in the wider context of the West Yorkshire Vision a piece of work been led by the strategy team. Overall the BRG were supportive of the vision and approach to the economic plan and agreed to participate further in the ongoing shaping of the economic plan.

Proposed Way Forward

- 2.14. The Combined Authority will develop a short “Economic Plan”. This will be developed and presented to the next LEP Board in March 2023 for approval. This will include a synopsis of our plan for the next 2 years detailing the pipeline of proposed work and work underway.
- 2.15. The document will be codesigned based on collaboration with Business Representatives and the local authorities.
- 2.16. Given the short nature of the document, a high-level overview of the proposed content is outlined below. LEP Board members are asked to provide any comments on the proposals:
 - Outline our economic vision and priorities for West Yorkshire to achieve by 2030
 - Identify our priority sectors for investment and intervention – focused on emerging, strategic and vital sectors of the economy, and
 - Respond to economic scenarios developed by Yorkshire PERN and making the most of the transition to a low-carbon economy while simultaneously maximising the rewards of focusing on inclusive growth.
- 2.17. Given the scope of the document focusing largely on economic policy, the Business, Economy & Innovation Committee will act as the lead committee for this piece of work.

- 2.18. Between this meeting of the LEP Board and the March 2023 meeting, further input from the LEP Board would be welcome to help co-design the document to ensure that it has the support of the business community and wider ecosystem. To support this, we will set up a Task and Finish Group that will meet regularly to steer the development of the document. The Task and Finish Group will include representatives from both the private sector and our partner Local Authorities.
- 2.19. The below table outlines the intended programme of formal engagement, we will also work closely with key partners (including LEP board members and LA economic policy leads) in between these key stakeholder meetings:

Engagement / Meeting	Dates
Mayoral Discussion with Business Representation Group	15 November 2022
LEP Board	1 December 2022
Business Communications Group	18 January 2023
Business, Economy & Innovation Committee	24 January 2023
Mayoral Discussion with Business Representative Groups	TBC
LEP Board	8 March 2023 (PM)

- 2.17. In addition to the above engagements, Officers welcome further sessions with Local Authorities. We intend to form a task and finish group made up of colleagues from WYCA plus council colleagues and business representatives to help us to ensure the economic plan reflects the region and the existing policies and strategies in place and underway.

3. Tackling the Climate Emergency Implications

- 3.1. All sectors of the West Yorkshire economy will need to become net-zero carbon if we have any possibility of reaching our 2038 target.
- 3.2. The transition to a low-carbon economy will underpin and be embedded throughout this document – particularly in relation to both the scenario forecasting and sectors approach, recognising the opportunities available from creating new green-skilled jobs and business ventures.

4. Inclusive Growth Implications

- 4.1. Inclusive growth will be an enabling factor across the development of this document.

5. Equality and Diversity Implications

- 5.1. As part of the work on sectors, we have undertaken an analysis of the demographic make-up of the economy and will reflect this in the final document that will be developed.

6. Financial Implications

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

7. Legal Implications

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

8. Staffing Implications

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

9. External Consultees

9.1. No external consultations have been undertaken.

10. Recommendations

10.1. That the LEP Board notes the update on the development of an economic plan publication.

10.2. That the LEP Board engages with, and helps shape, the content of the document over the coming months.

10.3. That members of the LEP Board come forward to help form part of the Task and Finish Group.

11. Background Documents

[Committee Report](#): Scenarios & Sectors to the Business, Economy & Innovation Committee (19 October 2022).



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

Date: 1 December 2022

Subject: **Committee Update Report**

Led by: Mark Roberts, Interim Chair

Lead Officer: Myles Larrington, Governance Services Officer

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 19 October and considered a range of reports, including the latest economic and business intelligence around the Crisis in the Cost of Living and Doing Business, the Combined Authority's response to the crisis, and asks of the Government.
- 2.1.2 The business and innovation pipeline of delivery was shared with the Committee, including an overview of all previously endorsed programmes and an update on the progress of two programmes due to be presented to the Combined Authority on 21 October, Business West Yorkshire (working title) and the Innovation Support Programme.
- 2.1.3 The Committee was provided with an update on the Combined Authority's ongoing approach to sectors and economic scenarios; the Manufacturing Taskforce's recommendations to inform the Combined Authority's programme delivery; and delivery of the Enterprise West Yorkshire programme.

2.2 Climate, Energy and Environment Committee

- 2.2.1 The Committee met on the 4 October and considered a range of reports relating to the Mayoral pledge to tackle the climate emergency and meeting the 2038 net-zero carbon target.

- 2.2.2 A paper was presented to the Committee on performance against a set of climate and environment monitoring indicators and including a wide-ranging discussion relating the cost of living / doing business crisis. The paper included an overview of the Business Sustainability Voucher scheme and Social Housing Decarbonisation Fund Booster programme which were seeking funding from the Combined Authority on 21 October. Both received Committee endorsement.
- 2.2.3 The Committee were provided with an update on progress and were asked to endorse work to date on the Wave 1 Climate and Environment Plan programmes. This was in advance of being considered at the Combined Authority on 21 October. The Committee were very supportive of the programmes and provided their endorsement.
- 2.2.4 Additional papers were presented to the Committee for information on the carbon budget for West Yorkshire and the draft Forward Plan for the next 12 months.

2.3 Culture, Heritage and Sport Committee

- 2.3.1 The Committee met at the Piece Hall, Halifax, on 28th October, and considered a range of reports, including presentations from Calderdale and Wakefield on respective plans for Year of Culture activities in 2024; Sector Economic Intelligence report; a report on the progress of the Creative Catalyst and Mayor's Screen Diversity Programme, and a report the development of the Culture, Heritage and Sport Framework following sector and public engagement.
- 2.3.2 Resolved: That the Committee notes the update on the Cultural, Heritage and Sport Framework, advises of any final amendments, and approves the Framework for publication.

2.4 Employment and Skills Committee

- 2.4.1 The Committee met on 20 October and received an update that in West Yorkshire, West and North Yorkshire Chamber of Commerce, and the Mid-Yorkshire Chamber have been chosen to lead the **LSIP** (Local Skills Improvement Plan being set up by Government) and intend to work closely with WYCA. The Chair will write to both Chambers inviting them to join the Committee.
- 2.4.2 The Committee noted that a grant agreement has been signed with the **TUC Yorkshire and Humber** for a pilot to test the effectiveness of the UnionLearning model in stimulating demand for adult training in West Yorkshire. The model involves utilising trusted colleagues in the workplace to encourage upskilling particularly among people with low skill levels and in low paid work. The Committee also noted new fully funded **Skills Connect** courses for adults to re-train and upskill <https://www.futuregoals.co.uk/skillsconnect>.
- 2.4.3 The Committee discussed a request from providers for an increase to the devolved **Adult Education Budget (AEB) funding rate**. Nationally, the rate

paid per qualification through AEB has not increased in 10 years. In addition, the rising rising costs of living crisis is affecting running costs, impeding recruitment and increasing the need for learner support. The Committee asked officers to work up options for consideration.

2.4.4 The Committee endorsed the development of **employment and skills interventions**, including green jobs taskforce and interventions from the climate and environment action plan, digital skills interventions and a SME graduate programme. Since the Committee met, the Combined Authority board has approved the **Employment West Yorkshire** programme. Employment West Yorkshire will be delivered by Local Authorities and support 7,700 individuals towards, into and within work. The Committee noted the joint work of local authority and combined authority officers to provide a much needed service in West Yorkshire to support with labour shortages and good work.

2.5 Place, Regeneration and Housing Committee

2.5.1 The Committee met on 03 November and considered a range of reports, including:

- i) Economic Update - which provided an update on the relevant economic indicators and reported on their performance to support the work of the Committee, including the State of the Region, the Cost of Living and Doing Business, the Leeds City Region Business Survey and Footfall Data.
- ii) Housing Pledge and Policy – which provided an update on progress towards delivery of the Mayoral pledge to deliver 5000 affordable and sustainable homes in West Yorkshire, including an update on Affordable Housing Delivery, the Housing Revenue Fund, the Brownfield Housing Fund, the Social Housing Decarbonisation Fund (SHDF) and Community Renewal Fund (CRF) Retrofit Hub, the West Yorkshire Housing Strategy and a presentation from the West Yorkshire Housing Partnership.
- iii) Project Approvals - The committee approved the progression of two schemes through the Combined Authority’s Assurance Framework:

<p>Scheme: Kirkstall Road Residential Development</p> <p>Location: Leeds</p>	<p>Approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).</p> <p>Total value of the scheme - £141,078,196</p> <p>Total value of Combined Authority funding - £7,159,715</p> <p>Funding recommendation sought - £0</p> <p>Approval was given by the Place, Regeneration and Housing Committee using the delegated authority from the Combined Authority</p>
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<p>Scheme: West Yorkshire and York Superfast Broadband Contract 3</p> <p>Location: West Yorkshire and York</p>	<p>Approval to the change request to the West Yorkshire and York Superfast Broadband Contract 3 project to reduce the total project cost from £9,110,000 (£7,570,000 Combined Authority funding) to £4,539,304 (£3,841,558 Combined Authority funding), reduce the publicly funded outputs of the project to 3,530 premises and 746 businesses receiving the broadband service and increase the delivery timeframes for the remaining 2041 premises from July 2022 to June 2023.</p> <p>Total value of the scheme: £4,539,304</p> <p>Total value of Combined Authority funding: £3,841,558</p> <p>Funding recommendation sought: -£3,728,442</p> <p>Approval was given by the Place, Regeneration and Housing Committee using the delegated authority from the Combined Authority</p>
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- iv) Strategic Partnership with Homes England - which provided an update on the development of the Strategic Place Partnership (SPP) with Homes England, asked Committee members to consider, provide comments and endorse the proposed strategic objectives and set out the next steps.
- v) Investment Zones - which provided an update on the submission of an Expression of Interest to Government for Investment Zones. Guidance on the EoI was released on 02 October 2022 with a submission required by noon on 14 October 2022. A response from Government is awaited.

2.6 Transport Committee

- 2.6.1 The Committee meeting was cancelled on the 16th September and papers were moved forward to the 14th October meeting. The meeting considered a range of reports including a response to the Governments mini budget and the projects identified for acceleration. It was agreed by the Committee that a letter should be written to Government to highlight the need to focus on delivery and ways to accelerate the projects, such as Mass Transit and Northern Powerhouse Rail.
- 2.6.2 The Committee also considered an update on the bus service position and funding. The Committee approved the need for future decisions on Bus Service Improvement Plan funding to be delegated to the Committee. The paper also gave an early update on the Mayors Fares next steps.
- 2.6.3 The Committee were also provided with an update on Mass Transit, this was ahead of the statutory consultation on the Mass Transit Vision 2040 document starting on the Monday 17th October.

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

11.1 There are no background documents referenced in this report.

12 Appendices

12.1 There are no appendices to this report.

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

Date: 01 December 2022

Subject: **Assurance Framework Annual Review**

Led By: Mark Roberts, Interim Chair

Lead Officer: Melanie Corcoran, Director of Delivery

1 Purpose of this report

- 1.1 To report on progress on the annual review of the Leeds City Region Local Framework which must be reviewed annually and uploaded onto the Combined Authority's and LEP's website by 28 February 2023.
- 1.2 For the LEP Board to provide comments, to be fed into the annual review, of the 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 (revenue and capital) from Government or local sources that flow through the LEP and / or the Combined Authority.
- 2.2 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 2023.
- 2.3 In the period after 28 February 2022, minor changes have been made on two occasions by written record of an officer decision (WROD):

- In June 2022 to reflect the new AEB delegations in Appendix 7 as approved by resolution of the Combined Authority on 17 March 2022.
 - In November 2022 to reflect the changes to the Committee Structure approved by the Combined Authority at its Annual Meeting on 23 June 2022, to update all references to the Managing Director to Chief Executive and to revise the AEB table of delegations to include Multiply, that was approved at the Combined Authority on 21 October 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 DLUHC with regards the Local Growth National Assurance Framework guidance since September 2021. An update is expected to be published prior to 28 February 2023 but is not expected until late November / December 2022. Any changes to Assurance Framework resulting from this update will be reflected in this year's review of the Local Assurance Framework as soon as these are available. Significant changes are not expected and therefore this year's review will focus on changes requested by Combined Authority officers, partners and LEP Board members.
- 2.6 The Combined Authority's Internal Leadership Board (ILB) have provided the following comments, that will be incorporated:
- Include in the Introduction a lay persons explanation of what the Assurance Framework is.
 - Better definition of the LEPs role and the Leeds City Region.
 - Internal feedback on the Assurance Framework to be sought and incorporated as necessary.
- 2.7 A copy of the latest draft Local Assurance Framework 2023 (with track changes) can be found be found at Appendix 1. The key changes to date are outlined below:
- The updates outlined in 2.3 above.
 - Branding update.
 - Section 8. The Combined Authority's approach to evaluation has updated.
 - Include in the Introduction a lay persons explanation of what the Assurance Framework is.
- 2.8 Further updates will be made based on the updated Local Growth National Assurance Framework guidance and the outcome of the committee reviews and the proposed peer review as outlined below.

Proposed Peer Review

- 2.9 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 or low risk scheme may proceed from Activity 2 to Activity 4 with either a simplified business case template (business justification) or a strategic outline case.
 - A programme level strategic outline case may allow individual schemes to develop a final business case only for approval.
 - The PMA work with promoters to give guidance and advice for a proportionate approach to be achieved.
 - Approvals can be delegated as appropriate to shorten timescales.
- 2.10 Although our Assurance Framework is seen as exemplar, experience shows that flexibility and proportionality can be improved and in the current climate, we are keen to ensure improvement. Therefore, a peer review will be undertaken as follows:
- Collect the Assurance Frameworks from the other eight MCAs (completed).
 - PMA to compare these Assurance Frameworks against the West Yorkshire Combined Authority's and note the similarities and differences.
 - PMA to contact each PMA / PMO equivalent in each of the MCA's and discuss how theirs is working, how they would change it, what issues they have had, what is working well etc. and whether they are having the same criticisms and if so, what are their plans, if not why not. To begin this process, an MCA Assurance Network has been set up. The first meeting is on 24 November 2022.
 - Engage with users of the Assurance Framework (Combined Authority and partners) to determine from their perspective what is working well, what issues they have, what changes they would like to see etc.
 - PMA to report back their findings with recommendations so that decisions can be made as to what further work / changes are required.
- 2.11 It is difficult to predict what the review will recommend and therefore it is difficult to put a timescale on the review. However, it is unlikely that the review can be incorporated into the revised Assurance Framework on 28 February 2023 and therefore it is proposed the Assurance Framework will be further updated at the Combined Authority's annual meeting in June 2023.

Next Steps

- 2.12 Following LEP Board and after the publication of the revised Local Growth National Assurance Framework guidance, the Department for Business, Energy & Industrial Strategy (BEIS) will be sent the draft Local Assurance Framework 2023 for their initial feedback.

- 2.13 The proposed revisions to the Assurance Framework will also be reported to the following Committees for review:
- Assurance Framework Project Board to take account of the feedback from ILB and the LEP Board - 02 December 2022.
 - Governance and Audit Committee – 12 January 2023.
 - Scrutiny Committee – 20 January 2023.
- 2.14 The revised Assurance Framework will be reported to the Combined Authority for review and approval on 02 February 2023 with the request to delegate authority to the Combined Authority's Chief Executive in consultation with the LEP Chair and the Combined Authority Chair for final approval in case there are further changes that are needed prior to its publication.

3 Tackling the Climate Emergency Implications

- 3.1 Climate emergency benefits and implications have been embedded throughout the Assurance Framework and the related templates and guidance documents to ensure that the climate emergency is considered by all schemes that come through Assurance Framework.
- 3.2 To strengthen decision making, a robust, quantifiable methodology for assessing all new schemes predicted carbon emissions / wider clean growth impacts has been developed (carbon impact assessment tool – CIA). The CIA has been included in all business case templates and approvals will not be sought until a CIA has been completed.
- 3.3 Climate emergency benefits and implications are required to be included in all project approvals reports which ensures that the business cases evidence their climate emergency impact.

4 Inclusive Growth Implications

- 4.1 Inclusive growth benefits and implications have been embedded throughout the Assurance Framework and the related templates and guidance documents to ensure that inclusive growth is considered by all schemes that come through Assurance Framework.
- 4.2 Inclusive growth benefits and implications are required to be included in all project approvals reports which ensures that the business cases evidence their inclusive growth impact.

5 Equality and Diversity Implications

- 5.1 Equality and diversity benefits and implications have been embedded throughout the Assurance Framework and the related templates and guidance documents to ensure that equality and diversity are considered by all schemes that come through Assurance Framework.

5.2 The recently revised and strengthened equality and diversity toolkit has been included in all business case templates and approvals will not be sought until an EqIA has been completed.

5.3 Equality and diversity benefits and implications 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 The 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.

7 Legal Implications

7.1 The 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.

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 LEP Board are requested to:

- i) Provide feedback on the revised draft Assurance Framework document, the proposed peer review and the next steps.

11 Background Documents

11.1 There are no background documents referenced in this report.

12 Appendices

12.1 Appendix 1: Assurance Framework 2023.

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Working in partnership with the



Leeds City Region Enterprise Partnership



West Yorkshire Combined Authority

Assurance Framework

October 2022

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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 Chief Executive 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 point of accountability for residents and is held responsible for their decisions

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.

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

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.

2.6 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) in 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) sets 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 approved by the Combined Authority on 24 June 2021.

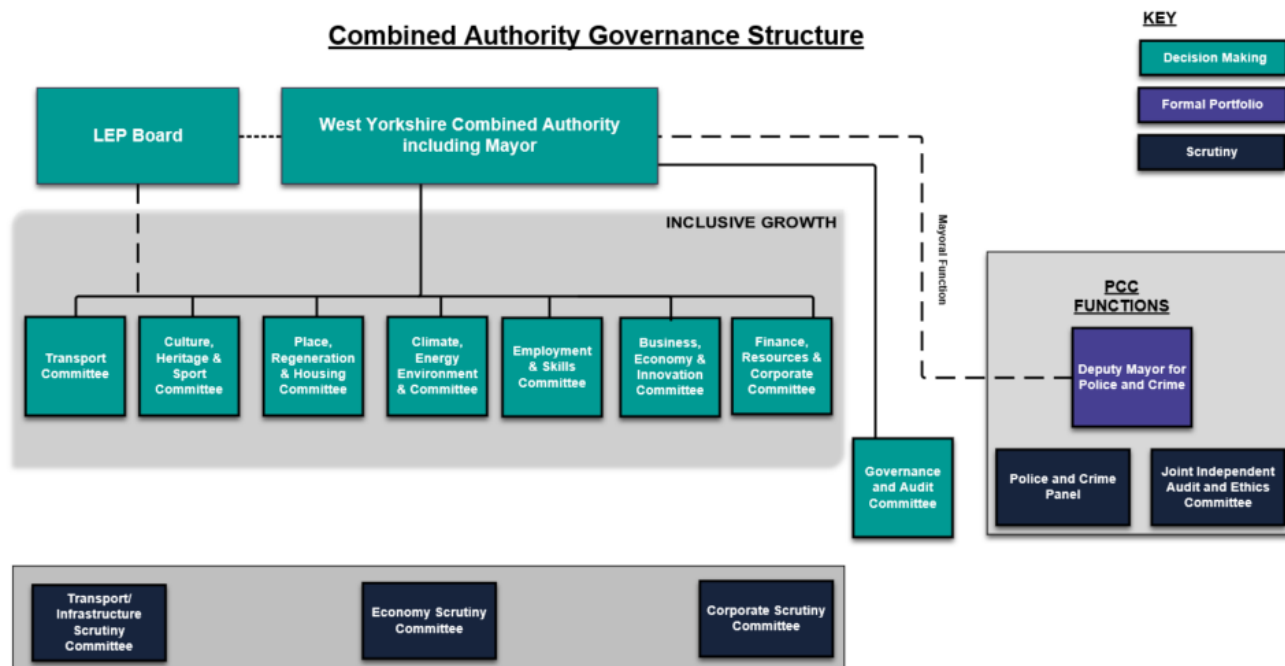
3 Governance

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

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

Transport Committee	<p>This Committee is authorised to carry out any Non-Mayoral Function of the Combined Authority relating to transport including any function of the Combined Authority in its role as local transport authority, travel concession authority or transport authority, 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 Climate, Energy and Environment Committee and the Place, Regeneration and Housing Committee to secure the decarbonisation of transport infrastructure.</p>
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⁷ The LEP Board may delegate decisions in accordance with the LEP’s Constitution and the LEP Board’s Procedure Rules

	<p>The terms of reference, membership of the Committee, the dates of future meetings and agenda items can be found here.</p>
<p>Culture, Heritage and Sport Committee</p>	<p>This Committee is authorised to carry out any Non-Mayoral Function of the Combined Authority relating to culture, heritage and sport 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, heritage and sport 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>
<p>Place, Regeneration and Housing Committee</p>	<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>
<p>Climate, Energy and Environment Committee</p>	<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>

<p>Employment and Skills Committee</p>	<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>
<p>Business, Economy and Innovation Committee</p>	<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>
<p>Finances, Resources and Corporate Committee</p>	<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 Other committees of the Combined Authority

The Combined Authority also has the following committees:

<p>Overview and Scrutiny Committees:</p>	<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>
<p>Transport/</p>	<p>This Overview and Scrutiny Committee is responsible for the scrutiny of any functions relating to transport, or any transport-related function, or any function relating to place, regeneration and housing.</p>

Infrastructure Scrutiny Committee	The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found here .
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, heritage and sport industries, and • employment and skills, <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>
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>

3.5 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, or to the Chief Executive, 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 Committees of the Combined Authority have authority to make any decision to progress a scheme⁸ under the Assurance Framework⁹ in accordance with any

⁸ Including determining change requests

⁹ After decision point 2 (SOC) only

bespoke approval pathway and approval route for the scheme¹⁰, as delegated by the Combined Authority

Any investment decision taken by the Chief Executive under delegated authority, is usually taken in consultation with the Combined Authority’s Senior Leadership Team. The Chief Executive 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.

<p>Business Support Service</p>	<p>The Business Support Service for the City Region is funded directly from the Department for Business, Energy and Industrial Strategy (BEIS), with £350,000 awarded for 2022/23 for the Leeds City Region operation and £40,000 for the CA’s role as Growth Hub cluster lead for Yorkshire. This is 50% reduction in the BEIS funding received for 2021/22, which resulted in the CA underwriting circa £300k of delivery costs for 22/23. Additional funding of £1.7m has been secured from the European Regional Development Fund (ERDF) from April 2019 to June 2023.</p> <p>20 SME Growth Managers operate within the City Region’s local authority partner councils (the five WY ones, plus Harrogate and York). 9 Growth Managers are fully funded through ERDF funding and 11 are funded on a 50 / 50 basis via the CA underwrite of circa £300k.</p> <p>Progress on the Business Support Service project is reported on a quarterly basis to the Business, Economy & innovation Committee (BEIC), and as required on a 6-weekly basis to the LEP Board by the BEIC Chair (who is the Leader of Kirklees Council). There is also a private sector lead on the BEIC, who is the owner of a small business in West Yorkshire. The BEIC 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 Communities and Housing.</p>
<p>Economic Services Loans & Equity</p>	<p>The CA has recently procured a fund manager (the Foresight Group) to deliver the new £20m SME Investment Fund. The fund is providing loans and equity investment to SMEs from £50k to</p>

¹⁰ 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>£2m with the aim of generating a commercial return for the CA and supporting economic growth. All decisions on the investments made into SMEs by the fund have been delegated to Foresight as part of their contract with the CA. The BEIC and LEP Board will receive regular progress reports and will provide oversight and scrutiny of the fund and its delivery.</p>
<p>Economic Services Grants</p>	<p>Arrangements in relation to economic services grants are set out in Appendix 5.</p>
<p>ESIF Sustainable Urban Development (SUD)</p>	<p>Arrangements relating to the principles for European Structural Investment Fund Sustainable Urban Development (SUD) purposes are set out in Appendix 6.</p>

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 regulation¹¹. 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:

¹¹ 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 Board¹².

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.

¹² 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 its committees.

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 DPO¹³ 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 Officer¹⁴, 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

¹³ The DPO sits within the Combined Authority's Legal and Governance Services team

¹⁴ Appointed under Section 73 of the Local Government Act 1985

statement of accounts is published [here](#) usually in June in draft and in July as fully 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/Infrastructure) 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 [Corporate Scrutiny Committee](#), [Economy Scrutiny Committee](#), [Transport/Infrastructure Scrutiny Committee](#).

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 a Committee, 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 DLUHC 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.

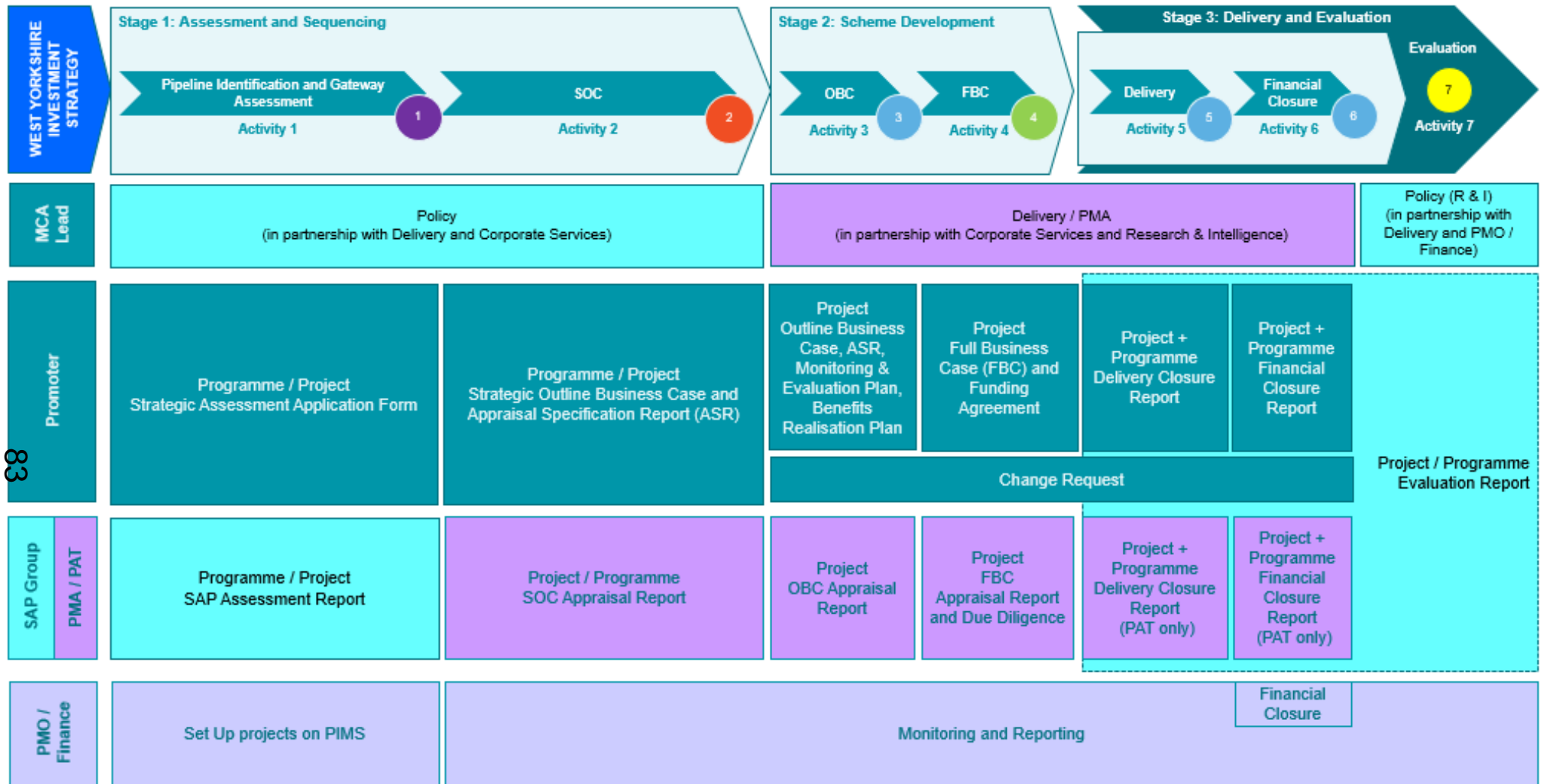
Under each stage outlined there are a series of activities (7 in total) that need to be carried out in order to progress each scheme. Whilst there are seven possible activities, not all would apply to all schemes and the process and intensity of appraisal applied can be tailored for each scheme depending 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'¹⁵. 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)).

¹⁵ The HM Treasury "five cases model" includes the Strategic, Commercial, Economic, Financial and Management cases.

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



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

The WYIS 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 Chief Executive (or by an officer under sub-delegated authority from the Chief Executive) (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 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.

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, Carbon Impact Assessment and Equality Impact Assessment. 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 Chief Executive (or by an officer under sub-delegated authority from the Chief Executive) 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 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 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 Chief Executive (or by an officer under sub-delegated authority from the Chief Executive) 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 Chief Executive (or by an officer under sub-delegated authority from the Chief Executive)). 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 DLUHC'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 Authority's 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 Carbon Assessment Guidance can be found [here](#).

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, DLUHC, 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. 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 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 have developed a robust methodology (quantitative and qualitative) for assessing all new scheme's predicted carbon emissions / wider clean growth impacts, 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. The Carbon Assessment Guidance can be found [here](#).

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 a Monitoring Plan (formerly Benefits Realisation Plan) as part of

business case development. These should be drafted as part of activity 2 (SOC) , and refined as required through activity 3 (OBC) and finalised at the end of activity 4 (FBC). These should be linked to Evaluation Plan to ensure a joined-up approach to appraisal, monitoring, and evaluation.

Key metrics of information on performance are reported at regular intervals. The Monitoring Plan template is intended to capture Outputs, Outcomes, and Impacts— information needed for funders’ monitoring returns and effective evaluation. However, schemes are also required to monitor expenditure, progress, risks and issues, as well as match funding, and this should be recorded separately.

8.2 Evaluation

Programmes and schemes funded by the Combined Authority and the LEP are required to have monitoring and evaluation plans as part of business case development. The aim is to embed evaluation at scheme design stage in order to ensure clarity from the outset about how we expect interventions to work to achieve their objectives, and how we intended to measure outcomes and impacts that stem from delivered schemes.

To this end, a draft Logic Model is required at activity 1 (SA). These should be refined as the Evaluation Plan (Part 1 – Approach), and the Monitoring Plan are developed at activity 2 (SOC)). At the end of activity 4 (FBC), the Evaluation plan should be further refined (including Part 2), and the Monitoring Plan finalised and in place (this should be submitted alongside the Evaluation Plan as an appendix).

The Outputs, Outcomes and Impacts from the Monitoring and Evaluation plans, will be used to assess the effectiveness of the public investment, and the extent to which schemes are contributing to the overall objectives of the Combined Authority and the LEP.

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

The introduction of the Evaluation Strategy shapes 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. Logic models set out the relations between what we deliver and the outcomes and impacts we hope to achieve. The aim is to ensure clarity on how we expect interventions to work and that we are collecting the right data to measure this effectively. 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, managed and draws on local systems; it will be proportionate and selective i.e. not everything will be evaluated). In section 1.3 – Designing Effective Evaluation, the Evaluation Strategy provides guidance on Evaluation, the Evaluation

Strategy working with LEPs and Government Government takes place to identify opportunities for thematic evaluations that could be conducted across key areas or centrally commissioned.

Introducing these changes to our approach to monitoring and evaluation and focusing the evaluation around WYIS success measures will align the LCR Assurance Framework with the “National Local Growth Assurance Framework” (MHCLG, 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 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 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 by DLUHC.

Stage 3: Delivery and Evaluation

Activity 7 (Evaluation) will be managed by the Combined Authority’s Research & Intelligence team. This is a reporting point as opposed to the previous decision points in the process, and will be undertaken when the Programme (or project in some circumstances), is completed . The aim is to evaluate outcomes and impacts 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 in line with the Monitoring and Evaluation Plan.

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 purposes¹⁶.
- 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.

¹⁶ 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 LEP¹⁷, 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-performance¹⁸.
- Risk management.

¹⁷ 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.

¹⁸ 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

3. Section 73 Chief Finance Officer - Resources

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 law¹⁹ 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.

¹⁹ 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 Board²⁰ 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](#) as part of LEP Board papers at each meeting.

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

²⁰ 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 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-thirds²¹ of the members of the LEP Board²² must be private sector representatives²³.

The number of LEP Board members shall not exceed 20²⁴, 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.

²¹ To comply with this requirement of the National Local Growth Assurance Framework 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.

²² 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

²³ 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.

²⁴ 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 Chief Executive has delegated authority to award an Economic Services grant to a company or other legal entity²⁵ (“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 Chief Executive, 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

²⁵ 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 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 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 DLUHC.

Introduction to selection of schemes using the Assurance Process principles

The process adopted here reflects the guidance issued by 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 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 Criteria²⁶ 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 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, 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

²⁶ 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 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 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 Portfolio Management and Appraisal (PMA) reports.

The Head of 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 relevant thematic committee. This in turn, leads to recommendations to the Combined Authority to make decisions on the selection of operations.

Reporting

The results from the appraisal are presented in a summary assessment report, provided by DLUHC, alongside 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 and Multiply Local Investment Plan

Devolution of the Adult Education Budget (AEB) is a shift from previous 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. Previously around 90% of the funding was delivered without Local Authorities and the Combined Authority having a formal influence over AEB planning, and with no consequence to funding allocations if delivery did 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.

Since the AEB was devolved to the Combined Authority, the Government launched the Multiply adult numeracy programme in Spring 2023. This is part of the UK Shared Prosperity Fund and funding is devolved to the Combined Authority as the Lead Authority designated by Government. The Multiply target group and delivery activity aligns to the Adult Education Budget. To avoid duplication and ensure the programme enhances AEB delivery, Multiply will align to the AEB Table of delegations for the programme duration.

The table below sets out the decision-making in relation to policy, funding and contract allocation for AEB functions and for Multiply.

Decision-making: Policy, funding, and contract allocations

	Decision	Decision-maker	Rationale
1	<p>To approve or vary the AEB Strategy as required, including:</p> <ul style="list-style-type: none"> Interim review 2021 (aligning to Mayoral priorities) Refresh 2024 <p>To approve or vary the Multiply strategy (via Local Investment Plan)</p>	Combined Authority	<p>The WY AEB Strategy and Multiply Local Investment Plan govern funding principles and will be revised in line with governance and assurance processes.</p> <p>Conflicts of interest are managed under the Members' Conflicts of Interest policy.</p>

2	To agree the governance arrangements for AEB or Multiply functions	Combined Authority	The Combined Authority is responsible for agreeing how its functions, including AEB functions, are discharged.
3	<p>To approve the Funding Rules and Performance Management Framework</p> <p>For Multiply, to approve funding agreements and performance parameters for each workstream approved in the Local Investment Plan (Funding rules for Multiply/UKSPF as defined by DfE and Investment Plan)</p>	Chief Executive	<p>The Rules and Framework are part of the suite of contractual documents, and are therefore operational in function.</p> <p>The documents set out clear parameters for contractual decisions, which can appropriately and effectively be carried out by officers in line with the strategic direction from the Combined Authority.</p> <p>The Chief Executive may refer this approval to the Employment and Skills Committee for recommendations, where wider sector expertise and consultation is desired.</p> <p>Members will need to ensure that conflicts of interest are declared, however a dispensation may be granted to allow a balanced and informed discussion</p> <p>For Multiply: the Chief Executive Officer will receive advice and recommendation from the UKSPF Local Partnership Group on workstream details.</p>
4	<p>To reallocate budget in response to underperformance / over performance outside performance management framework.</p> <p>For Multiply, to reallocate budget inside parameters</p>	Chief Executive	<p>Decision on funding usage, in line with strategic direction.</p> <p>The Chief Executive may refer this approval to the Employment and Skills Committee (for Multiply, the UKSPF Local Partnership Group) for recommendations, where wider</p>

	set within the Local Investment Plan		<p>sector expertise and consultation is desired.</p> <p>Members will need to ensure that conflicts of interest are declared, however a dispensation may be granted to allow a balanced and informed discussion.</p>
5	To make interim changes to the policy and / or AEB Strategy in response to emerging economic needs, crisis responsiveness or similar.	Employment and Skills Committee	<p>Decision on interim measures that affect operation, responding to economic needs in line with sector intelligence.</p> <p>Members will need to ensure that conflicts of interest are declared, however a dispensation may be granted to allow a balanced and informed discussion.</p> <p>The Employment and Skills Committee may refer this approval to the Combined Authority with a recommendation, if there is a significant deviation from the WY AEB Strategy.</p>
6	To determine Grant Agreement Allocations & Procurement values – annually agreed in March for AEB (once West Yorkshire allocation confirmed)	Chief Executive	<p>Grant allocation amounts will be determined in accordance the methodology outlined in the AEB Strategy and Multiply Investment Plan as approved by the Combined Authority.</p> <p>Approval of top line procurement values by the Chief Executive while ensuring clear methodology has been followed which aligns to the Strategy.</p> <p>For Multiply, the Chief Executive Officer may refer to LPG for recommendations and scrutiny, where wider sector expertise and consultation is desired.</p>

7	To agree contracts for Services awarded through procurement and for AEB in March annually based on performance management framework.	> £1m – Chief Executive < £1m –	In accordance with the AEB Strategy, Combined Authority Procurement Strategy, Funding Rules, Performance Management Framework, and Contracts Standing Orders
8	New procurement rounds: <ul style="list-style-type: none"> Planned responsiveness pot Refresh after 4 years Bringing on new providers in light of provider base failure	> £1m – Chief Executive < £1m – Director of Economic Services Advised by AEB Performance Group, UKSPF LPG (Multiply) and ES&C	In accordance with the AEB Strategy, as approved by the Combined Authority. E&SC or the UKSPF Local Partnership Group may make recommendations to the Combined Authority on any such decision. Conflicts of interest are managed under the Members' Conflicts of Interest policy.
9	To approve or vary the AEB Procurement Strategy	Sub delegated from the Chief Executive to the Director of Economic Services / Head of Employment and Skills	In accordance with the AEB Strategy and with the Combined Authority's Procurement Strategy
10	To approve overperformance and contract Growth requests	Sub delegated from the Chief Executive to the Director of Economic Services / Head of Employment and Skills	In accordance with the mechanism set out in Contracts, Funding Agreements, and/or Performance Management Framework. Technical expertise and performance data available at AEB Performance Group level. For Multiply, officers may refer to LPG for recommendations, where wider sector expertise and consultation is desired.
11	Underperformance and contract reduction / termination	Sub delegated from the Chief Executive to the Director of Economic Services / Head of Employment and Skills	Clear mechanism will be outlined in Contracts, Funding Agreements, and/or Performance Management Framework.

			<p>Technical expertise and performance data available through the AEB Performance Group.</p> <p>For Multiply, officers may refer to LPG for recommendations, where wider sector expertise and consultation is desired.</p>
12	To approve Funding clawback	Sub delegated from the Chief Executive to the Director of Economic Services / Head of Employment and Skills	<p>Clear mechanism will be outlined in Contracts, Funding Agreements, and/or, along with Audit and Assurance requirements.</p> <p>Technical expertise and performance data available at AEB Performance Group level.</p>
13	To agree Delivery plans agreed annually with providers variation approval based on performance and/or responsiveness	Sub delegated from the Chief Executive to the Director of Economic Services / Head of Employment and Skills	<p>Expertise regarding technical delivery and alignment to strategy available from the AEB Performance Group.</p> <p>Will deliver strategic aims as set by the Combined Authority.</p> <p>Employment and Skills Panel will be informed of any decisions, in line with Conflicts of Interest policy.</p> <p>For Multiply, officers may refer to LPG for recommendations, where wider sector expertise and consultation is desired.</p>
14	To add subcontractors to delivery plans within year upon request annually	Sub delegated from the Chief Executive to the Director of Economic Services / Head of Employment and Skills	<p>Expertise regarding due diligence and strategic appropriateness is available from the AEB Performance Group.</p> <p>In accordance with the Funding Rules which outline strict requirements regarding subcontracting practice.</p>

			Responsiveness required in year to ensure delivery timescales are met
15	To approve subcontracting where not already approved under current ESFA regulations. ESFA guidance available here .	Sub delegated from the Chief Executive to the Director of Economic Services / 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.
16	To make minor technical or process driven amendments to the Funding Rules (for Multiply: contracts or funding agreements) in line with strategic direction set by the Combined Authority.	Sub delegated from the Chief Executive to the Director of Economic Services / 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	<p>Appraisal Specification Report:</p> <p>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.</p>
AST	<p>Appraisal Summary Table:</p> <p>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.</p>
BCG	<p>Business Communications Group:</p> <p>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.</p>
BCR	<p>Benefit Cost Ratio:</p> <p>An indicator used in cost-benefit analysis that attempts to summarise the overall value for money of a project or proposal.</p>
BEIS	<p>Business, Energy and Industrial Strategy:</p> <p>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.</p>
BGP	<p>Business Growth Programme:</p> <p>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.</p>
CBA	<p>Cost Benefit Analysis:</p> <p>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.</p>
CEO	<p>Chief Executive Officer:</p> <p>The person who is in overall charge of the running of an organisation or business. The Chief Executive Officer of the Combined Authority is also the Chief Executive Officer of the LEP.</p>
CSF	<p>Critical Success Factors:</p> <p>A management term for an element that is necessary for an organisation or project to achieve its goals.</p>
DfT	<p>Department for Transport:</p> <p>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.</p>
DLUCH	<p>The Department for Levelling Up, Housing and Communities :</p> <p>Formerly known as Ministry of Housing, Communities and Local Government (MHCLG). A ministerial department supported by 13</p>

	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.
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.
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.

11 Document control

Document version control	
Year:	2023-24
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Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: Thursday 1st December, 2022

Subject: Culture, Heritage and Sport Framework (For Information)

Led By: Helen Featherstone

Lead Officer: Phil Witcherley, Interim Director of Economic Services

1. Purpose and Context of this Report

1.1. The consultation on the Culture and Sport Framework is now complete. A draft of the Culture and Sport Framework was approved by the Culture Committee on the 28th October 2022.

1.2. LEP board members are asked to note this draft version of the Culture, Heritage and Sport Framework (attached as an appendix to this report) before final approval by the CA.

1.2 Context

1.2.1 Culture, heritage and sport matter. They can inspire us to success, give us reasons to live and work in a place, and create local pride. The stories we tell shape how we see ourselves, how we see the world and how the world sees us. Culture, heritage and sport have huge potential as levers to level up West Yorkshire. They can create jobs and growth, inspire our people, and give them the confidence and identity to succeed, and be the medicine required to improve their mental and physical wellbeing.

1.3 This region will be bold and ambitious in its approach to culture, heritage and sport. We have a unique opportunity with devolution, a dedicated Culture, Heritage and Sport Committee and a series of planned years of culture in each local authority district, beginning with Leeds 2023 and Kirklees Year of Music and culminating in Bradford being our nation's City of Culture in 2025.

1.4 Over the next three years, the Combined Authority wants to invest £11.5 million in culture, heritage and sport. We need a Framework that identifies the outcomes we want to focus on and how we prioritise our investments.

1.5 This should not be the limit of our ambitions; the region will also work should also make sure we are aligned as a region to coordinate our activities to maximise the overall benefit of culture, heritage and sport to our region. Our

Framework will aim to attract further private and public investment on culture, heritage and sport to meet our objectives.

2. Information

2.1 At the Culture, Heritage and Sport Committee meeting in July 2022, the following timetable was agreed, with the ambition to sign off the revised framework in Autumn 2022.

Actions	Timescale
Priorities workshop with culture and sports sector	12 April 2022
External consultation exercise with sector and community groups	April – August 2022
Public Engagement on WYCA Your Voice	25 July – 18 Sept 2022
Draft Cultural Framework to Committee	Nov - 2022
Endorsement by LEP and approval by CA	Dec - 2022

2.2 The process engagement kicked off in April, with a workshop at John Smith’s Stadium in Huddersfield, where the mayor listened to views from a range of stakeholders in the sector, from arm’s length non-governmental bodies, to freelancers and volunteers. Since then, we have held workshops and 1-2-1s, in person and online, with a range of stakeholders from the culture heritage and sport sectors.

2.3 The consultation has been an iterative process: after each workshop, feedback has been collated and changes implemented, before issuing a revised version of the framework prior to the next workshop.

2.4 Since the last LEP meeting, we have engaged and consulted on the Culture Framework in the following ways:

- Public engagement on Your Voice platform.
- Stakeholder engagement workshop with Bradford Sector.
- Feedback from Historic England, TUC, Ministry of Others, Yorkshire Sport Foundation, and WYCA Policy Review Board.
- Responses collated, and where actionable, implemented in the Framework.

2.6 The public engagement results clearly show that the majority of respondents support the direction of travel in our draft culture framework, with a high percentage of ‘agree’ and ‘partially agree’ responses, and low percentages of ‘disagree’ responses.

Area	Level of agreement		
	Agree	Partially agree	Disagree
The themes	75%	19%	6%
People ambition	74%	22%	4%
People interventions	68%	30%	2%
Place ambition	73%	23%	4%
Place interventions	71%	24%	5%
Skills ambition	78%	19%	3%
Skills interventions	66%	30%	4%
Business ambition	81%	14%	4%
Business interventions	75%	21%	4%
Definitions	78%	13%	9%

2.7 We have also paid close attention to the text responses provided by those who indicated they ‘partially agree’ or ‘disagree’. Some feedback from these responses has been considered and implemented in the framework, where we felt it was a) in scope, b) actionable, c) did not conflict with an aspect of the framework that we feel has already been validated. This feedback included:

- more clarity on definitions
- increased reference to Health and Wellbeing
- increased reference to Sport and Physical Activity
- increased reference to Heritage
- increased reference to Rural Spaces and the Environment

2.8 Meanwhile spaces have proved contentious to a range of stakeholders, and caused confusion to the public, so reference has been removed. In theme 4 Business, the intervention **“we will invest in spaces for creative industry SMEs to locate and grow”** remains, which allows us to consider a broader range of interventions in this area.

2.10 There is public demand for action at the intersection of culture, heritage and sport policy and other policy areas, such as transport and planning. While the CA has some transport powers, planning decisions fall under Local Authority control and we must be cautious about overstating our agency.

2.11 Some feedback from different sources is contradictory, including requests for more detail vs requests for concision and less jargon; requests for more community-led initiatives vs requests for large scale interventions. We have attempted to strike a balance between these concerns.

2.8 A revised framework which addresses the results of the consultation is included as Appendix 1, for discussion and approval by committee. Once the text has been approved by LEP and CA, the Framework will be ‘designed-up’ and published.

3. Summary of Engagement

3.1 During the engagement period of April-September 2022, we consulted the following people and groups:

Stakeholder Workshops and 1-2-1s	People consulted
John Smiths Stadium, Culture, Heritage and Sport stakeholders	70
Wakefield Culture stakeholders	45
Kirklees Culture, Heritage and Sport stakeholders	26
Leeds Culture and Heritage stakeholders (online)	15
Bradford Culture and Heritage Stakeholders	53
Yorkshire Universities	25
Creative Health Sector	1
Yorkshire Sport Foundation	2
Historic England	3
Heritage Lottery Fund	1
Arts Council England	2
Directors of Development	5
Your Voice Survey Respondents	137
Total	385

3.2 Public engagement on the Your Voice platform.

3.2.1 Between 25 July-25 September 2022 (extended by one week due to the death of HRH), a period of public engagement was undertaken to gather feedback on proposed Culture Heritage and Sport Framework.

3.2.2 People were asked to share their views on the framework via a survey, which was hosted on the [Your Voice digital engagement hub](#). These documents were also available in Easy read format and in three different languages: Punjabi, Polish and Urdu. A press release was sent out to local and regional stakeholders, and various social media channels were used to promote the engagement, including the CA's and the Mayor's Facebook, Twitter, and LinkedIn channels. It was also promoted in the West Yorkshire Metro and West Yorkshire Combined Authority's newsletters and other online platforms, with emails being shared and circulated by key culture, heritage and sport sector stakeholders. Engagement materials were also displayed during public events organised at Piece Hall, Hebden Bridge Town Hall, Wakefield Town Hall and at Bradford Interchange.

3.2.3 The engagement information and materials, including the survey and Q&A, were hosted on Your Voice webpage (www.yourvoice.westyorks-ca.gov.uk/csf) which was the main source of information for people interested in the engagement.

3.2.4 Your Voice website categorises its visitors into three categories:

- **Aware participants**, counting all visitors who viewed at least one page.
- **Informed participants**, referring to those who took an action on the page such as downloading a document.

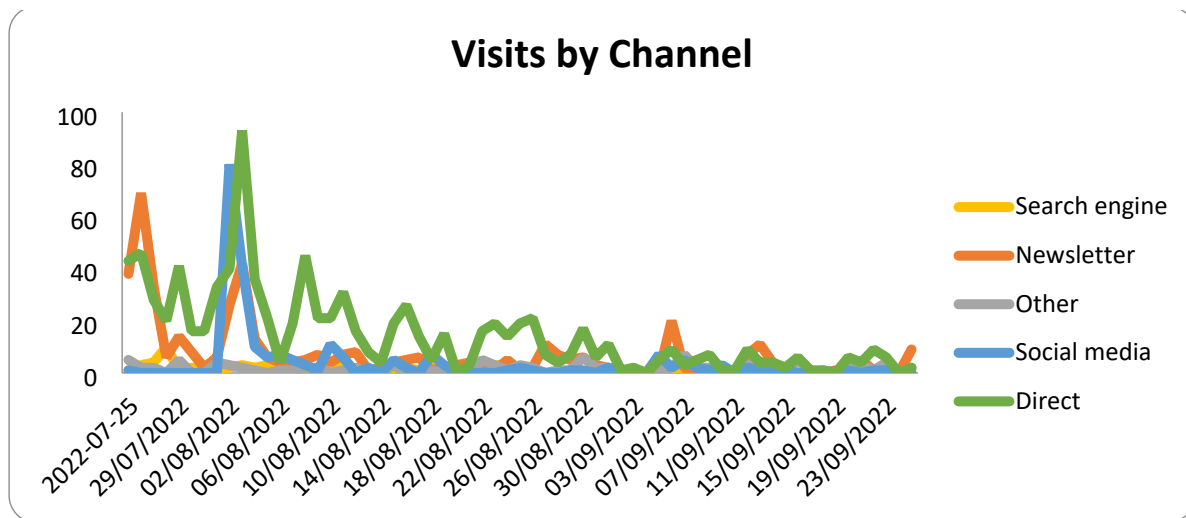
- **Engaged participants**, those who participated in the survey or submitted a question via the Q&A tool.

3.2.5 According to Your Voice data, during the engagement period, **1780 visitors** accessed the dedicated engagement page, of which **1281 were unique visits** which represents the participants who visited at least one page of the Culture, Heritage, and Sport Framework engagement page (**‘aware participants’**). Of these, **548 participants** were **‘informed participants’**, with common actions including downloading a document (356 participants), viewing multiple project pages (389 participants), and visiting the FAQ page (102 participants). A total of **137 participants** completed the survey (**‘engaged participants’**).

3.2.6 Visitors came from a number of channels with majority arriving using direct links from accessing the page URL (913 visitors). This was followed by those who were directed by social media posts (442 visitors) or by newsletters (229 visitors).

3.2.7 A smaller number of visitors were directed to the engagement page from search engines (such as Google, Bing, etc) (105 visitors), or other sources such as news articles, internal advertising, etc (60 visitors).

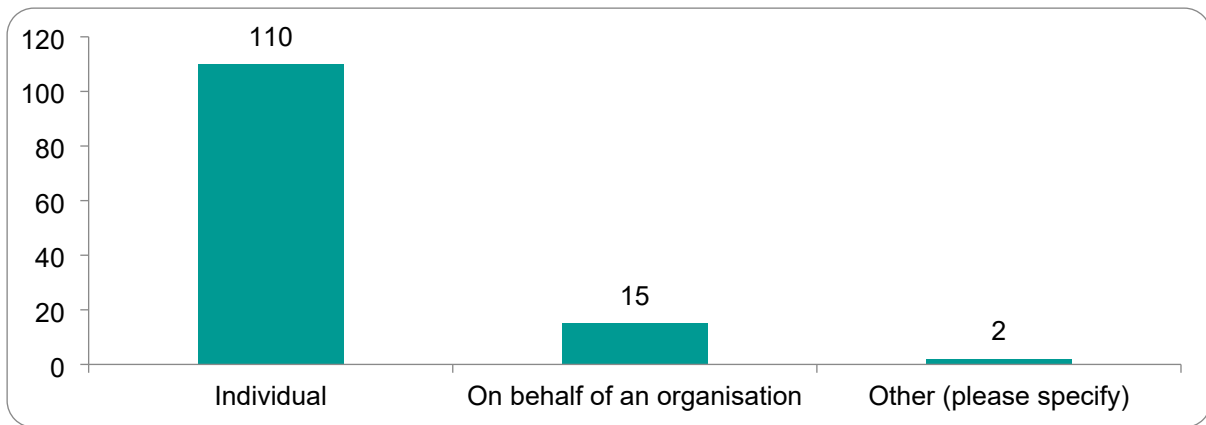
3.2.8 Fig 1. Number of visits over time to www.yourvoice.westyorks-ca.gov.uk/csf by referral



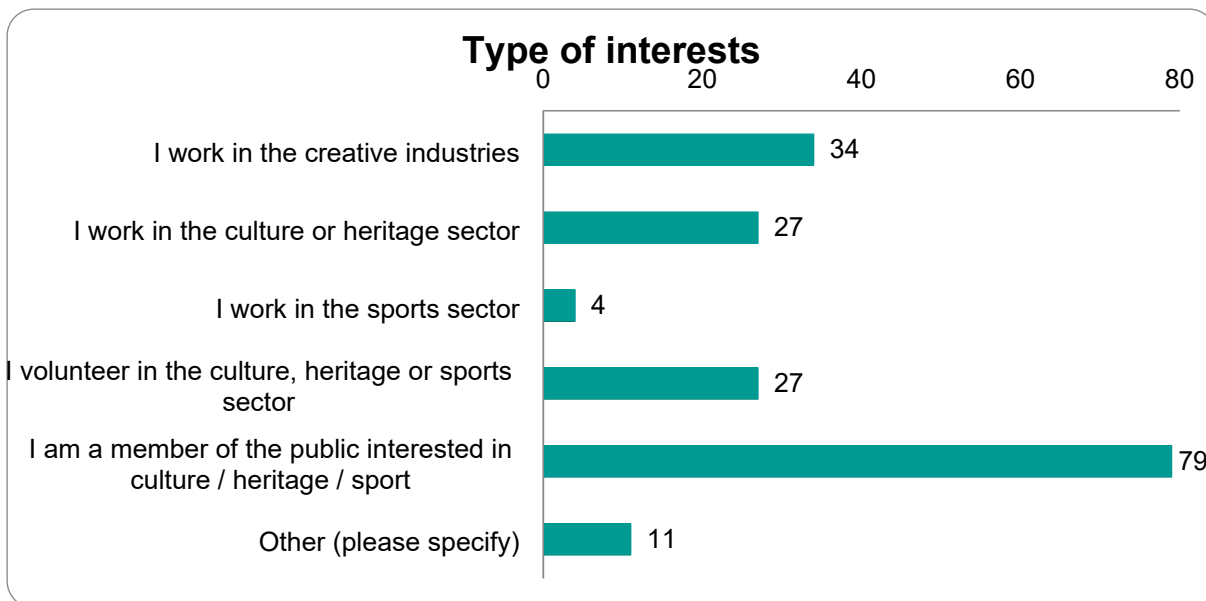
Survey respondents

2.2.9 Most survey responses were received from individuals, followed by those who work in one of the three sectors, and those who volunteer (see fig 1 & 2). Fifteen surveys responses were received on behalf of organisations and two responses were from respondents who identified as ‘other’. The ‘other’ responses received were on behalf of Sport Leeds, a constituted group of key organisations from across the district of Leeds, and from an individual representing a small cultural organisation as well as sharing their views as a professional in a higher education institution.

3.2.10 Fig. 2. Type of respondents (n=127)

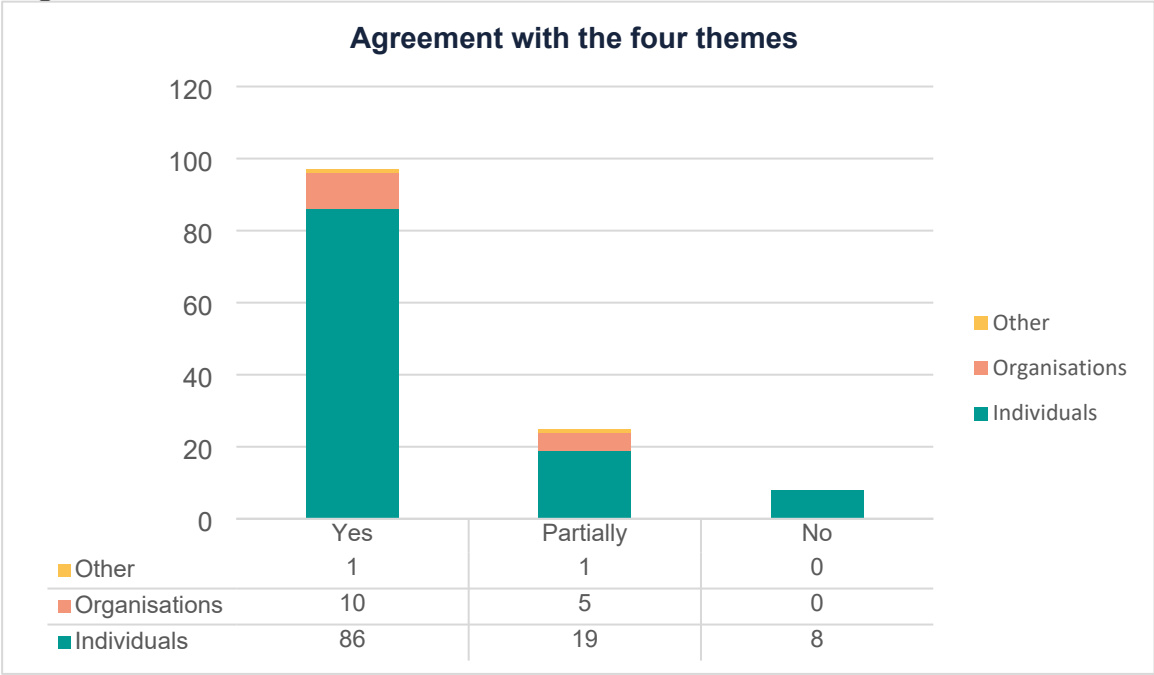


3.2.11 **Fig. 3. Respondents' interests** (n=130)



3.2.12 When asked in more detail about their personal passions in culture, heritage and sports, the respondents gave various answers ranging from museums to books and literature, live music, theatre, art, rugby league, cycling and exploring the heritage of the local towns and cities. The below word-cloud highlights the key passions reported by the respondents.

2.3.15 Fig 6. Respondent agreement with the framework segmented by Individual / Organisation / Other.



2.3.16 Qualitative Data Analysis

2.3.17 The Culture, Heritage and Sport Framework engagement survey contained fourteen open ended questions, twelve of them being available only when respondents disagreed or partially disagreed with some of the proposals, prompting them to offer insights in how to improve those proposals. Please see Appendix 3 for a summary of these responses and actions.

Overall, 137 surveys were completed. Freeform correspondence was also received from both the public and key stakeholders.

3.1 Next Steps

3.3 Following this, the Framework will be ‘designed-up’, with a more detailed map of regional culture, heritage and sport assets, and published.

3.4 With input from the Culture, Heritage and Sport Committee and sector stakeholders, we have begun to develop a programme of investment in Culture, Heritage and Sport which aligns with the key themes and interventions of the Framework, and which can be delivered at pace.

4.1 Tackling the Climate Emergency Implications

4.2 Due consideration has given to how the framework will contribute to tackling the climate emergency. Sustainability and environmental best practice was already considered a key theme of the previous framework, recognising the role that sport, culture and the creativity sector can play particularly in promoting clean growth and

sustainability, and this is reflected in People, Invest: *we will invest in activities that tackle the climate emergency and protect our environment.*

5 Inclusive Growth Implications

5.1. Culture, sports and creative industries will play a vital role to play in delivering an inclusive economic recovery, and this is a key element of the revised Cultural Framework. As recognised in our previous cultural framework, experiencing arts and culture and actively taking part can transform the quality of life for individuals and communities, improving physical and mental wellbeing, individual reliance, connectivity and enhanced capacity and skills.

6. Equality and Diversity Implications

6.1. An Equality Impact Assessment screening has been completed for the framework. We recognise in particular that there are challenges for equality, diversity and inclusion in participation in culture, heritage and sport activities, and in terms of access to careers and employment opportunities in the sector. As a result of feedback and workshop consultation we have included the 2016 Equality Act list of protected characteristics in the People theme, to further clarify our inclusion priorities.

7. Financial Implications

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

8. Legal Implications

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

9. Staffing Implications

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

10. External Consultees

10.1 No external consultations have been undertaken, beyond the engagement activities describes above.

11. Recommendations

11.1. That the Committee notes the update on the Cultural, Heritage and Sport Framework, and approves the Framework text for publication.

12. Background Documents

There are no background documents referenced in this report.

13. Appendices

Appendix 1 – Culture, Heritage and Sport Framework

NB. This is a draft of the West Yorkshire Combined Authority Culture, Heritage and Sport Framework, following stakeholder and public engagement in summer 2022.

Following endorsement of the text by CA, the Framework will be designed up prior to publication, with the following additions:

- Foreword by the mayor
- Foreword by LEP board
- Layered digital map of West Yorkshire culture, heritage and sport assets
- WYCA and LEP branding
- Final proofreading



Culture, Heritage and Sport

Introduction

Culture, heritage and sport matter. They are threaded through our lives. They give us reasons to live and work in a place, and foster local pride and coherence. The stories we tell shape the way we see ourselves, the way we see the world, and how the world sees us.

Culture, heritage and sport have huge potential as levers to level up West Yorkshire. They can create jobs and growth, and attract investment. They can inspire us to succeed. They can be the medicine that improves our mental and physical wellbeing.

This framework is our plan to grow and sustain culture, heritage and sport in the region. It sets out our ambitions, our investment priorities, the ways we will collaborate with other organisations, and how we want central government to help us make West Yorkshire a crucible of creativity.

Setting the stage

West Yorkshire is blessed with world-class culture, heritage and sport assets: we are leaders in sculpture and contemporary art, with a thriving and fiercely independent music sector, a rich poetic and literary tradition, internationally significant theatre, dance and opera companies, major music and literature festivals, cutting-edge hubs for the games, screen and events industries, and a pioneering creative health sector, all served by an eco-system of innovative SMEs and freelancers.

Our colleges and universities provide national specialisms in creative skills and talent development, driving excellence in arts, humanities and sports science.



We have world-famous professional sports teams and stadia, and our grassroots sports clubs excel in making sport and physical activity accessible to everyone, with significant specialisms in rugby league, cricket, cycling and football.

The twenties are an exciting time for our region

Channel 4 have relocated to Leeds and are already having an impact on the local production and talent ecosystem. Bradford have been crowned the UK's new **City of Culture 2025**, preceded by major cultural events across the region, including **Leeds 2023** and **Kirklees Year of Music 23**, with years of culture in **Wakefield** and **Calderdale** in 2024.

The Piece Hall in Halifax has demonstrated the role of culture and heritage in creating vibrancy and passion in our places. We anticipate more major capital and regeneration projects in the region, including the forthcoming **Bradford Live**, **British Library North** and **National Poetry Centre**.

Setting the stage: Our region as a platform for levelling up



What we are already doing to support culture, heritage and sport in the region

The Creative Catalyst Programme – a £1.5m investment in the creative industries (with an emphasis on the screen and games sector), to help businesses grow and export.

The Mayor's Screen Diversity Programme, which supports people with the skills, confidence and connections for a career in screen production, with an emphasis on removing barriers for people from non-white backgrounds and socio-economically disadvantaged backgrounds.

We are making our wider skills, business-support and inward-investment offer accessible to the creative and sport sectors.

We have committed investment to our region's year of culture programmes, starting with Leeds 2023 and Kirklees Year of Music 2023.

We are also supporting key initiatives with impact across the entire region, including the **Bradford Literature Festival 2022** and a new **West Yorkshire Young Poet Laureate programme.**



Our framework has four themes

1. People
2. Place
3. Skills
4. Business

Within each theme, the framework says **why we think this area of work is important**, our **ambitions**, the things we will do to achieve our ambitions (our **interventions**), and how we will **measure** the impact of this work.

The **interventions** are organised into categories:

Invest – this means what we will spend money on.

Collaborate – this means working together with the five local authorities in West Yorkshire, and helping people and organisations to work together across the region.

Broker – this means persuading government or other funders to invest money in West Yorkshire’s culture, heritage and sport, or to change a policy to help these sectors. It also refers to our work in attracting businesses to invest in the region.

You can find full definitions of some of the other key terms we use in the framework (including **culture**, **heritage** and **sport**) at the end of this document.

1. People

Everyone in West Yorkshire can enjoy culture, heritage and sport

2. Place

West Yorkshire is a creative, sustainable and vibrant region with culture, heritage and sport at its heart

3. Skills

You can build a great career in culture, heritage or sport in West Yorkshire

4. Business

West Yorkshire is the place to grow your creative business

1. People

Everyone in West Yorkshire can enjoy culture, heritage and sport

West Indian Carnival, Leeds. Credit Maria Spadafora



Why It Is Important

Culture, heritage and sport make us happy, keep us active, increase our wellbeing, bring us together, and foster confidence and pride in our communities.

Our Ambition

- Everyone in West Yorkshire can enjoy culture, heritage and sport, and no one will face barriers due to age, disability, gender reassignment, marriage or civil partnership, pregnancy or maternity, race, religion or belief, sex, sexual orientation, or socio-economic background.
- Culture, heritage and sport is threaded through the lives of people in West Yorkshire so that it is relevant, enjoyable and supports our sense of well-being. It is shaped, produced and participated in by all parts of our population.
- People in West Yorkshire are proud of their culture, heritage and sport.

How we will do this

Invest

- We will invest in activities that are inclusive and accessible.
- We will invest in activities that increase people's health and wellbeing.
- We will invest in activities that benefit local community groups and organisations (and volunteers, where this does not impact paid jobs).
- We will invest in activities that tackle the climate emergency and protect our environment.
- We will ensure our major investments have region-wide impact and reach.

Collaborate

- We will promote opportunities to engage with culture, heritage and sport across the region.
- We will work with our region's voluntary and professional sports clubs to increase participation in sport and physical activity.

Broker

- We will advocate for public investment in the region's culture, heritage and sport sectors, and will seek opportunities to draw down funds from central government.

What we will measure

- The impact and reach of our investments across the region.
- The number of people engaging with culture, heritage and sport activity (including young people), and whether they reflect the diversity of our communities.
- Perceptions of our region's culture, heritage and sport offer.
- Whether engagement with culture, heritage and sport are improving our health and well-being.

2. Place

West Yorkshire is a creative, sustainable and vibrant region with culture, heritage and sport at its heart

True North Productions: Filming the Yorkshire Dales



Why It Is Important

Culture, heritage and sport bring joy and meaning to our communities at town, city, rural and regional level. They are part of our identity as a region, and closely linked to our wellbeing and community coherence. Beyond West Yorkshire, our culture tells the world who we are, and attracts people to the region.

Our Ambition

- People are proud of their communities.
- People get involved in local culture, heritage and sport activity.
- People enjoy engaging with their historic and rural environment.
- We have a thriving cultural tourism sector.
- National and international leaders in the creative industries invest in the region.

Invest

- We will invest in culture, heritage and sport activity and assets that tell the story of who we are.
- We will invest in culture, heritage and sport venues to become more accessible to disabled people.
- We will invest in culture, heritage and sport activity that connects people to the historic and/or rural environment.
- We will invest in culture, heritage and sport activity that leaves a lasting legacy for local communities.

Collaborate

- We will collaborate with culture, heritage and sports organisations to increase engagement and volunteering.
- We will collaborate with anchor institutions, including universities and libraries, to increase cultural participation in our communities.
- We will collaborate to increase the use of parks and green spaces, and to ensure they are safe for sports and exercise.
- We will support regeneration projects involving the creative industries and heritage sector.
- We will consider how culture, heritage and sport can contribute to other areas of policy such as regeneration, housing, health and wellbeing, policing and crime, and transport.

Broker

- We will grow awareness of West Yorkshire as a cultural destination, nationally and internationally.

- The number of people engaging with heritage activities and locations across the region, and whether they reflect the diversity of our communities.
- The number of volunteers in culture, heritage and sport.
- The level of culture, heritage and sport tourism in the region.

What we will measure

3. Skills

You can build a great career in culture, the creative industries, heritage or sport in West Yorkshire



Why It Is Important

We need people with the talent, vision, skills and drive to make our culture, creative industries, heritage and sport sectors thrive. We must promote diversity and equity in these sectors and develop, sustain and retain our own talent, while attracting new talent to the region.

Our Ambitions

- West Yorkshire people from all backgrounds have the skills, opportunities, connections and confidence to build a sustainable career in these sectors.
- There is a development pathway into roles in these sectors.
- More people have fair, well-paid work in these sectors.
- People move to West Yorkshire to forge a career in these sectors.
- Freelancers are networked, know where to find help and resources, and are confident about their futures in West Yorkshire.

Invest

- We will invest in organisations that create and sustain fair, well-paid work.
- We will invest in organisations and activities that offer training opportunities for staff, volunteers and participants.
- We will make Combined Authority skills training accessible to the creative industries, heritage and sport sectors.
- We will make Combined Authority skills and training opportunities available to community groups and volunteers, to grow a sustainable culture, heritage and sport ecosystem.

Collaborate

- We will build and support regional networks of freelancers and SMEs.
- We will work with schools to promote possibilities and pathways for careers in the creative industries, heritage and sport sectors, and to recognise the value of transferable creative skills in the wider business sector.
- We will champion creative industries, heritage and sport role models from diverse backgrounds.
- We will work with Further Education and Higher Education Institutions on joined-up approaches to meeting the regional demand for skills in the creative industries, heritage and sport sectors, and share lifelong learning opportunities.

Broker

- We will work with other organisations, such as Arts Council England, Historic England, Heritage Lottery Fund, Sport England, universities, trade associations and unions, to address gaps in knowledge-sharing and professional development.
- We will work with universities to share research and data on our creative industries, heritage and sport sectors.

How we will do this

- The number of people working in our creative industries, heritage and sport sectors, and whether they reflect the diversity of our communities.
- The increase in the number of people with protected characteristics working in these sectors.
- The number of HE graduates taking up work in these sectors.
- The number of freelancers in these sectors.
- The number of training places made available for freelancers in these sectors.
- Perceptions of freelancers on the sustainability of careers in West Yorkshire.

What we will measure

4. Business

West Yorkshire is the place to grow your creative business

Leeds Pride 2019 Credit Visit
Leeds



Why It Is Important

The creative industries sector is one of the most rapidly growing sectors of our regional economy. We need to grow and sustain our own businesses as well as attracting successful businesses to the region.

Our Ambitions

- People in West Yorkshire are confident and supported to found and grow businesses in the creative industries, heritage, and sports sectors.
- Creative industries, heritage, and sports sectors view West Yorkshire as a desirable place to locate.
- Creative industries, heritage, and sports sectors in West Yorkshire nurture talent and create well-paid work.
- Each major Year of Culture and/or City of Culture initiative grows audiences, creates jobs, and develops skills across the region, creating a sustainable cultural ecosystem.

How we will do this

Invest

- We will invest in spaces for creative industry SMEs to locate and grow.
- We will champion entrepreneurs, and develop a business support offer that helps creative industries, heritage and sports businesses to flourish.
- We will ensure that a range of different models, including co-operatives, CICs and social enterprises, can benefit from our business support offer.

Collaborate

- We will take a multi-authority approach to developing and sustaining creative clusters and innovation hubs within the region.
- We will scope opportunities for the creative industries to share their perspectives and expertise with the wider West Yorkshire business community.

Broker

- We will advocate and broker opportunities with central government for inward investment and drawing down business-support funds.
- We will develop our inward investment offer to scope and broker locations, with holistic consideration to supply chain, transport and workforce.
- We will scope opportunities for the creative industries to share their perspectives and expertise with the wider West Yorkshire business community.
- We will support accelerator schemes, and other interventions, to make our SMEs investment ready.

What we will measure

- The level of inward investment into the region from the creative and sport sectors.
- The increase in creative industries, heritage and sports sector business growth and sustainability (including start-ups and SMEs).
- The level of creative exports from the region including products, services, production and tourism.
- The increase in diverse leadership in the creative industries, heritage and sports sectors.

Definitions

When we say **culture**, we mean the process or product of any form of creative endeavour, including visual arts, music, theatre, film and TV, literature and spoken word, video and board games, fashion, design, architecture and crafts.

When we say the **creative industries**, we mean creative occupations whose work relies on creative endeavour. This includes artists, writers, composers, literary translators, musicians, actors, directors, curators, photographers, games designers, animators, graphic designers, fashion designers, set designers, dramaturgs, creative lighting designers, create makeup artists, craftspeople, dancers, performance artists, creative educationalists, architects and advertising creatives. We also include the ecosystem of companies and organisations that are the main employers of creative occupations, and/or facilitate creative activity, including film, TV and radio production companies, theatre companies, publishing companies, software developers, festivals and events companies, live music venues, museums, galleries and libraries, and book and record shops.

When we say **heritage**, we mean historic places or locations such as stately homes, mills and moors, high streets, conservation areas and parks, and places where our heritage assets are housed and studied such as museums, archives and libraries. Heritage also includes our non-tangible heritage, such as cultural practices, traditions, experiences and stories.

When we say **communities**, we mean groups of people with shared interests. This might be due to a shared location, a shared faith, a shared ethnicity or cultural heritage, a shared characteristic (such as LGBTQIA+ communities), or a shared disability (such as d/Deaf communities). It may also include people across the region who are united by an interest in the same activity (such as the gaming community, or the crafting community). We also recognise that these communities contain a diverse range of views, which cannot be represented by a single spokesperson.

When we say **sport**, we mean any kind of sport, exercise or recreational physical activity, engaged in individually or within a group, team or club. We sometimes use the term 'grassroots sport' to specifically refer to activities in which the majority of participants are non-professional players (however, grassroots sports may also involve some professional athletes, coaches, venues, or events organisers).

When we say **invest**, we mean what we will spend money on. This may refer to funds that have already been devolved to the West Yorkshire Combined Authority, or funding opportunities that we will apply for in future.

Collaborate – this means helping people and organisations to work together across the region.

Broker – this means persuading government or other funders to invest in West Yorkshire's culture, heritage and sport, or to change a policy to help these sectors. It also refers to our work in attracting businesses to invest in the region.



**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON FRIDAY, 21 OCTOBER 2022 AT COMMITTEE ROOM 1,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Mayor Tracy Brabin (Chair)	West Yorkshire Combined Authority
Councillor Denise Jeffery	Wakefield Council
Councillor Sue Holdsworth	Calderdale Council
Councillor James Lewis	Leeds City Council
Councillor Shabir Pandor	Kirklees Council
Councillor Rebecca Poulsen	Bradford Council
Councillor Matthew Robinson	Leeds City Council
Mark Roberts	Leeds City Region Local Enterprise Partnership
Councillor Jane Scullion (Substitute)	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
Liz Hunter	West Yorkshire Combined Authority
Dave Pearson	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Ian Parr	West Yorkshire Combined Authority

39. Apologies for Absence

Apologies for absence were received from Cllr Hinchcliffe, and Cllr Swift.

The Mayor addressed the committee members, noting that the meeting scheduled for 9 September 2022 was cancelled due to the passing of Her Majesty Queen Elizabeth II, and raised the significant changes to central government since the previous meeting of the Combined Authority. The Mayor noted that the decisions made by the government over the previous months have contributed to a worsening economic climate for West Yorkshire and the wider UK, and affirmed her commitment to investing in the people, businesses, and infrastructure of West Yorkshire through the decisions taken by the Combined Authority.

40. Declarations of Disclosable Pecuniary Interests

Cllr Scullion declared her sponsorship of the West Yorkshire Flooding Innovation Project.

Cllr Robinson declared his work for Tech UK regarding digital strategy.

41. Exempt Information - Possible Exclusion of the Press and Public

The Chair noted the late appendix 8 of item 9 that was submitted to the Committee members was identified as exempt from the press and public.

Resolved: That in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, the public be excluded from the meeting during consideration of Appendix 8 to Agenda Item 9 on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

42. Minutes of the Meeting of the Combined Authority held on 22 July 2022

Resolved: That the minutes of the meeting of the West Yorkshire Combined Authority held on 22 July 2022 be approved and signed by the Chair.

43. Economic Report / Crisis in the Cost of Living and Doing Business

The Combined Authority considered a report providing the latest economic and business intelligence within West Yorkshire and setting out the Combined Authority's current work to support businesses and households through the cost-of-living crisis.

Officers noted that there were significant changes within the government since the papers were published, though the points of the paper were still relevant. The rate of inflation has risen to approximately ten percent driven by the rising cost of energy and food. Residents of West Yorkshire are affected more than the national average due to higher levels of food poverty and a prevalence of energy inefficient homes. The government has provided six months of energy support for businesses, reviewed after three, which is subject to changes on 31 October 2022. The Combined Authority is in communication with businesses and representative groups about support manufacturing and other energy-heavy industries.

Members noted the difficulties being faced by households within their respective WY regions, and emphasised that the local governments are doing everything they can to provide support, however more needs to be done by the central government. Members also urged support for businesses which are finding increased difficulty in accessing loans and paying energy bills. The majority of businesses will be required to pass the

higher costs onto customers, and the issue affects businesses throughout the supply chain.

Resolved:

That the latest intelligence around the West Yorkshire economy be noted, and comments provided on the activity taking place locally and nationally.

That approval be given under item 9 for the Mayor's Cost of Living Emergency Fund (to be delivered via local authorities), Social Housing Decarbonisation Fund Booster and Energy Price Crisis Emergency Business Grants Programme.

44. UK Shared Prosperity Fund

The Combined Authority considered a report to set out progress on implementing the UKSPF local investment plan. Officers explained that since last meeting of the Combined Authority, an additional £2.5 million of funding has been made available from the Rural England Prosperity Fund. The Combined authority is working with the Local Partnership Group and wider stakeholders to submit the investment plan by the end of November 2022. Officers clarified that the rural element of the funding does not limit how much funding can go to rural areas, and it is just additional to the main allocation of funding.

Resolved:

That the progress made on implementing the West Yorkshire UKSPF Local Investment Plans be noted.

That the update on the new Rural England Prosperity Fund be noted, and authorisation given to the Chief Executive to finalise and submit the Local Investment Plan Addendum to Government, on behalf of the Combined Authority, in consultation with the Mayor, Leaders of each constituent Council and the Interim Chair of the LEP, given the timescales for submission.

That members approved the recommendations made by the West Yorkshire UKSPF Local Partnership Group which are:

- the Hyper-Local £30m LA Allocation Business Justification Case, noting the need to be clear on the intended deliverables, outputs and outcomes, have strengthened equality targets, strong governance and to be clear that UKSPF is for additional/new activity. This includes £1,227,000 for fund management. Formal approval is sought under Item 9.
- support for the £310,000 Flood Innovation Programme - advice and feedback to be fed into the business case development as it progresses through the Combined Authority's assurance process, part of the Climate and Environment Plan pipeline – wave 1 business case.

- approval of the rationale for the Women and Girls Programme, the proposed criteria for accessing the funding, the process and milestones in the funding decision process, to allow officers to progress the work further.
- broad agreement with the proposed funding envelopes for Pillar 2 Business Support, and key policy areas for intervention using UKSPF - to be developed further with the Business, Economy and Innovation Committee and Local Partnership Group
- approval to the Chief Executive of the Combined Authority in line with the revised AEB (and Multiply) table of delegations as set out in Appendix 1 – for Multiply Community Focussed support. The Combined Authority will then enter into Grant Agreements for this provision with each Local Authority.
- to consider, that the limited funding from the Rural Fund should be targeted at rural micro and small businesses, with some sector specialism, for example focusing on the food supply chain, and that Rural engagement is key to delivery of this programme and therefore the LPG should be expanded to include rural representation.

That the delegation from the Combined Authority to the Finance, Resources and Corporate Committee for approvals required in relation to the UKSPF implementation and delivery of the Local Investment Plan, following advice provided by the West Yorkshire UKSPF Local Partnership Group be noted and approved

That the updated AEB (and Multiply) table of delegations be noted and approved

45. Bus Service Improvement Plan Update

The Combined Authority considered a report to provide an update on the Department for Transport funding for the Bus Service Improvement Plan. Officers summarised the introduction of the Mayor's Fares scheme launched on 4 September 2022 which reduced bus ticket prices and capped any single ticket within West Yorkshire at £2. The rates of service usage will be monitored over the next three months and updates will be provided on the impact of the scheme on passenger numbers. The bus network faces further challenges, and the Mayor and Combined Authority members have led discussions with operators to alleviate any concerns and address ongoing issues.

Members praised the Mayor's Fares scheme but raised concerns about bus services in their regions, and requested that operators are invited to a meeting to hear their concerns first-hand. Unreliable services are discouraging bus use, and school students and workers alike are facing difficulties commuting which is in turn slowing the rate of economic recovery. The Chair confirmed support for bus companies is ongoing, and schemes to

support driver recruitment and training as well as the introduction of electric buses are there to encourage bus operators to reintroduce regular services.

Members raised further concerns with the inaccuracy of electronic displays found at bus stops, and the last-minute cancelling of services. Officers confirmed that discussions are being held to tackle these issues, which relies on data from both the Combined Authority and operators which can present challenges. There are developments under way which will allow for individual bus tracking which should increase passenger confidence in bus reliability.

Resolved:

That the update on the Bus Service Improvement Plan be noted, and that funding has been confirmed by the Department for Transport subject to the making of the Bus Service Improvement Plan Enhanced Partnership Scheme following statutory consultation.

That the delegation of the approval of the Bus Service Improvement Plan strategic outline case in accordance with the Assurance Framework to the Transport Committee be approved, so that delivery can commence in line with the tight delivery timeframes.

46. Digital Update

The Combined Authority considered a report to seek approval of the Digital Skills Plan and to seek comments on the proposition of converting the Local Digital Skills Partnership into a Local Digital Partnership, once the LDSP project ends.

Members noted the work being done on the subject by the Employment and Skills Committee, and the further challenges of filling and supporting IT jobs in the region. Members raised that working with businesses and private sector representatives to support digital jobs is important for equality, diversity and inclusion across the region by increasing the IT skills of those in deprived communities.

Officers expressed thanks to the people and businesses that have already provided feedback into the plan, and noted the Combined Authority's intention to match London's level of digital skills. West Yorkshire has one of the fastest growing digital sectors with one of the highest retention rates which will help all residents and business progress.

Members noted the success of the West Yorkshire innovation festival and Leeds Digital Festival as platforms to champion the region to a wider audience. The Chair encouraged members to share and support the Mayor's Innovation Prize, aimed at young people to submit ideas to improve the environment and lives of West Yorkshire communities in line with the target of achieving net zero carbon emissions by 2038.

Resolved:

That the Digital Skills Plan be approved.

That the proposal to convert the Local Digital Skills Partnership into a Local Digital Partnership once the LDSP project ends be approved.

That the proposal to refresh the Digital Framework with a focus on the next phases of projects and programmes, to include a deep dive with the LEP Board be approved.

47. Project Approvals

The Combined Authority considered a report of the Director of Delivery on the progression of, and funding for a number of schemes. Officers summarised nine key schemes for progression through the assurance progress and approval of funding.

WY mayors cost of living emergency fund

Officers summarised the aim of the scheme to provide £3 million of support to disadvantaged and vulnerable groups in West Yorkshire, through established Voluntary, Community, and Social Enterprise sector links.

Members agreed the funding is necessary, but stressed the support is not enough to solve the wider issues and more support is required from central government to meet the needs of the region. The Chair agreed that the projected support until April is not long enough, and benefits payments should rise in line with inflation to support the most vulnerable.

Social Housing Decarbonisation Fund Booster

Officers summarised the scheme will support the ongoing work of the Social Housing Decarbonisation Fund, by allowing for more homes to be retrofitted and made more energy-efficient.

West Yorkshire Climate and Environment Plan - Wave 1

Officers explained the aim of the scheme to support the initial seven programmes to support the net-zero 2038 ambitions. The programmes are still under development and are at various stages, but with initial funding will increase the pace of delivery.

Members commented that work towards energy efficiency is key to improve the environment and to tackle high fuel bills, and urged that government take further action against the rising cost of living.

UKSPF - Local Authority Hyper Local Programme

Officers explained that the UK Shared Prosperity Fund is the successor to the European Structural Investment Fund programme, and will allocate £31 million of funding between the five constituent regions to support the wider UKSPF programme.

West Yorkshire Innovation Programme

Officers explained the scheme is a three-year programme to support small and medium enterprises to improve their business operations through a variety of means.

Business west Yorkshire

Officers explained the scheme will support 9,000 small and medium enterprises to improve productivity and expand their businesses.

Employment support West Yorkshire

Officers explained the scheme will support 7,700 to gain skills and return to the labour market through a variety of activity between April 2023 and March 2025.

TCF Huddersfield bus station

Officers explained the aim of the scheme to refurbish the interior and exterior of Huddersfield bus station. The overall costs have increased from the original allocation due to inflation and material costs, and analysis has been undertaken to bring the costs down as much as possible. The project will be periodically reviewed to ensure value is maintained.

Brownfield Housing Fund Programme

Officers explained the ongoing Brownfield Housing Fund scheme has received additional funds from the government, which will increase the projected output of new homes within the existing delivery time frame.

Members expressed their thanks for the hard work of the teams involved with the scheme, and raised questions regarding the availability of suitable land. Officers confirmed that work is ongoing to identify suitable land, and that any justified proposals from developers are considered and approved as appropriate. Work is also being undertaken to identify avenues for employment and increasing skills in partnership with developers and training providers.

Resolved:

In respect of the West Yorkshire Mayor's Cost of Living Emergency Fund, the Combined Authority approved that, subject to the conditions set by PAT and set out in the decision point certificate:

(i) The Mayor's Cost of Living Emergency Fund scheme proceeds through decision point 2 to 4 (business justification) and work commences on activity 5 (Delivery).

(ii) Approval to the Combined Authority's contribution of £3,000,000 is given. The total scheme value is £3,000,000.

(iii) The Combined Authority enters into funding agreements with the five West Yorkshire Local Authorities. The amount of funding allocated to each Local Authority is delegated to the Combined Authority's Chief Executive.

(iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report and where required, any change requests are delegated to the Finance, Resources and Corporate Committee. This will be subject to the scheme remaining within the tolerances outlined in this report.

In respect of the Social Housing Decarbonisation Booster, the Combined Authority approved that:

(i) The change request for the Social Housing Decarbonisation Booster scheme to increase the Combined Authority's contribution funding from £5,062,000 to £10,257,949, to extend the programme and to increase the outputs as detailed in this report is approved. The total scheme value will increase from £10,381,000 to £17,633,367

(ii) The Combined Authority enters into an addendum to the existing Funding Agreements with the following Social Housing Provider providers for expenditure of up to:

- Accent £186,535
- Chartford £154,000
- Connect £308,000
- Incommunities £1,084,230
- Kirklees £280,000
- Together £1,700,545
- WDH £847,000
- Yorkshire Housing £238,000

(iii) That delegated authority be granted:

- To the Head of Economic Implementation to reallocate funding and / or outputs in consultation with PAT but without the need to submit a formal Change Request to PAT if one or more Housing Association is unable to use their funding allocation, but another is.
- To the Head of Economic Implementation and the Head of Legal and Governance Services in consultation to finalise the Funding Agreement Addendums between the Combined Authority and the Housing Associations (WDH, Connect Housing, Incommunities, Together Housing, Accent Housing, Yorkshire Housing, Kirklees Council, Chartford) and all other related legal documents that may be required.

(iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report and any change requests are delegated to the Climate, Energy and Environment Committee, which will

be subject to the scheme remaining within the tolerances outlined in this report.

In respect of the Climate Environment Plan - Wave 1, the Combined Authority approved:

- (i) The change request to the CEP Wave 1 Portfolio to:
 - a) Further development costs of £1,507,893 to continue to develop individual programme business cases plus the UK Shared Prosperity Fund's (UK SPF) contribution to the Flood Innovation Programme (FLIP) (£310,000), taking the total portfolio development costs approval to £2,654,133. Note: the release of the £310,000 is subject to final approval of the UKSPF Local Investment Plan by Government.
 - b) Approval of £1,100,000 for the Energy Price Crisis Emergency Business Grants Programme, part of the CEP's Business Sustainability Package to provide immediate support businesses with the cost-of-living crisis
 - c) Taking the total portfolio approval to £2,917,893.
- (ii) The Combined Authority enters into a Funding Agreement with Leeds City Council for expenditure of up to £310,000.
- (iii) Delegation to the Climate, Energy and Environment Committee is requested for approval of any change requests to FLIP or the Energy Price Crisis Emergency Business Grants Programme and approval of the business cases for the other projects in the CEP Wave 1 portfolio.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report and any change requests are delegated to the Climate, Energy and Environment Committee, which will be subject to the scheme remaining within the tolerances outlined in this report.

In respect of the UKSPF Local Authority Hyper Local Programme, the Combined Authority approved that, subject to the conditions set by PAT and set out in the decision point certificate and subject to final approval of the UKSPF West Yorkshire Local Investment Plan by Government:

- (i) The UKSPF - Local Authority Hyper Local Programme scheme proceeds through decision point 2 to 4 (business justification) and work commences on activity 5 (Delivery).
- (ii) Approval to the Combined Authority's contribution of £31,227,000 UKSPF is given. The total scheme value is £35,037,000.
- (iii) The Combined Authority enters into funding agreements with the five West Yorkshire Local Authorities for the following amounts:
 - Bradford £7,578,145 + £303,126 management fee.
 - Calderdale £2,764,079 + £137,563 management fee
 - Kirklees £5,824,858 + £232,994 management fee
 - Leeds £9,393,538 + £375,742 management fee

- Wakefield £4,439,380 + £177,575 management fee

(iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report and where required, any change requests are delegated to the Finance, Resources and Corporate Committee, following advice by the UKSPF LPG. This will be subject to the scheme remaining within the tolerances outlined in this report.

In respect of the West Yorkshire Innovation Programme, the Combined Authority approved that:

(i) The West Yorkshire Innovation Support Programme proceeds through decision point 2 to 4 (business justification) and work commences on activity 5 (delivery).

(ii) Approval is given to Combined Authority's contribution of £5,550,376. The total scheme value is £6,934,126.

(iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

In respect of Business West Yorkshire, the Combined Authority approved that:

(i) The Business West Yorkshire scheme proceeds through decision point 2 to 4 (Business Justification) and work commences on activity 5 (delivery).

(ii) Approval to the Combined Authority's contribution of £4,573,426. The total scheme value is £5,298,920

(iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

In respect of Employment Support West Yorkshire, the Combined Authority approved that:

(i) The Employment Support West Yorkshire scheme proceeds through decision point 2 to 4 (business justification) and work commences on activity 5 (Delivery).

(ii) Approval to the Combined Authority's contribution of £12,000,000. The total scheme value is £12,023,833.

(iii) The Combined Authority enters into a funding agreement with each of the five partner councils for expenditure up to the allocations outlined below:

- Bradford Council £3,233,194
- Calderdale Council £1,014,916
- Kirklees Council £2,371,940
- Leeds City Council £3,658,917
- Wakefield Council £1,227,059

(iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report and where required, any change requests are delegated to the Employment and Skills Committee. This will be subject to the scheme remaining within the tolerances outlined in this report

In respect of TCF Huddersfield Bus Station, the Combined Authority approved that:

(i) The Huddersfield Bus Station scheme proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case).

(ii) An indicative approval to the Combined Authority's contribution of £18,995,380. The total scheme value is £19,995,380.

(iii) Development Costs of £2,178,470 are approved in order progress the scheme to decision point 4 (full business case) taking the total scheme approval to £3,077,100.

(iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

In respect of the Brownfield Housing Fund Programme, the Combined Authority approved:

(i) The change request to the Brownfield Housing Programme to increase the total programme cost from £66,778,719 to £89,038,292 and increase the programme output targets from 4500-6000 homes unlocked to 5,400-7,855 homes unlocked by March 2025.

(ii) Development costs of up to £5,000,000 from the Brownfield Housing Fund are approved in order to develop and manage the programme, including acquisitions, and design and develop individual schemes to the next decision point, taking the development funding approved to date to £10,000,000.

(iii) The change to the BHF Burmantofts project to increase the delivery timeframe from June 2025 to October 2025.

(iv) The change to the BHF Leeds Central project to increase the delivery timeframe from July 2024 to January 2025.

(v) The change to the BHF Hebden Bridge project to increase the delivery timeframe from January 2024 to February 2025.

(vi) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

48. Governance - Representation on Outside Bodies

Officers explained the purpose of the report to approve the appointments of the Deputy Chairs of the Transport Committee to the Transport for the North Scrutiny Committee and to the Consortium of East Coast Main Line Authorities.

Resolved:

That the thematic split of roles of the Deputy Chairs of the Transport Committee as set out in paragraph 2.3 be noted.

That the appointments to the TfN Scrutiny Committee and the Consortium of East Coast Main Line Authorities for the municipal year 2022/23 as set out in paragraph 2.5 be approved.

49. Minutes for Information

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