

OVERVIEW AND SCRUTINY COMMITTEE

**MEETING TO BE HELD AT 11.00 AM ON FRIDAY, 13 JULY 2018
IN COMMITTEE ROOM A, WELLINGTON HOUSE, 40-50 WELLINGTON
STREET, LEEDS**

A G E N D A

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**
- 3. POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**
- 4. MINUTES OF THE MEETING HELD ON 24 JANUARY 2018**
(Pages 1 - 6)
- 5. GOVERNANCE ARRANGEMENTS**
(Pages 7 - 22)
- 6. SCRUTINY WORK PROGRAMME**
(Pages 23 - 30)
- 7. POLICY FRAMEWORK AND LOCAL INCLUSIVE INDUSTRIAL
STRATEGY**
(Pages 31 - 38)
- 8. DEVOLUTION**
(Pages 39 - 52)
- 9. DATE OF THE NEXT MEETING - 14 SEPTEMBER 2018**

Signed:



**Managing Director
West Yorkshire Combined Authority**

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**MINUTES OF THE MEETING OF THE
OVERVIEW AND SCRUTINY COMMITTEE
HELD ON WEDNESDAY, 24 JANUARY 2018 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Robert Light (Chair)	Kirklees Council
Councillor Stephen Baines MBE	Calderdale Council
Councillor James Baker	Calderdale Council
Councillor Jenny Brooks	City of York Council
Councillor Andrew Cooper	Kirklees Council
Councillor Ian Cuthbertson	City of York Council
Councillor Michael Ellis	Bradford Council
Councillor Dot Foster	Calderdale Council
Councillor Kim Groves	Leeds City Council
Councillor Peter Harrand	Leeds City Council
Councillor Graham Isherwood	Wakefield Council
Councillor Margaret Isherwood	Wakefield Council
Councillor Fozia Shaheen	Bradford Council
Councillor Rosie Watson	Bradford Council

In attendance:

Councillor Keith Wakefield OBE (minute 34 only)	Chair, Transport Committee
Angela Taylor	West Yorkshire Combined Authority
Sue Cooke (to minute 34 only)	West Yorkshire Combined Authority
Dave Pearson (minute 34 only)	West Yorkshire Combined Authority
Dave Haskins	West Yorkshire Combined Authority
Lorna Holroyd (to minute 34 only)	West Yorkshire Combined Authority
Rachel Jones (minute 35 only)	West Yorkshire Combined Authority
James Flanagan (minute 36 only)	West Yorkshire Combined Authority
Ruth Chaplin	West Yorkshire Combined Authority

28. Apologies for absence

Apologies for absence were received from Councillors P Davey and B Rhodes.

29. Declarations of Interest

Councillor Ellis declared an other interest (not comprising a Disclosable Pecuniary Interest) as a member of the Yorkshire Regional Flood and Coastal Committee.

30. Exclusion of the press and public

There were no items on the agenda requiring the exclusion of the press and public.

31. Minutes of the Meeting held on 4 January 2018

Further to minute 27, 'Update and Review of New Governance Arrangements', Councillor Baker asked that the following points be added:

- The need to ensure members are aware of any delegated decisions taken and in this regard, further information was requested in respect of the Cycle City Ambition Grant programme and the resurfacing of the canal tow path between Hebden Bridge and Todmorden.
- The arrangements for remuneration of LEP Board Chairs was discussed and members were advised that a revised suite of governance documents, including members' allowances, was to be considered by the LEP Board on 16 January 2018. The LEP Board would also be considering the MIPIM 2018 programme.
- The need for inclusive growth to be considered in all projects was stressed.

Resolved: That, subject to the amendments above, the minutes of the meeting held on 4 January 2018 be approved and signed by the Chair.

32. Oxford GB2 Loan Working Group Report

Councillor Groves asked if it would be possible to defer consideration of this item until information included in an email sent the previous day had been taken into account. The email had been sent by Leeds City Council's Chief Executive to the Combined Authority's Managing Director and the Leeds members of the Committee.

In considering Councillor Grove's request, members expressed their concern that the email had not been sent to the Chair of the Overview & Scrutiny Committee or all members of the task and finish working group in advance of the meeting. Following a discussion the consensus was that the agenda item should be considered and that the working group convene at the end of the meeting which would provide an opportunity for them to read the email and amend the report to the Combined Authority if necessary.

The Committee considered the report on the findings of the task and finish working group on the loan to Oxford GB2. It was noted that the review had now been completed and members discussed the summary of key findings and the proposed recommendations to be made to the Combined Authority

for improvements to processes and systems. It was recognised that significant, robust measures had already been introduced to improve processes and decision making and these provided rigour and challenge, supporting the assurance process now in place.

The committee thanked the working group for their commitment to the task and to the Combined Authority officers who had supported the process.

Resolved: That the recommendations of the task and finish working group be provided to the next meeting of the Combined Authority for consideration, subject to the members of the working group considering if any changes should be made in light of the email provided.

33. Economic Services - Business Grants

The Committee considered a report which provided information relating to grant approvals made between 1 April 2015 and 30 November 2017 for programmes delivered by the Economic Services directorate.

It was noted that the Combined Authority was one of a number of organisations providing grant support to businesses within the Leeds City Region. Members discussed the key areas of business currently being delivered and in development and details of the business grant programmes currently being delivered were outlined in the submitted report. An infographic of the current Combined Authority business support model was attached at Appendix 1 and additional information was also provided including at Appendix 5, a tracker for projects approved in 2015/16 for the Business Capital Expenditure Grants and for all approved Resource Efficiency Fund projects.

Members were given the opportunity to ask questions and, in welcoming the report and information provided, suggested that it would be helpful to have an overview on the procuring and awarding of contracts, outputs and outcomes. The need to measure increased productivity across the districts was also emphasised. It was agreed that further updates would be provided on a six monthly basis with a level of individual detail.

Resolved: That the report be noted and further updates be provided on a six monthly basis.

34. Transport Committee - Priorities & Spend

The Committee was given a presentation which set out the background to the Combined Authority's transport functions in respect of priorities and spend.

Councillor Keith Wakefield, Chair of the Combined Authority's Transport Committee, attended the meeting and gave a presentation which provided members with an overview of the work of the Transport Committee over the last year. He highlighted the current and future transport issues, priorities and challenges and members debated several topics including:

- The importance of Inclusive Growth - this would be considered as part of each project and included in every funding stream.
- Air quality - members were assured that the types of vehicles used outside clean air zones would be monitored.
- Maximising the benefits of HS2 for the City Region including jobs and the importance of sub-regional connectivity.
- The challenges of working with a reduced budget and how this will be communicated to the public.
- Delivering strategies.
- Young people - concessionary fares and improving flexibility with bus operators. Members stressed that buses must be punctual and reliable to encourage young people to use them.
- Rural services - their social value and importance for getting young people in remote areas to education and jobs.
- Engagement with the private hire community to promote/encourage tender bids, particularly for rural areas, was discussed.
- Working closely with planning departments and developers to ensure public transport/cycling needs are considered as part of any applications.
- The success of park and ride schemes was noted.
- Ticketing & information – reducing the cost of information by promoting self-service.
- Cycling – it was noted that although the current CityConnect funding stream was ending, work was ongoing with District Councils to maintain the impetus. Members stressed the preference for segregated cycle lanes where possible. For example, the importance of a cycle lane between Hebden Bridge and Todmorden on the canal towpath was highlighted and it was reported that funding options were being investigated.

Resolved: That Councillor Wakefield be thanked for attending the meeting and for the informative discussion.

35. Assurance Framework - Annual Review

The Committee considered a report which provided an update on progress relating to changes proposed to the Leeds City Region Assurance Framework arising from its annual review, and with the recently issued review of Local Enterprise Partnership Governance & Transparency (October 2017).

It was noted that the LEP has secured Growth Deal funding and the Combined Authority, as the accountable body, had to ensure there are robust, transparent and accountable processes in place to support the budgets and programmes for the LEP and the Combined Authority.

The Assurance Framework has to be updated annually and published on the Local Enterprise Partnership's website. The Committee discussed the latest draft which was attached at Appendix 1. The Overview & Scrutiny's SEP Delivery Working Group had discussed this at their recent meeting and offered a level of challenge to the approach taken and were content with the

current progress. It was considered worthwhile for the Working Group to continue with its scrutiny to ensure it remains fit for purpose as this was a 'live' document.

It was noted that the changes to the LCR LEP's governance arrangements which were approved on 16 January 2018 had been reflected in the document. The draft Assurance Framework had been discussed at the recent LEP Board and would also be considered by the Governance & Audit Committee and the Combined Authority at their forthcoming meetings. Members were asked to forward any comments on the draft document to Rachel Jones, the Combined Authority's Programme Manager by mid-February.

Resolved:

- (i) That the reasons for revising the Leeds City Region Assurance Framework as set out in the submitted report be noted.
- (ii) That any feedback or comments on the draft document be provided by mid-February 2018.

36. Forward Programme of Work

The Committee considered the work programme for the coming year and agreed that the following items be included on the forward plan of work for 2018/19:

- Flood alleviation (follow up of actions from the report)
- Branding
- Transport for the North
- Economic Services – Business Growth – Update to be provided on a six monthly basis

It was noted that Devolution would remain a standing item on each agenda and that the programme could be supplemented by any further items as they were identified during the year.

The Committee also noted the forward agenda plan for the Combined Authority which was attached at Appendix 1.

Resolved: That the work programme for future meetings be noted.

37. Items for Feedback to the Combined Authority

It was noted that the Committee's report on the findings of the Working Group on the loan to Oxford GB2 and proposed recommendations would be considered by the Combined Authority on 1 February 2018.

38. Devolution

The Committee was provided with an update on the latest position in respect of devolution discussions since the last meeting.

Members were advised that there was a strong consensus for a 'One Yorkshire' deal with 18 out of 20 Yorkshire Leaders in agreement. An all-party parliamentary group (APPG) meeting and a meeting of the Yorkshire Leaders Board had been held on 12 January 2018 in York at which the desire for a Yorkshire mayor by 2020 had been confirmed.

The Committee discussed the financial gains a deal would bring to the City Region and also the current status of the Sheffield City Region deal in respect of its legislative position and the proposals made to them by Government. It was noted that the mayoral election for the Sheffield City Region was due to be held in May 2018.

A meeting had been requested with the Secretary of State and it was hoped that this would be held towards the end of February 2018. A further update would be provided at the next meeting.

Resolved: That the update on devolution discussions be noted.

39. Items for Information

There were no items for information.



Report to: Overview and Scrutiny Committee

Date: 13 July 2018

Subject: Governance arrangements

Director(s): Angela Taylor, Director of Resources

Author(s): Khaled Berroum, Scrutiny Officer

1 Purpose of this report

- 1.1 To note the governance arrangements agreed by the Combined Authority at its annual meeting on 28 June 2018 pertaining to the Overview and Scrutiny committee.

2 Information

Terms of Reference

- 2.1 The Overview and Scrutiny Committee's terms of reference (**Appendix 1**) have been amended slightly to clarify that the remit of the committee extends to any matter relating to the Combined Authority's role as the accountable body for the Leeds City Region Enterprise Partnership (LEP) and the geography that entails.

Scrutiny Standing Orders

- 2.2 The Scrutiny Standing Orders (**Appendix 2**) have been amended as follows:

Standing Order	Amendment
2.4 and 2.5	Inserted provisions for substitutes.
<i>Footnote 6</i>	Minor clarification of the legal requirements for Chair appointment.
10	Confirmed the minimum number of meetings to be four.
<i>Footnote 11</i>	Clarified which officers might be required to attend the committee.
<i>Footnote 13</i>	Clarified provisions relating to which persons may be invited by the committee to attend a meeting.
<i>Footnote 14</i>	Clarified the committee's role in relation to Transport Committee.
<i>Footnote 17</i>	Clarified the role of overview and scrutiny in relation to the Leeds City Region Enterprise Partnership (the LEP).
18	Inserted new provision for interpretation of the Standing Orders.

- 2.3 Only members formally nominated and ratified at a Combined Authority meeting may substitute for a member. Substitutes do not automatically take on any 'special' duties conferred upon the member they are substituting for, meaning any chairing, review, or working group duties.
- 2.4 The committee must hold at least four *quorate* meetings a year. The quorum is legally set at two-thirds of voting members and cannot be reduced. Nominated (and ratified) substitutes are included in the quorum. No formal decision or resolution may be taken by an inquorate meeting. Six meetings have been agreed by the Combined Authority for the 2018/19 municipal year, once every two months. A list of meeting dates (all beginning at 11am) are as follows:
- 13 July 2018
 - 14 September 2018
 - 16 November 2018
 - 18 January 2019
 - 22 March 2019
 - 24 May 2019
- 2.5 As of 21 May 2018, a full time statutory scrutiny officer has been appointed by the Combined Authority to fulfil the duties under Scrutiny Standing Order 15.

Membership

- 2.6 A combined authority overview and scrutiny committee must reflect "so far as reasonably practicable the balance of political parties prevailing among the *constituent councils* when taken together". As of the 2018 local elections, the political balance in West Yorkshire amounted to **eleven Labour, five Conservative** and **two Liberal Democrat** members.
- 2.7 The members and substitutes appointed at the annual meeting are as follows:

Member	Substitute	Party	District
Stephen Baines	Geraldine Carter	Conservative	Calderdale
James Baker	Ashley Evans	Liberal Democrat	Calderdale
Jenny Brooks	To be confirmed	Conservative	York
Glenn Burton	Martyn Ward	Labour	Wakefield
Ian Cuthbertson	To be confirmed	Liberal Democrat	York
Dot Foster	Steve Sweeney	Labour	Calderdale
Christina Funnell	To be confirmed	Labour	York
Peter Harrand	To be confirmed	Conservative	Leeds
Graham Isherwood	Richard Forster	Labour	Wakefield
David Jenkins	To be confirmed	Labour	Leeds
Paul Kane	To be confirmed	Labour	Kirklees
Robert Light (Chair)	Elizabeth Smaje	Conservative	Kirklees
Sarfraz Nazir	Angela Tait	Labour	Bradford
Marielle O'Neill	To be confirmed	Labour	Kirklees
Mike Pollard	Naveed Riaz	Conservative	Bradford
Denise Ragan	To be confirmed	Labour	Leeds
Elizabeth Rhodes	Faith Heptinstall	Labour	Wakefield
Rosie Watson	Joanne Dodds	Labour	Bradford

- 2.8 The committee welcomes the following new members:
- Glenn Burton (Lab), Wakefield
 - Christina Funnell (Lab), York
 - David Jenkins (Lab), Leeds
 - Sarfraz Nazir (Lab), Bradford
 - Marielle O'Neill (Lab), Kirklees
 - Mike Pollard (Cons), Bradford
 - Denise Ragan (Lab), Leeds
- 2.9 The following members from the previous municipal year have now left the committee:
- Barbara Boyce (Lab), York
 - Andrew Cooper (Green), Kirklees
 - Peter Davey (Lab), Leeds
 - Michael Ellis (Cons), Bradford
 - Kim Groves (Lab), Leeds
 - Margaret Isherwood (Lab), Wakefield
 - Fozia Shaheen (Lab), Bradford

Members' code of conduct and allowance scheme

- 2.10 All members and substitutes are bound by the [Members Code of Conduct](#) and have a legal responsibility to complete a Declaration of Pecuniary Interest form within 28 days of being appointed to the committee (deadline is **26 July 2018**).
- 2.11 Other relevant information relating to meetings procedure, internal officer decision making and wider democratic and corporate governance (accessible on the Combined Authority's website) include:
- [Members Allowance Scheme](#)
 - [Procedure Standing Orders](#)
 - [Officer Delegation Scheme](#)
 - [Annual Governance Statement](#)
 - [Corporate Governance Code](#)

3 Financial Implications

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

4 Legal Implications

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

5 Staffing Implications

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

6 External Consultees

- 6.1 No external consultations have been undertaken.

7 Recommendations

- 7.1 That the Overview and Scrutiny Committee notes the changes in governance arrangements agreed at the Combined Authority Annual Meeting on 28 June 2018.
- 7.2 That new members be welcomed to the Overview and Scrutiny Committee and parting members be thanked for their service and many contributions over the years.

8 Background Documents

[Members Code of Conduct](#)

[Members Allowance Scheme](#)

[Procedure Standing Orders](#)

[Officer Delegation Scheme](#)

[Annual Governance Statement](#)

[Corporate Governance Code](#)

All other governance documents for the Combined Authority and the Leeds City Region Enterprise Partnership (LEP) can be found [here](#).

9 Appendices

Appendix 1 – Terms of Reference (Overview and Scrutiny Committee)
Appendix 2 – Scrutiny Standing Orders

Terms of Reference

Overview and Scrutiny Committee

The Overview and Scrutiny Committee is authorised:

1. To review or scrutinise any decision made, or other action taken, in connection with any function¹ of the Combined Authority.²
2. To make reports or recommendations to the Combined Authority, with respect to any function of the Combined Authority.
3. To make reports or recommendations to the Combined Authority on any matter that affects the Combined Authority's area or the inhabitants of the area³.
4. To receive and monitor responses to any report or recommendation made by the Overview and Scrutiny Committee.

¹ Including in relation to the Combined Authority's role as the accountable body for the Leeds City Region Enterprise Partnership (the LEP).

² In relation to a decision made but not implemented, this includes:

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

³ This includes any matter considered by the LEP or relating to LEP governance.

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West Yorkshire Combined Authority Scrutiny Standing Orders

1 Appointment of committees and sub-committees

- 1.1 The Combined Authority shall appoint one or more overview and scrutiny committees.
- 1.2 An overview and scrutiny committee may appoint one or more sub-committees to discharge any of its functions.¹

2 Membership

- 2.1 The Combined Authority shall appoint at least one member of each constituent council² and of the non-constituent council³ to any overview and scrutiny committee.
- 2.2 The majority of members of any overview and scrutiny committee or sub-committee must be members of the constituent councils.
- 2.3 The number of members of each of the constituent councils appointed to any overview and scrutiny committee must be such that the members of the committee taken as a whole reflect so far as reasonably practicable the balance of political parties for the time being prevailing among members of the constituent councils when taken together.

2.4 The Combined Authority may appoint a **substitute member** for each member of an overview and scrutiny committee to act in the absence of that member at a meeting of an overview and scrutiny committee, any sub-committee of an overview and scrutiny committee or working group to which that member is appointed. The substitute member may only act in the absence of a member:

- for whom they are the designated substitute, and
- where the member will be absent for the whole of the meeting.

2.5 A substitute member may not exercise any special powers or duties exercisable by the member for whom they are substituting⁴.

¹ A sub-committee of an overview and scrutiny committee may not discharge any functions other than those conferred on it in accordance with standing order 1.2.

² These are the City of Bradford Metropolitan District Council, Calderdale Council, Kirklees Metropolitan Council, Leeds City Council and the City of Wakefield Metropolitan District Council.

³ This is the City of York Council.

⁴ Except in respect of any voting rights extended to that member.

- 2.6 No member of the Combined Authority nor of the Leeds City Region Enterprise Partnership (the LEP) Board may be a member or **substitute member** of an overview and scrutiny committee or sub-committee.
- 2.7 Within 28 days of any appointment to any overview and scrutiny committee, the Head of Legal and Governance Services will publish a notice about the appointment⁵ on the Combined Authority's web-site.

3 Voting

- 3.1 Each member of an overview and scrutiny committee, or of any overview and scrutiny sub-committee, appointed from a constituent council has one vote.
- 3.2 Any member of an overview and scrutiny committee, or of any overview and scrutiny sub-committee, appointed from the non-constituent council is non-voting unless the Combined Authority has resolved to give such a member voting rights.
- 3.3 All questions coming or arising before an overview and scrutiny committee or an overview and scrutiny sub-committee shall be decided by a simple majority of the members present and voting on the question.
- 3.4 No member of an overview and scrutiny committee or sub-committee has a casting vote.
- 3.5 If a vote is tied on any matter it is deemed not to be carried.

4 Chair

- 4.1 The Combined Authority will appoint the Chair of any overview and scrutiny committee⁶.
- 4.2 The Chair of any overview and scrutiny sub-committee will be appointed by the appointing overview and scrutiny committee.

5 Conflicts of Interest

- 5.1 No member of an overview and scrutiny committee nor of a sub-committee may scrutinise a decision (whether or not implemented) in which they were directly involved as a member of the committee or sub-committee which made the decision.

⁵ In accordance with Article 4 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017/18.

⁶ This must be an independent person or an appropriate person, as defined by Schedule 5A Local Democracy Economic Development and Construction Act 2009.

5.2 Such a member may only attend the overview and scrutiny committee or sub-committee to:

- make representations,
- answer questions, or
- give evidence about the decision.

6 Quorum

6.1 At least **two-thirds** of the total number of members of any overview and scrutiny committee or sub-committee must be present at a meeting before business may be transacted.

7 Working Groups

7.1 An overview and scrutiny committee or sub-committee may appoint a working group to contribute to and inform the scrutiny process.

8 Work Programme

8.1 Each overview and scrutiny committee or sub-committee will set its own work programme.

9 Reference of matters to an overview and scrutiny committee or sub-committee

9.1 The Combined Authority or any of its committees may ask an overview and scrutiny committee to review any matter or assist in developing budget and policy proposals.

9.2 In accordance with standing order 9.3 below:

- a) any member of an overview and scrutiny committee may refer to the committee any matter which is relevant to the functions of the committee,
- b) any member of an overview and scrutiny sub-committee may refer to a sub-committee any matter which is relevant to the functions of the sub-committee,
- c) any member of the Combined Authority may refer to an overview and scrutiny committee any matter which is relevant to the function of the committee and is not an excluded matter,⁷ and
- d) any member of a constituent council or the non-constituent council may refer to an overview and scrutiny committee any matter which is relevant to the functions of the committee and is

⁷ An excluded matter means any matter which is a local crime and disorder matter within the meaning of section 19 of the Police and Justice Act 2006 or a matter of any description specified in an Order made for the purposes of Section 9FC of the Local Government Act 2000.

not an excluded matter⁸.

- 9.3 Any reference must be made in writing to the Scrutiny Officer who will ensure that the matter is included in the agenda for, and discussed at, a meeting of the committee or sub-committee.
- 9.4 Where a matter is referred to an overview and scrutiny committee by any member under standing order 9.2 c) or d) above, in considering whether to review or scrutinise a matter referred to the committee, the committee must have regard to any representations made by the member referring the matter as to why it would be appropriate for the committee to review or scrutinise the matter. If the committee decides not to review or scrutinise the matter, it must notify the member of its decision and the reasons for it.
- 9.5 An overview and scrutiny committee must provide a member with any copy of any report or recommendations which it makes in connection with any matter referred to it by the member⁹ under standing order 9.2 c) or d) above, subject to standing order 12.4 below.

10 Meetings

- 10.1 There shall be at least **four** ordinary meetings of any overview and scrutiny committee in each year.
- 10.2 An extraordinary meeting of an overview and scrutiny committee may be called by:
- the Chair of the committee; or
 - any **5** members of the committee from at least **2** constituent councils

11 Attendees

11.1 Members and officers

11.1.1 An overview and scrutiny committee or sub-committee may require any member of the Combined Authority¹⁰ or an officer¹¹ of the Combined Authority to attend before it to answer questions¹² or to provide information about any matter within its terms of reference.

11.1.2 Where a committee or sub-committee requires a member

⁸ See footnote above.

⁹ Subject to provisions relating to confidential and exempt information.

¹⁰ The expectation is that this would be a Member of the Combined Authority, or a Chair of any Combined Authority committee or sub-committee.

¹¹ The expectation is that this would be the Combined Authority's Managing Director or any other senior officer who has exercised delegated authority in respect of an issue being considered by the committee or sub-committee, or their nominee.

¹² A person is not obliged to answer any question which the person would be entitled to refuse to answer in or for the purposes of proceedings in a court in England and Wales.

or officer to attend, the Scrutiny Officer shall inform the member or officer in writing giving at least 5 clear working days' notice of the meeting. The notice will state:

- the date of the meeting they are required to attend,
- the nature of the item, and
- whether they must produce any papers for the committee.

11.1.3 A member or officer must comply with any notice they are given.

11.1.4 Where, in exceptional circumstances, the member or officer is unable to attend on the required date, the overview and scrutiny committee shall consult with the member or officer to arrange an alternative date.

11.2 Others

11.2.1 An overview and scrutiny committee or sub-committee may invite other people¹³ to attend any meeting to

- address it,
- provide information,
- discuss issues of local concern, and/or
- answer questions.

11.3 General principles

11.3.1 Each member of an overview and scrutiny committee or sub-committee must be given the opportunity to ask attendees questions, contribute and speak.

11.3.2 Attendees assisting the committee must be treated with respect and courtesy.

12 Reports and recommendations

12.1 Reports and recommendations of an overview and scrutiny committee or sub-committee

12.1.1 An overview and scrutiny committee or sub-committee may make reports or recommendations to the Combined Authority¹⁴.

¹³ Including any co-opted member of any Combined Authority committee; members and officers from constituent councils, the non-constituent council or other councils within the Leeds City Region; any member of the LEP Board; members of the public; any other stakeholders, advisors or assessors. The committee may pay any advisers, assessors and witnesses a reasonable fee and expenses.

¹⁴ All references to the Combined Authority in standing order 12 should be taken as including a

12.1.2 If an overview and scrutiny committee or sub-committee cannot agree a final report, a minority report may be prepared and submitted as an appendix to the majority report.

12.1.3 The overview and scrutiny committee or sub-committee may publish any report or recommendations, subject to standing order 12.4.

12.3 Notice

12.3.1 An overview and scrutiny committee or sub-committee may by notice require the Combined Authority within 2 months of receiving any report or recommendations or (if later) the notice, to:

- consider the report or recommendations,
- respond to the overview and scrutiny committee or sub-committee indicating what (if any) action the Combined Authority proposes to take,
- publish the response, if the overview or scrutiny committee or sub-committee has published the report or recommendations, subject to standing order 12.4 below.

12.3.2 The Combined Authority must respond to a report or recommendations made by an overview and scrutiny committee or a sub-committee as a result of a referral made in accordance with standing order 9, within 2 months beginning with the date on which the Combined Authority received the notice, and subject to standing order 12.4 below.

12.4 Publishing a document: confidential and exempt information

12.4.1 Standing order 12.4.2 applies to:

- the publication of any document comprising a report or recommendations of an overview and scrutiny committee or sub-committee, or a response of the Combined Authority to any such report or recommendations, and
- the provision of a copy of such a document to a member under standing order 9.5 above.

12.4.2 In publishing the document the overview and scrutiny

reference to Transport Committee where relevant, as this committee has authority to consider and respond to reports and recommendations on behalf of the Combined Authority. The Scrutiny Officer shall in consultation with the Chair of an overview and scrutiny committee determine whether a report or recommendation shall be considered by the Transport Committee or by the Combined Authority.

committee, sub-committee or the Combined Authority must exclude any confidential information¹⁵; and may exclude any relevant exempt information¹⁶. When providing a copy of a document, the overview and scrutiny committee, sub-committee or the Combined Authority may exclude any confidential information or relevant exempt information.

12.4.3 Where information is excluded, the overview and scrutiny committee, sub-committee or the Combined Authority:

- may replace so much of the document as discloses the information with a summary which does not disclose that information, and
- must do so if, in consequence of excluding the information, the document published would be misleading or not reasonably comprehensible.

13 Call-in of decisions

13.1 Scope

13.1.2 The following decisions may be called-in for scrutiny:

- any **decision of the Combined Authority¹⁷ or the Transport Committee**, and
- any **Key Decision taken by an officer**,

with the exception of any decision which the decision-maker has resolved is urgent¹⁸.

13.2 Call-in Process

13.2.1 **Five members of the overview and scrutiny committee** to include **at least one member from two different Constituent Councils** may call-in a decision eligible for call-in by notifying the Scrutiny Officer by 4pm on the **fifth working day** following publication under standing order 13.2.2 or 13.2.3.

13.2.2 The Head of Legal and Governance Services shall publish details¹⁹ of **the Combined Authority and Transport Committee decisions** eligible for call-in within **2 clear**

¹⁵ This has the meaning given by section 100A(3) of the Local Government Act 1972.

¹⁶ This means exempt information of a description specified in a resolution of the overview and scrutiny committee or sub-committee or the Combined Authority which applied to the proceedings, or part of the proceedings at any meeting at which the report was or recommendations were considered.

¹⁷ **including in relation to the Combined Authority's role as the accountable body for the LEP.**

¹⁸ A decision will be urgent if any delay likely to be caused by the call-in process would prejudice the Combined Authority's, any constituent council's or the public's interests. Nor will any decision relating to approving or amending governance arrangements be open to call-in.

¹⁹ to members of the overview and scrutiny committee.

working days of a meeting.

13.2.3 Any **Key Decision taken by an officer** will be published as a written record of an officer decision within **2 clear working days** of the decision being made.

13.3 Implementing decisions

13.3.1 An urgent decision may be implemented immediately²⁰.

13.3.2 Any other decision of the Combined Authority or the Transport Committee, or Key Decision taken by an officer may be implemented after **midday** of the **sixth clear working day** after the publication of the decision, unless it is called-in.

13.4 Action on receipt of a call-in request

13.4.1 On receipt of a call-in request, the Scrutiny Officer shall:

- notify the decision-maker²¹ of the call-in,
- consult with the Chair of overview and scrutiny committee about whether to issue a direction under standing order 13.4.2 below, and
- call a meeting of the overview and scrutiny committee, to scrutinise the decision.

13.4.2 Where a decision is called-in, the Scrutiny Officer, in consultation with the Chair of the overview and scrutiny committee may direct that the decision is not to be implemented while it is under review or scrutiny by the overview and scrutiny committee, for a period not exceeding 14 days from the date on which the direction is issued.

13.5 Scrutinising a decision

13.5.1 The overview and scrutiny committee must scrutinise the decision within 14 days of the Scrutiny Officer receiving the request for call-in, or before the expiry of any direction, if earlier.

13.5.2 Where an overview and scrutiny committee has scrutinised a decision, it may:

- endorse the decision, or
- recommend that the decision is re-considered by the Combined Authority or the Transport Committee²².

²⁰ The Scrutiny Officer must report such decisions to the next available meeting of the relevant overview and scrutiny committee, together with the reasons for urgency.

²¹ That is, each member of any relevant committee/the relevant officer.

²² The Scrutiny Officer shall in consultation with the Chair of the overview and scrutiny committee determine whether a report or recommendation relating to a decision of an officer or the Transport

13.5.3 A decision which has been endorsed by an overview and scrutiny committee may be implemented immediately following the endorsement.

13.5.4 Any decision which is recommended for re-consideration may not be implemented while any direction under 13.4.2 is of effect, except in accordance with standing order 13.6.4 below.

13.6 Re-considering the decision

13.6.1 The Combined Authority or the Transport Committee must meet to reconsider any decision not later than 10 days after the date on which the recommendations of an overview and scrutiny committee are received.

13.6.2 The Chair of the overview and scrutiny committee or their nominee may attend the meeting which is re-considering the decision, to present the report or recommendations.²³

13.6.3 The Combined Authority or Transport Committee may confirm, amend or rescind the decision. A response should be made in accordance with standing order 12.3.

13.6.4 A decision which has been confirmed or amended by the Combined Authority or Transport Committee may be implemented immediately.

14 Guidance of the Secretary of the State

14.1 An overview and scrutiny committee or sub-committee must have regard to any guidance issued by the Secretary of State²⁴.

15 Statutory Scrutiny Officer

15.1 Any references in these standing orders to the Scrutiny Officer are to the officer designated as such by the Combined Authority.

15.2 The Combined Authority shall not appoint an officer of any constituent council as Scrutiny Officer for the Combined Authority.

15.3 The functions of the Scrutiny Officer are:

Committee is considered by the Transport Committee (where the decision falls within its terms of reference) or the Combined Authority. A report or recommendation relating to a decision of the Combined Authority shall be considered by the Combined Authority.

²³ The Chair must notify the Scrutiny Officer that they intend to attend the meeting 3 clear working days before the meeting.

²⁴ Under Local Democracy, Economic Development and Construction Act 2009 Schedule 5A paragraph 2(9)

- to promote the role of any overview and scrutiny committee or sub-committee,
- to provide support and guidance to any overview and scrutiny committee or sub-committee and its members, and
- to provide support and guidance to members of the Combined Authority in relation to the functions of any overview and scrutiny committee or sub-committee.

16 Additional rights of access to documents

16.1 Additional rights of access to documents for members of any overview and scrutiny committee or sub-committee are set out in the Access to Information Annex to the Combined Authority's Procedure Standing Orders.

17 Public notice of proposed Key decisions

17.1 Provisions relating to the public notice of proposed Key Decisions are set out in the Access to Information Annex to the Combined Authority's Procedure Standing Orders.

18 Interpretation

18.1 The chair of an overview and scrutiny committee meeting or sub-committee meeting shall make any final decision at that meeting about:

- how the Scrutiny Standing Orders should be interpreted with respect to the conduct of the meeting, or
- any question of procedure not provided for by the Scrutiny Standing Orders.

18.2 The Head of Legal and Governance Services shall make any final decision about how to interpret any Scrutiny Standing Order outside of a formal committee or sub-committee meeting.



Report to: Overview and Scrutiny Committee

Date: 13 July 2018

Subject: **Scrutiny Work Programme**

Director(s): Angela Taylor, Director of Resources

Author(s): Khaled Berroum, Scrutiny Officer

1 Purpose of this report

- 1.1 To consider the Scrutiny Work Programme for the 2018/19 municipal year.
- 1.2 To consider future agenda items, formal referrals to scrutiny, reviews, call in, matters to raise at the next Combined Authority meeting and any other tasks, issues or matters the committee resolves to undertake or consider further.

2 Information

- 2.1 The Scrutiny Work Programme details the planned work the committee has resolved to undertake, investigate further and focus on over the coming municipal year (July 2018-June 2019) within the resources, remit and powers available to the committee. The work programme is considered at each meeting and can be amended and changed as the year progresses.

Referrals

- 2.2 Under Scrutiny Standing Order 9, any member the Overview and Scrutiny Committee, the Combined Authority or an elected member of a West Yorkshire council or York Council may formally refer a matter the Committee for consideration. The referral must be in writing to the Scrutiny Officer. The Committee must then consider and discuss the referral and respond to the referrer explaining whether or not it will consider the matter further and why.
- 2.3 No formal referrals have been made in writing under Scrutiny Standing Order 9 for the Overview and Scrutiny Committee to consider at this meeting.

Reviews

- 2.4 On 15 December 2017 the House of Commons' Communities and Local Government Committee published a report entitled '[*Effectiveness of local*](#)

[authority overview and scrutiny committees](#)’ concluding an investigation into scrutiny nationwide and making recommendations to the government. The [government responded in March 2018](#) accepting most of the recommendations and pledging to update its scrutiny guidance (last issued in 2006) by the end of 2018.

- 2.5 The Chair of the Overview and Scrutiny Committee and the Managing Director of the Combined Authority have proposed that the Committee, in expectation of the government’s updated guidance applying to combined authorities and LEPs, direct the scrutiny officer to begin a review of the West Yorkshire Combined Authority’s current scrutiny arrangements and their effectiveness, assessing their compliance with existing government guidance (from 2006) – in so far as they apply to combined authorities – and report back to a future committee meeting.
- 2.6 No other reviews are ongoing or have been proposed at this time.

Agenda forward plan 2018/19

- 2.7 Last year (2017/18) the Committee considered a number of items at its meetings, including; inclusive growth, devolution, the Combined Authority’s office accommodation, the budget (and business planning), corporate priorities and key performance indicators, governance and committee reforms, business grants programme, the Transport Committee’s priorities and spend, the Assurance Framework and the Leeds Hilton loan (Oxford GB2) – which yielded a report making recommendations to the Combined Authority.
- 2.8 Several agenda items have been suggested to the Committee for consideration, highlighted in more detail below and outlined in **Appendix 1**.
- 2.9 **Devolution:** Yorkshire Leaders are currently scheduled to meet on 25 October 2018, 11 January 2019 and 21 March 2019 where devolution could feature as an item of discussion. The following scrutiny meetings are suggested as the most practical to receive any updates on any developments:
- **16 November 2018**
 - **18 January 2019**
 - **22 March 2019**
- 2.10 **Budget planning and draft budget:** The Combined Authority’s Director of Resources has recommended the **14 September 2018** meeting as the best opportunity for members to feed into and impact budget planning at an early stage before the draft budget is submitted to the Combined Authority in December 2018. The scrutiny meeting on the **16 November 2018** is also suggested as a date to follow up on the actual draft budget itself.
- 2.11 **Assurance Framework:** Last year the Overview and Scrutiny Committee had a large impact (through the SEP Delivery Working Group) on the principles and contents of the Assurance Framework adopted by the LEP Board and Combined Authority in February 2018. As the Assurance Framework is

renewed every year, it is proposed that the the Assurance Framework is considered at the **18 January 2018** meeting.

- 2.12 **Business grants:** The Committee received a report relating to business grants programmes and approvals in January 2018 and resolved to receive further updates on the business grants programme and grant approvals in future. The Executive Head of Economic Services has suggested an item on business grants be considered at the **14 September 2018** meeting.
- 2.13 **Calderdale scrutiny review:** Councillor Jenny Lynn, deputy chair of Calderdale's Strategy and Performance Scrutiny Board, has requested an opportunity to present – at the **14 September 2018** scrutiny meeting – the findings of a review recently conducted by the Strategy and Performance Board into Calderdale Council's relationship with, and contribution to, the West Yorkshire Combined Authority. Their report, entitled "[West Yorkshire... and beyond](#)", was published in April 2018 and made several recommendations to the Combined Authority.
- 2.14 **Appendix 1** to this report provides a short overview of other issues, topics and agenda items suggested for inclusion in this municipal year by members and officers – including: flood alleviation (follow up of actions from a past report), Inclusive Growth, Corporate Plan and performance, branding, Transport for the North and the HS2 growth strategy.

Working groups

- 2.15 Under Scrutiny Standing Order 7, the Overview and Scrutiny Committee may appoint working groups to consider matters more closely or fulfil 'tasks'.
- 2.16 There are currently two 'active' working groups with (1) **Strategic Economic Plan (SEP) Delivery** and (2) **Transport Plan Delivery**. They were first appointed in 2016 and re-appointed on 22 September 2016 and 20 September 2017.
- 2.17 Two vacancies have arisen in last year's working groups following the nomination of former committee members, Councillors Kim Groves and Michael Ellis, to the Combined Authority's Transport Committee.

Strategic Economic Plan (SEP) Delivery Working Group	Transport Plan Delivery Working Group
Stephen Baines (Cons – Calderdale)	Dot Foster (Lab – Calderdale)
Paul Kane (Lab – Kirklees)	Peter Harrand (Cons – Leeds)
Rosie Watson (Lab – Bradford)	Ian Cuthbertson (LibDem – York)
<i>Vacancy</i>	<i>Vacancy</i>

- 2.18 Since the review into scrutiny arrangements will consider working group arrangements and principles as part of its scope, it is proposed that any working groups only be appointed/reappointed on an interim basis until the conclusions of the review are finalised.

Matters to raise at the Combined Authority meeting on 2 August 2018

- 2.19 Since the 2017/18 municipal year, the Chair of the Overview and Scrutiny Committee has received a standing invite to meetings of the Combined Authority as a (non-voting) observer in order to raise any scrutiny matters and convey any feedback from scrutiny members to the Combined Authority.
- 2.20 The Combined Authority's agenda forward plan is summarised in **Appendix 1**. In addition to the standing item considering the approval of capital funding for various projects, the Combined Authority's provisional agenda for 2 August 2018 includes further items on Corporate planning and performance (including 2017/18 Annual Accounts), Medium term financial strategy, Rail performance and governance and finalising governance arrangements for the newly constituted Inclusive Growth and Public Policy Panel.
- 2.21 [Minutes and agendas from past meetings](#) of the Combined Authority can be accessed on the Combined Authority's website.

Key decisions and call in

- 2.22 Members of the Overview and Scrutiny Committee may call in any decision of the Combined Authority or Transport Committee and any key decisions taken by an officer (with the exception of urgent decisions). Key decisions are defined as any decision incurring a financial cost or saving of £1 million or more, or a decision likely to have a significant effect on two or more wards.
- 2.23 Decision makers have two days to publish notice of a decision, at which point scrutiny members have five working days to call in the decision, delaying its implementation, and formally requiring the decision maker to reconsider.
- 2.24 Five members of the Overview and Scrutiny Committee – including at least one member from two different constituent councils [West Yorkshire] – may call-in a decision by notifying the Scrutiny Officer in writing by 4.00 pm on the fifth working day following publication. The Committee then has 14 days to scrutinise the decision and make recommendations. Further information is set out in Scrutiny Standing Order 13.
- 2.25 The latest key decisions and forward plans of key decisions are published on the [key decisions section of the Combined Authority's website](#) and a summary of key decisions due to be taken at the next Combined Authority meeting are highlighted in **Appendix 1**.

Actions for the scrutiny officer

- 2.26 As outlined in Scrutiny Standing Order 15, the statutory scrutiny officer can provide support to the Overview and Scrutiny Committee's work programme and all of its members.

3 Financial Implications

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

4 Legal Implications

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

5 Staffing Implications

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

6 External Consultees

- 6.1 No external consultations have been undertaken.

7 Recommendations

- 7.1 That the Overview and Scrutiny Committee approves a work programme and any other actions and decisions that may arise.

8 Background Documents

['Effectiveness of local authority overview and scrutiny committees' – first report of the Communities and Local Government Committee in the Session 2017-19 \(15 December 2017\).](#)

[Government Response to the Committee's First Report of 2017-19 \(6 March 2018\).](#)

["West Yorkshire.....and beyond" - Calderdale's Council's contribution to the West Yorkshire Combined Authority.](#) A scrutiny review report of the Strategy and Performance Scrutiny Board (Calderdale Council).

[Past agendas and minutes from meetings of the Combined Authority.](#)

[Forward plan of key decisions from 1 July 2018](#)

9 Appendices

Appendix 1 – Scrutiny Work Programme Summary (13 July 2018)

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Scrutiny Work Programme Summary – 13 July 2018

Formal referrals	None – as outlined in paragraphs 2.2-2.3.
Reviews	A review into current scrutiny arrangements is proposed and outlined in paragraphs 2.4-2.6.

Suggested agenda items for Overview and Scrutiny Committee meetings in the 2018/19 municipal year (Para 2.7-14)		Info
Standing items for all meetings	Scrutiny Work Programme <ul style="list-style-type: none"> – Referrals (formal) – Reviews (updates and proposals) – Agenda forward plan – ‘Working groups’ (tasks and feedback) – Matters to raise at the Combined Authority – Key decisions and call in – Actions for the Scrutiny Officer 	Para 2.1
13 July 2018	1. Policy Framework and Local Inclusive Industrial Strategy	
	2. Devolution	
14 September 2018	1. Business grants	para 2.12
	2. Budget planning	para 2.10
	3. Calderdale’s Strategy and Performance Scrutiny Board’s review into the Combined Authority - entitled “West Yorkshire... and beyond”	para 2.13
16 November 2018	1. Devolution (depending on developments)	para 2.9
	2. Draft budget (for information)	para 2.10
	3. –	
18 January 2019	1. Devolution (depending on developments)	para 2.9
	2. Assurance Framework	para 2.11
	3. –	
22 March 2019	1. Devolution (depending on developments)	para 2.9
	2. –	
	3. –	
24 May 2019	1. –	
	2. –	
	3. –	

Issue Shortlist (para 2.14)		
Issue	Information	Suggested by...
Flood alleviation	<i>Following up actions from scrutiny report</i>	Committee - 24.1.18
Inclusive Growth	<i>Programme update, impact, outputs and delivering to deprived communities</i>	Chair / committee – 15.11.17 / 20.9.17
Corporate Plan	<i>Performance, KPIs and achievements</i>	Committee - 24.1.18
Combined Authority’s re-branding		Committee - 24.1.18

Scrutiny Work Programme Summary – 13 July 2018

Transport for the North		Committee - 24.1.18
HS2 growth strategy	<i>Role of major rail infrastructure as a driver of growth</i>	Chair - 15.11.17

Working Groups (para 2.15-18)		
Working Groups	Strategic Economic Plan (SEP) Delivery Working Group	Transport Plan Delivery Working Group
Membership	Stephen Baines (C – Calderdale) Paul Kane (L – Kirklees) Rosie Watson (L – Bradford) Vacancy	Dot Foster (L – Calderdale) Peter Harrand (C – Leeds) Ian Cuthbertson (LD – York) Vacancy
Tasks	Reviewing Assurance Framework (annual)	No current tasks.

Combined Authority forward plan 2018-19 (para 2.19-21)	
Combined Authority agenda 2 August 2018	<ol style="list-style-type: none"> 1. Corporate planning and performance (including 2017/18 Annual Accounts) (standing item) 2. Capital spending and project approvals (standing item) 3. Medium term financial strategy 4. Rail performance and governance 5. Governance arrangements for the Inclusive Growth and Public Policy Panel
Combined Authority agenda 11 October 2018	<ol style="list-style-type: none"> 1. Capital spending and project approvals (standing item) 2. Corporate planning and performance (standing item) 3. Employment and Skills 4. Budget update
Other notable planned Combined Authority agenda items	<ul style="list-style-type: none"> • Inclusive Growth: 6 Month Review – 25 April 2019 meeting • Energy Strategy & Delivery Plan – no meeting date set, probably December 2018 • Green & Blue Infrastructure and Delivery Plan – no meeting date set, probably December 2018

Key decisions to be taken at the 2 August 2018 meeting of the Combined Authority (para 2.22-25)		
Key decision title	By	Date
Skills reboot programme	Combined Authority	2 August 2018
Leeds City Region Employment Hub	Combined Authority	2 August 2018
Corridor Improvement Programme – A58 / A672	Combined Authority	2 August 2018
Corridor Improvement Programme – A646 / A6033	Combined Authority	2 August 2018



Report to: Overview and Scrutiny Committee

Date: 13 July 2018

Subject: **Policy Framework and Local Inclusive Industrial Strategy**

Director(s): Liz Hunter, Interim Director of Policy and Strategy

Author(s): Marc Eatough, Lead Policy Manager

1 Purpose of this report

1.1 To update the Overview & Scrutiny Committee on:

- progress to replace the Strategic Economic Plan and broaden the city region's policy range by working towards the development of a new, agile, long-term strategic framework; and
- the development of the Local Inclusive Industrial Strategy (LIIS) which will sit at the heart of this new framework aimed at driving growth, boosting productivity and earning power for a post 2030 economy.

2 Information

Strategic Economic Plan

- 2.1 The Strategic Economic Plan (SEP) for the Leeds City Region, for the period 2016 – 2036, was adopted in 2016 by the Leeds City Region Enterprise Partnership (LEP) and West Yorkshire Combined Authority.
- 2.2 The SEP, which was produced through engagement with key partners, including businesses, local authorities, universities and colleges and community organisations, provides the high level economic policy and headline strategy for the LEP and Combined Authority.
- 2.3 It sets out a transformative vision for the City Region *“to be a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone”*.
- 2.4 In achieving this vision, the ambition is for the City Region to deliver an extra 36,000 jobs and £3.7 billion of economic output by 2036 that will help the region become a positive, above average contributor to the nation's purse,

and, make significant progress against headline indicators of growth and productivity, earnings, skills and environmental sustainability.

An expanded policy range and the LEPs focus

- 2.5 In August 2017, the LEP Board and West Yorkshire Combined Authority agreed, in principle, to **expand the City Region's policy range**. This recognised that, while the existing SEP drives vital activity to deliver new jobs and homes, there are broader opportunities (e.g. the role of culture and citizen experience) and issues that would benefit from a more comprehensive and agile approach.
- 2.6 Therefore, the LEP Board in January 2018 supported collaborative work on an emerging policy framework (see **Appendix 1**) that represents where partners agree to work together on a broader range of topics (e.g. culture, potentially new aspects of tackling disadvantage in health, early years and education) to tackle the City Region's shared priorities.
- 2.7 Those shared priorities – in the shape of four key challenges - were identified at the LEP Board's September 2017 Away Day:
1. The City Region's productivity gap with national and international peers is too large and growing;
 2. Investment is too low – particularly in research and development investment by the private sector;
 3. Half a century of improving living standards in the City Region have stalled; and
 4. Stubborn deprivation persists, with the poorest communities staying the same over decades.
- 2.8 Core principles for the new framework include:
- a different 'look and feel', providing an agile and 'live' framework, with sections that might form mini strategies in their own right providing Members with innovative policy options;
 - to enable bold and innovative thinking alongside long-term planning to meet the entrenched challenges identified above;
 - to reflect the City Region's expanded policy remit, e.g. culture, and potentially new aspects of tackling disadvantage in health, early years and education;
 - to ensure all Combined Authority and LEP strategies are aligned with a clear focus on tackling the above challenges and delivering inclusive growth outcomes;
 - to build on our core strengths e.g. our concentration of science, research and innovation assets; our globally-competitive manufacturing sector and vibrant digital-tech sectors, including medical technologies;
 - to provide a compelling basis of bids to Government for funding; and,
 - to place the City Region on the front-foot with an ambitious policy platform that improves competitiveness and ensures the benefits are shared fairly.

National Industrial strategy

- 2.9 The Government launched an Industrial Strategy White Paper on 27 November 2017 with the aim of “**creating an economy that boosts productivity and earning power throughout the UK**”.
- 2.10 The national strategy is structured around five foundations of productivity (ideas, people, infrastructure, business environment, and place) and four ‘grand challenges’ (listed below) developed in response to global forces that the UK must embrace.
- **Artificial intelligence and big data:** putting the UK at the forefront of AI and the data revolution;
 - Maximising the advantages from a shift towards **clean growth**;
 - Becoming a world leader in the **future of mobility**; and
 - Harnessing the power of innovation to meet the needs of an **ageing society**.
- 2.11 The White Paper sets out how Combined Authorities and LEPs will contribute to the national Industrial Strategy by co-ordinating the development of their own local industrial strategy bringing together local businesses, political and public sector leaders to drive growth and economic regeneration.
- 2.12 Places in England with a Mayoral Combined Authority will have a single strategy led by the mayor and supported by Local Enterprise Partnerships. For parts of the country without a mayor, the development of the strategy will be led by the LEP. The government will agree the first wave Local Industrial Strategies by March 2019, prioritising the following areas, Greater Manchester, West Midlands and the Oxford-Cambridge Corridor.

Local Inclusive Industrial Strategy

- 2.13 Following publication of Government’s White paper, the LEP Board has previously determined (29 November 2017 and 16 January 2018) that **work would begin on the development of the Local Inclusive Industrial Strategy (LIIS)**. The LIIS will sit at the heart of the new framework aimed at driving growth, boosting productivity and earning power for a post 2030 economy.
- 2.14 While there is no official Government position on the approach to local industrial strategies, the understanding is that they should be focused, relate to genuine local economic strengths and unlock transformative economic and social outcomes.
- 2.15 Informal contacts with Government suggest that there is an opportunity for the LEP in the period before more guidance is provided to develop a local approach that is truly ambitious and addresses local challenges. Work has therefore commenced to identify a number of priorities and ‘big ideas’ that could form the core building blocks and focus of our local industrial strategy:

1. **Transformative private sector leadership to tackle the productivity gap:** The productivity gap is growing between the Leeds City Region, UK and other advanced economies which limits residents' living standards. A set of proposals, including those that build on existing programmes (e.g. strategic business growth programme, manufacturing growth programme, access innovation and resource efficiency fund) being developed in order to help boosting the region's productivity.
 2. **The Leeds City Region Transformed by Digital Technology:** A Digital Framework is being progressed alongside development of the local inclusive industrial strategy. The Digital Framework - once established - will contribute significantly to the narrative and objectives of the digital and tech-focused local approach, including its key role in helping solve the City Region's four key challenges.
 3. **Maximising the impact of HS2 and Northern Powerhouse Rail through the development of inclusive growth corridors in the Leeds City Region.** In order to help maximise the benefits of HS2 and Northern Powerhouse Rail, a series of inclusive growth corridor plans are being developed with district partners to help connect major communities, including some of the most deprived areas of City Region to HS2.
- 2.16 **Government is keen to adopt a co-production model to develop local industrial strategies** as there are likely to be policy areas where activity needs to relate to national and city regional agendas. The adoption of a co-production model could provide the following opportunities for the City Region:
- The development of sector deals where the Leeds City Region has a strong interest, and/or use of supply chains to get businesses collaborating to improve business processes and management and improve productivity;
 - Opportunities to re-engineer the incentives and disincentives in tax (individual and corporate) and welfare systems, bearing in mind the strong distributional implications;
 - Exploring options to pilot potential national activity in the Leeds City Region; and
 - There is also likely to be element of co-production required with local authorities – particularly to shape very intensive, hyper-local services that might be particularly important for transforming the lives of people very furthest from the labour market.

Next steps and role of scrutiny

- 2.17 As part of the LEP's and Combined Authority's open and inclusive approach to inform the development of the local industrial strategy and wider policy framework, a programme of engagement will be delivered with a range of stakeholders over the coming months, including:

- Combined Authority and LEP advisory committees/panels (including scrutiny committee/working groups);
 - Local authorities: building on the excellent work done and ongoing to develop their local inclusive growth / economic / industrial strategies;
 - Universities: making the most of their research assets and role as local anchor institutions; and
 - Business representative groups: as key actors representing the views of the private sector to develop deep knowledge of the barriers to improving productivity and boosting earning power.
- 2.18 The Scrutiny Committee could continue to provide on-going scrutiny and challenge to: (1) annual review process of the Assurance Framework and, (2) the risk management procedures that will help oversee the delivery of the new strategic framework that will replace the SEP, including the Local Inclusive Industrial Strategy and its associated funding mechanisms.

3 Financial Implications

- 3.1 There are no direct financial implications directly arising from this report. Extending the range of activity described throughout Section 2 above could require further investment, while further work is needed to identify the extent of external challenge required to develop the policy agenda and how this might be funded across the partnership.

4 Legal Implications

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

5 Staffing Implications

- 5.1 Broadening the Combined Authority's policy range will require capacity and expertise from the Combined Authority, local authorities and other partners. This can largely be provided within existing resources, subject to (i) ongoing organisational redesign and (ii) cooperation and support from partners (including universities, local authorities, government departments, business groups, etc.).

6 External Consultees

- 6.1 No external consultations have been undertaken.

7 Recommendations

- 7.1 That the Overview and Scrutiny Committee notes the work that is progressing to replace the Strategic Economic Plan with a broader policy framework and Local Inclusive Industrial Strategy to provide a more flexible and agile approach to policy development.

8 Background Documents

[Strategic Economic Plan \(2016-2036\)](#)

LEP Board [reports](#):

- 29 November 2017 - [Inclusive Industrial Strategy - Follow Up to LEP Board Workshop](#) (Item 9)
- 16 January 2018 - [Local Inclusive Industrial Strategy](#) (Item 9)
- 27 March 2018 - [An Inclusive Growth Policy Framework and Local Inclusive Industrial Strategy](#) (Item 12)
- 13 June 2018 - [Policy Framework and Local Inclusive Industrial Strategy Update](#) (Item 22)

9 Appendices

Appendix 1 – Leeds City Region Policy Framework

VISION

“TO BE A GLOBALLY RECOGNISED ECONOMY WHERE GOOD GROWTH DELIVERS HIGH LEVELS OF PROSPERITY, JOBS AND QUALITY OF LIFE FOR EVERYONE”

[range of expressions of this vision will be developed so that it speaks to our different audience in a language and format they understand]

PRIORITIES

**BOOSTING PRODUCTIVITY & EARNING POWER
&
INCREASING LEVELS OF INNOVATION & R&D**

**TACKLING STUBBORN DEPRIVATION
&
IMPROVING LIVING STANDARDS**

**INTEGRATED POLICY FRAMEWORK TO ADDRESS THESE PRIORITIES
(COVERING POWERS & FUNDING)**

EVIDENCE BASE / POLICY DEVELOPMENT - ONGOING

BUSINESS & WORKFORCE

GROWING & PRODUCTIVE ECONOMY
(Science & innovation, R&D, enterprise, digital, trade and investment)

LIFELONG LEARNING
(Skills, opportunity, progression, young people, education)

HEALTHY & INCLUSIVE WORKFORCE
(Good work, welfare, health & Wellbeing)

INDUSTRIAL STRATEGY

3 BIG IDEAS TO BOOST
PRODUCTIVITY & EARNING POWER

1. PRODUCTIVITY REVOLUTION
2. THE DIGITAL TECH REGION
3. INCLUSIVE GROWTH CORRIDORS

PLACE & CONNECTIVITY

TRANSPORT, CONNECTIVITY & MOBILITY
(21st century transport)

STRATEGIC HOUSING & EMPLOYMENT SITES
(Affordable housing, stronger communities)

ENERGY, CLEAN GROWTH & THE ENVIRONMENT
(Green & sustainable city region)

QUALITY OF LIFE
(High quality culture and citizen experience)

PARTNER PLANS & STRATEGIES

INCLUSIVE GROWTH

IMPROVING PRODUCTIVITY

PLACE LEADERSHIP

INTEGRATED INVESTMENT

GOLDEN THREAD

IMPACT AREAS

GROWTH & PRODUCTIVITY GOOD JOBS & EARNINGS SKILLS UPLIFT IMPROVING CONNECTIVITY REDUCING DEPRIVATION ENVIRONMENTAL SUSTAINABILITY

DIFFERENCE FOR WHOM (COHORTS/SEGMENTATION)

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Report to: Overview and Scrutiny Committee

Date: 13 July 2018

Subject: Devolution

Director: Liz Hunter, Interim Director of Policy and Strategy

Author(s): James Flanagan

1 Purpose of this report

- 1.1 To update the committee on progress towards securing devolution to Leeds City Region.

2 Information

- 2.1 The Overview and Scrutiny Committee has received regular updates on progress towards securing devolution to Leeds City Region, summarised elsewhere in this report. At the time of the publication of this report, Yorkshire leaders plan to meet on 12 July 2018. The committee will be updated verbally on any devolution developments arising from that meeting.

Background

- 2.2 In February 2017, the Combined Authority considered a report on the progress made in securing a second stage devolution deal for Leeds City Region, which was seeking to build on the first stage deal agreed with the Government in Spring 2015.
- 2.3 The Combined Authority noted that a formal response to the Leeds City Region devolution proposal submitted in September 2015 had not been received from Government. Members expressed a collective desire to secure a devolution deal and discussed the ongoing challenges, recognising that other options, based on a larger geography, should also be explored.
- 2.4 Yorkshire's council leaders began meeting regularly in spring 2017 to progress a range of issues in common, including options to unlock devolution across the region.

- 2.5 As a result of these meetings, 18 of the 20 Yorkshire council leaders formed a coalition under the 'One Yorkshire' banner seeking the widest possible Yorkshire geography covering at least the administrative areas of: Barnsley, Bradford, Calderdale, Craven, Doncaster, East Riding, Hambleton, Harrogate, Hull, Kirklees, Leeds, North Yorkshire, Richmondshire, Scarborough, Selby, Ryedale, Wakefield, and York.
- 2.6 In response to requests made by the coalition's Leaders to the then Secretary of State for Housing, Communities and Local Government for a meeting to discuss their devolution proposals, the Secretary of State agreed to meet Leaders, MPs and other stakeholders at the February 2018 meeting of the Yorkshire and Northern Lincolnshire All Party Parliamentary Group.
- 2.7 The Leaders welcomed the Secretary of State's confirmation at the meeting that the Government would not seek to prevent a proposal based on a One Yorkshire Mayor and a One Yorkshire Combined Authority from taking effect in 2020, providing it satisfied the various statutory requirements and had widespread support. This would include the ability for any of the South Yorkshire authorities to join a One Yorkshire deal from the start.
- 2.8 The Secretary of State requested detailed proposals and Leaders confirmed that, given the level of agreement achieved across Yorkshire, these could be submitted to the government rapidly.

Recent developments

- 2.9 Yorkshire Leaders met on 5 March 2018 and agreed to submit their devolution proposition to Government and [publish it more widely \(on the Combined Authority's website\)](#) in the interests of transparency.
- 2.10 The One Yorkshire devolution proposal was submitted to the government on the 5 March 2018 in a letter to the Secretary of State. The submitted technical deal proposal is included for information in **Appendix 1**.
- 2.11 At its 5 April 2018 meeting, the Combined Authority noted that Yorkshire Leaders had submitted the proposal as a basis for initiating negotiation with Government and endorsed ongoing work to:
- identify any specific place based investment Asks;
 - develop and agree detailed governance arrangements for the operation of the Yorkshire Combined Authority (including voting arrangements and representation);
 - demonstrating the economic case for a Yorkshire deal, and;
 - preparing a public facing version of the deal which explains the proposals and benefits in plain English.

The One Yorkshire Proposal

- 2.12 The proposal is to secure a deal for the widest possible Yorkshire geography by 2020, including Leeds City Region, with a directly elected Yorkshire Mayor and a Yorkshire Combined Authority (with cross party Overview and Scrutiny arrangements), having the ambition of securing a broad range of devolved

powers and funding, in ways that do not create net additional costs and bureaucracy.

- 2.13 The deal proposes powers and funding aimed at raising living standards for everyone in Yorkshire, closing the UK jobs gap by delivering 200,000 jobs, boosting productivity via an extra £12bn of economic growth, and moving towards becoming a net contributor to the public purse.
- 2.14 The Yorkshire devolution submission includes commitments to creating accountable democratic and governance arrangements including that the Mayor and Cabinet be required to be scrutinised and held to account by an Overview and Scrutiny Committee.

3 Financial Implications

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

4 Legal Implications

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

5 Staffing Implications

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

6 External Consultees

- 6.1 No external consultations have been undertaken.

7 Recommendations

- 7.1 That the progress made on devolution and the next steps highlighted in paragraph 2.11 be noted.

8 Background Documents

None.

9 Appendices

Appendix 1 – Yorkshire Devolution Agreement Submission

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Yorkshire Devolution Agreement Submission

Yorkshire Devolution - An historic opportunity for the whole country

This document sets out the proposed terms of an agreement between 18 Yorkshire council leaders / representatives and Government.¹

The delivery of this devolution agreement is central to Yorkshire's collective drive to unleash the full economic potential of a region with an established international brand, an economy twice the size of Wales and a population the same as Scotland.

At its heart is a desire to accelerate the pace of rebalancing prosperity, to play a central role in a confident outward looking UK economy and embrace the opportunities of the digital age and to do so through self-reliance, self-help and self-sufficiency.

The plan to create a single mayoral combined authority for Yorkshire by May 2020 addresses the requirement for these ambitions to be delivered through clear accountable arrangements which avoid duplication and additional costly and burdensome bureaucracy. However, more profoundly, it does so based on the strong, shared, internationally-recognised Yorkshire identity and brand.

Public support for mayoral arrangements to align with an existing identity which complements - rather than competes - with their powerful allegiance to village, town or city, is clear. This proposal will establish a Yorkshire mayor with the capacity to be a powerful symbol of common endeavour within the region and as an ambassador for it nationally and internationally.

This document sets out proposals which reflect and address the diverse needs of a region which spans major cities and national parks, agriculture, coastline and industry, history and innovation by placing powers where they will have maximum impact while retaining the overarching benefits of regional coherence and co-operation.

Covering such a large population and functional economy, this proposed agreement offers the scale to make it a central pillar of the national drive to tackling fundamental weaknesses in the UK economy, notably the productivity challenge and the geographic imbalance in wealth and opportunity.

We seek to address these imbalances in a way which supports the ambitions of other parts of the UK. A Yorkshire enjoying devolved powers and budgets will be a strong partner, offering complementary strengths to those of our partners in the devolved nations, South, Midlands and London while adding fresh momentum towards achieving the ambitions we have set out with our Northern Powerhouse neighbours.

This agreement represents a major acceleration of our work transforming the Yorkshire economy; building on longstanding strengths in areas including energy, financial services,

¹ Deal to be based on the widest possible Yorkshire geography conditional on Government enabling all 20 Yorkshire Councils to join - if they so choose - by May 2020. This submission to Government has been agreed by 18 of the 20 Yorkshire Council Leaders and Representatives (Barnsley, Bradford, Calderdale, Craven, Doncaster, East Riding, Hambleton, Harrogate, Hull, Kirklees, Leeds, North Yorkshire, Richmondshire, Scarborough, Selby, Ryedale, and Wakefield, and York). Should Sheffield and Rotherham choose to not join the deal, it is recognised that arrangements may need to be made to ensure the integration of transport across South Yorkshire.

agriculture and tourism and supporting exciting growth sectors including health innovation, logistics and advanced manufacturing. The digital revolution and embracing the opportunities it brings is the golden thread which connects our vision.

The prolonged absence of a devolution agreement for Yorkshire would not only deprive our communities of opportunities open to other parts of the country but would also be a major obstacle to achieving national growth ambitions at a pivotal moment for the UK economy. The Northern Powerhouse will remain incomplete until a thriving Yorkshire enjoying devolved powers and budgets is at its heart.

The determination from this region to overcome previous obstacles to securing an agreement bringing benefits to our communities, our region and the country is evident. This proposal is the culmination of political and geographic collaboration across Yorkshire at a scale and with a degree of consensus unprecedented in recent times.

It represents a clear, ambitious, deliverable roadmap to faster growth, improved living standards for our communities and a significant contribution to the UK's economic ambitions.

Submitting these proposal to government is an important first step. It is however recognised that realising our collective ambition will require a further number of steps:

- undertaking a statutory review which evidences the strong intuitive case that a new Yorkshire CA would improve the exercise of statutory functions and cover a functional economic area
- local formal consent is forthcoming from councils and Combined Authorities, and
- ensuring that broadly-based local support is demonstrated , including via support from MPs and Peers and other stakeholders and through statutory public consultation and involvement using different methods.

Principles and Impact

This deal is built on the following guiding principles:

- **Ambition** – securing a broad range of powers and funding devolved to a Combined Authority covering the widest possible Yorkshire geography and overseen by a new directly elected Mayor to represent the people of Yorkshire by May 2020, in order to ensure that the benefits of devolution are fully realised across the region.
- **Self-determination** and self-help for the region – ensuring Yorkshire can confidently shape its own Industrial Strategy and economic future post-Brexit.
- **Subsidiarity** – ie the presumption of devolving powers to the lowest practical level, whether district or neighbourhood level, sub regional or regional. This is principally about powers coming down from Whitehall but we will work together where it makes sense, eg current CA powers, and where this does not serve to create a costly new regional tier of bureaucracy.
- **Investment, including devolved funding, delivered across the region**, including our rural, coastal and urban areas, ensuring that everyone in Yorkshire is able to benefit from devolution.
- **Streamlined and robust governance** arrangements which create no additional cost burden on the tax payer and comprise the following key elements:
 - **A directly elected Yorkshire Mayor with a clear economic leadership remit**, including skills, business and trade and investment;

- **A Yorkshire Combined Authority (CA)** based on consensus and having a shared vision and focus on economic, social and environmental challenges including strategic transport, place making/ regeneration, and public service transformation; and
- **Flexible sub regional arrangements** 'lifting and shifting' into the new CA, and building on, existing collaborative arrangements across Yorkshire's (overlapping and linked) functional economic area.

Yorkshire's future lies in a new post-Brexit era of global economic opportunity with an ambition that businesses grow and become more productive, leading to a better quality of life. This agreement will enable the people of Yorkshire to begin to fulfil this ambition and benefit from the following opportunities:

- Becoming a significant player in an outward-looking, competitive and prosperous UK
- Co-producing with government a Yorkshire Industrial Strategy to provide a compelling basis for government and business investment and drive to the Northern Powerhouse
- Rebalancing the economy (north / south and east / west) by increasing local and net national earning power
- This prosperity will be shared across society, with the benefits spreading to all.

Furthermore this deal package, comprising a revenue gainshare Investment Fund, Housing Investment Fund, new initiatives and new devolved fiscal powers, would enable accelerated stimulus investment in infrastructure, regeneration and growth across our urban, rural and coastal areas which in turn delivers the following outcomes for Yorkshire as a key driver of a successful Northern Powerhouse²:

- **Raised living standards for everyone**, based on well-targeted interventions delivering balanced and inclusive growth across the region's urban, rural and coastal areas
- **Closing of the UK jobs gap** - by delivering 200k jobs
- **Boosted productivity** -
 - an extra £12bn of economic growth
 - significantly narrowing the productivity gap, and
- Step towards becoming a **net contributor to the public purse**

The proposals to devolve the significant powers to Yorkshire contained in this deal are driven by the priorities set out in Yorkshire's 4 Local Enterprise Partnership (LEP) led Strategic Economic Plans (SEPs), and going forward will be embodied in a shared Yorkshire Industrial Strategy which will build on the SEPs as the local road map to transform the Region from an overall recipient of government funding to one that delivers extraordinary

² Source: West Yorkshire Combined Authority Regional Economic intelligence Unit

growth and makes its full contribution to national wealth, creating jobs and prosperity for all local residents and businesses.

Yorkshire is unique, with an innovative, thriving and diverse economy built on a rich industrial, cultural and sporting heritage. The Yorkshire brand is globally recognised; it has a thriving and growing economy worth over £112 billion per year, home to over 5 million residents (half the Northern Powerhouse population), 419,000 businesses and over 2.5 million jobs.

Yorkshire can be characterised in terms of its unique identity, international reach, industrial sectors, and nationally significant economic assets:

The Power Brand and Identity	<ul style="list-style-type: none"> Coastal, rural, towns, and cities 5m+ people central to an international region – connected to London, Edinburgh, Dublin & Rotterdam Industrial Strategy/Northern Powerhouse and UK economic policy/productivity contributor
Economic assets and International Reach	<ul style="list-style-type: none"> Producer economy; Traded knowledge; HE - R&D and Innovation; Traded services; Visitor Economy; Creative and cultural excellence; International food and drink Connected by: air (via two international airports); sea (via Humber Ports); rail via ECML and in the future HS2 and Northern Powerhouse Rail; and Road, at the heart of the Strategic Road Network
Competitive Advantage – Our key sectors & Enablers	<ul style="list-style-type: none"> Advanced Manufacturing; Digital; Energy; Health Innovation/Life Sciences; Agri-tech; Food and drink Higher Education; Logistics; Professional Services
Rebalancing the Economy	Building on our sector strengths; Economic weight of a £112bn economy; Innovation & R&D; Human Capital; Clean Growth; and Connecting all our working age people to good jobs (inclusive growth)

This agreement will deliver transformational outcomes by enabling the region to tackle its economic, environmental and social challenges. The agreement includes powers to support adult skills provision and co-design employment support, and the ability to create a joined up

approach with a focus on connecting the people of Yorkshire to job opportunities, including through a single Yorkshire smart travel ticket³.

The deal would enable Yorkshire Combined Authority to create an Investment Fund of more than £3.75bn through a 30 year gainshare revenue stream and locally raised finance. An incoming Yorkshire Mayor would have the option, subject to primary legislation, and on the basis of support from local business, to raise a business rates supplement.

This deal would deliver for Yorkshire game changing levels of capital investment in infrastructure, including in regeneration and transport, from devolved funding and fiscal powers, along with supporting additional borrowing powers for non-transport investment, and revenue support for skills and business support interventions, and greater control over the transport system to enable the region to maximise the potential of HS2 and Northern Powerhouse Rail. We believe that a deal of this kind offers the potential to transform productivity in the region, narrowing the growing gap with the UK minus London average, and thereby boosting the earnings power of the people and businesses of Yorkshire.

This agreement is the first step in a process of further devolution. The government will continue to work with Yorkshire on important areas of public service and fiscal reform to enable the people of Yorkshire to reach their full potential.

The agreement is based on the establishment of a Yorkshire Mayor by May 2020 working as part of a Yorkshire CA with a cabinet of council leaders. Given the importance of existing collaboration across the 4 LEP geographies⁴, which are important economic geographies in their own right, the agreement recognises the wider partnership with business through the LEPs and with neighbouring councils (eg South Bank councils).

The devolution proposals and all levels of funding contained in this agreement are subject to local political leaders consulting their local communities and businesses on the proposals and local and combined authority ratification. This agreement is also subject to parliamentary approval of the secondary legislation needed to implement the provisions of this agreement, including establishing the Yorkshire CA and devolving powers and funding to a Combined Authority and directly elected Mayor for Yorkshire.

³ recognizing this is an aspiration consistent with TfN proposals for a wider Northern smart ticket, and is subject to local affordability and addressing any fare harmonization issues

⁴ The 4 Yorkshire LEPs cover the following (overlapping) geographies: Leeds City Region; York, North Yorkshire and East Riding; Humber; and Sheffield City Region

Summary of the Devolution Deal to be agreed by the Government and Yorkshire Combined Authority Shadow Board, and supported by the 4 Yorkshire LEPs

A new directly elected Mayor for Yorkshire will provide highly visible and democratically accountable economic leadership in terms of driving investment and growth through Yorkshire's Industrial Strategy. The Mayor will review existing LEP structures (geographies, membership and appointing LEP chairs) to ensure these important business led partnerships remain fit for purpose. In addition, the Mayor will Chair Yorkshire Combined Authority and receive the following powers devolved from central Government:

- Devolved 19+ adult skills funding from 2020 to shape local skills provision to respond to local needs
- A Yorkshire Growth Hub to have responsibility for devolved and integrated business support, including DIT export support
- Multi-year consolidated transport budget
- Responsibility for franchised bus services in all (or part) of the region, in line with the Bus Services Act 2017, to secure access to 'fare box' revenues, and for integrating simple smart ticketing across all local modes of transport
- Subject to the necessary primary legislation, power to levy and retain a Supplementary Business Rate in all or part of the region, up to a cap, to provide financing of major strategic infrastructure which will drive growth⁵
- Devolved powers to bring forward strategic sites and assets to promote place making, including the creation of Mayoral Development Corporations, and enhanced Compulsory Purchase powers, supported by the creation of a Yorkshire Land Commission which will be chaired by the Mayor, enabling eg a formal partnering relationship with MOD in relation to surplus assets at Catterick Garrison

The Combined Authority, working with the Mayor, will receive the following devolved funding streams and powers

- Control of a new £125m a year gainshare revenue Investment Fund allocation of up to £3.75 billion over 30 years to be invested in driving growth across the rural, urban and coastal areas of the Region
- Promoting urban, rural and coastal regeneration through control of a new £500m devolved Housing Investment Fund
- 100% Business Rate Retention pilot⁶
- Enterprise Zone / Tax Increment Financing status for major developments at locally determined growth areas and around principal transport hubs

⁵ Government has proposed a new Mayoral CA power to raise a supplementary business rate to enable investment in infrastructure. It is envisaged that this would be exercisable in Yorkshire in line with the London model which does not seek to deter enterprise, and therefore the Mayor has set a rateable value threshold which in effect excludes micro businesses.

⁶ To encourage local growth and on the basis of safeguards to ensure no detriment compared with existing arrangements

- Powers and devolved funding to drive the improvement of careers & enterprise in education, and inspiration around STEM choices
- Devolved DWP national programmes and budgets targeted at addressing unemployment, in work poverty and health barriers to work
- Devolved budgets for employer-led skills investment, to allow joined up skills brokerage service to help more employers offer Apprenticeships.
- Borrowing powers to enable investment in economically productive infrastructure to deliver growth, subject to a cap to be agreed with HM Treasury
- Flexibility to establish a Single Pot combining funding streams to provide maximum flexibility to deliver local priorities
- Broad powers to acquire and dispose of land to enable more houses to be built⁷, commercial space and infrastructure, for growth and regeneration
- A non-statutory Yorkshire strategic infrastructure investment framework

Governance

1. This agreement proposes the establishment of a Combined Authority for Yorkshire with the first elections of a Yorkshire Mayor to be held in May 2020. Yorkshire councils and LEPs have already taken the following bold steps, including securing effective and accountable sub regional governance arrangements, in return for receiving from Whitehall new devolved powers and funding:
 - West Yorkshire Combined Authority and Sheffield City Region Combined Authority were established as conditions of the 2012 Leeds and Sheffield City Deals which conferred new devolved powers and funding to those areas;
 - Yorkshire's four Local Enterprise Partnerships (LEPs) are in receipt of £1.8bn⁸ devolved through ground breaking Growth Deals;
 - 18 Yorkshire authorities have agreed to deepen their collaboration by creating a Yorkshire Combined Authority Shadow Board, building on existing collaborative arrangements including the Yorkshire Leaders Board; and
 - 18 Yorkshire Councils have agreed that they should be free to join a new Yorkshire CA in order to enable the people of Yorkshire to elect a Mayor by 2020
2. The proposal contained in this agreement for a new Yorkshire Combined Authority is subject to final formal consent of a Yorkshire Combined Authority Shadow Board, the constituent councils, existing combined authorities, agreement of ministers, and necessary orders.

⁷ Agreement of Housing numbers would remain an expressly local matter.

⁸ The following funds have been awarded to Yorkshire's four LEPs over three Growth Deal rounds: Leeds City Region (£694.9m plus an additional £420m gainshare); York, NY and ER (£145.8m); Sheffield City Region (£365m); and Hull and Humber (£141m)

3. The strength of the governance arrangements of the CA will be commensurate with the powers and funding devolved to that authority and the mayor, recognising that strong, accountable governance is an essential prerequisite of any devolution of the new powers and functions contained in this agreement.
- The new Mayor will be elected by - and will be personally accountable to - the local government electors for the areas of the constituent councils of the Combined Authority.
 - The Mayor will provide overall economic leadership and chair Combined Authority meetings.
 - The Mayor would also hold ultimate responsibility for franchised bus services across all or part of the Combined Authority area⁹, and for integrating smart ticketing across all forms of transport. The Mayor would also be able to levy a supplement on business rates¹⁰ in all or part of the region in order to finance investments in infrastructure. The Mayor would be able to exercise these functions autonomously. The allocation of portfolio responsibilities for the Cabinet would be at the Mayor's discretion.
 - The Mayor, supported by a CA Cabinet of leaders, will produce - with LEPs and others - a local industrial strategy for Yorkshire, based upon the existing SEPs, and with a focus on opportunities around Brexit and mitigating risks. The Strategy will set out a programme for accelerated delivery of the aims of the national strategy through maximising the competitive advantages of Yorkshire, bringing together social and economic ambitions to achieve inclusive growth. This agreement is a central to providing Yorkshire with the devolved powers and funding needed to deliver the Industrial Strategy.
 - The local authorities covering the widest possible Yorkshire geography, represented by their leaders, will form the constituent membership of the Combined Authority.
 - Leaders will form a decision making Cabinet to be overseen by the Mayor, where leaders have a clear portfolio of responsibilities, including fulfilling any deputy Mayor roles.
 - In recognition of the importance of the LEP role and the private sector in growth strategies and their delivery, the 4 Yorkshire LEPs will be represented, without voting rights on the Combined Authority by their Chairs. Trade Unions and the two National Parks will also be represented on a non-voting basis.
 - The Mayor and Cabinet will be supported by flexible sub regional Area Committees which recognise the functional economic linked and overlapping geographies and will undertake any functions appropriately delegated to these committees consistent with the principle of subsidiarity, including transport functions which will be exercised on behalf of the Mayor and Cabinet for the areas of all or part of South Yorkshire and of West Yorkshire. Transport powers exercisable by the Combined Authority for other parts of Yorkshire will be delegated back from the CA to the existing individual Local Transport Authorities. Overall the strategic integration of transport, and other, infrastructure will be co-ordinated via the Mayor's Industrial Strategy.

⁹ by virtue of the Bus Services Act 2017

¹⁰ in line with Government's proposals and subject to primary legislation

- These new arrangements, which will build on existing strong and effective sub regional structures, will help to ensure that the Combined Authority does not create a financially and administratively burdensome additional tier of bureaucracy which it will fall on the people of Yorkshire to pay for. It is therefore intended that the operation of the Yorkshire CA shall not of itself result in any increase in the cost of delivery of the functions ascribed to it over and above the current costs associated with the delivery of those functions by the existing constituent councils, Combined Authorities and Whitehall departments.
 - The Mayor and the Cabinet will be required to be scrutinised and held to account by the Combined Authority's non directly elected Overview and Scrutiny Committee and will comprise membership of cross-party members drawn from the constituent councils and other co-opted members.
4. There is no intention to take existing powers from local authorities, including transport powers, without agreement and the agreement will protect the integrity of local authorities in Yorkshire. Neighbouring councils may be non-constituent members of the Combined Authority¹¹. The Combined Authority may exercise functions in relation to its area and may invest outside the constituent members of the Combined Authority if that investment is to the benefit of the Combined Authority.
 5. The Yorkshire Mayor and Combined Authority will receive additional devolved powers and funding for infrastructure and certain parts of public service transformation, specifically on transport, business support, rural, coastal and urban regeneration, skills, and the co-design and funding of employment support as set out in this agreement.
 6. The Mayor will be required to consult the Cabinet on Mayoral strategies, including the Yorkshire Industrial Strategy, and the Mayor's budget, either of which the Cabinet may reject if two-thirds of its voting members present agree to do so.
 7. On proposals for decision requiring a vote of the Combined Authority, the Cabinet members and the Mayor would each have one vote and policy would be agreed by a majority vote, except agreeing the CA's annual budget which will require a higher threshold of majority of voting members present.
 8. In the transition period, i.e. before the new Yorkshire Combined Authority can be formed and the Mayor is elected in May 2020, as part of the statutory governance review, various options will be explored for establishing the Yorkshire CA (including dissolving one or both existing combined authorities). A Yorkshire Shadow Combined Authority would by May 2019 receive funding and responsibilities including the revenue gainshare Investment Fund revenue and Housing Investment funding payments, subject to readiness conditions eg the making of orders.
 9. Economic growth is a shared endeavour and is vital in delivering the Northern Powerhouse ambitions. The Mayor, Combined Authority and LEPs will continue to work very closely with the government for the benefit of the public.
 10. Yorkshire Combined Authority and the LEPs commit to working with partners across the North of England to promote opportunities for pan-Northern collaboration, including Transport for the North, to drive productivity and build the Northern Powerhouse.
 11. This Deal represents a first step in a progressive process of devolution of funding, powers and responsibilities to Yorkshire Combined Authority and a directly elected

¹¹ e.g., South Bank authorities

Mayor for Yorkshire. As well as the funding and powers set out in this deal, Yorkshire Combined Authority working with its constituent authorities and Government will continue to consider further opportunities for devolution, including the following:

- Devolving responsibility for managing the proposed Shared Prosperity Fund
- A regional approach to rural investment including in relation to the replacement for the CAP following withdrawal from the EU
- Positioning Yorkshire at the forefront of next generation transport. This will include government's ongoing support for HS2 growth strategy delivery, Northern Powerhouse Rail, wider connectivity master planning, zero emission transport, and piloting new approaches, including to: smart cities and towns; smart motorways; and connected communities in rural areas
- An MoU with Highways England with regards to traffic management and emergency management on the M62 and M1 and to include A1m, M18 and A63
- Devolved ownership of identified local rail stations, with associated maintenance and improvement budgets
- A pilot to implement big data sharing agreements across key partners and utilities to support strategic planning
- Responsibility for budgets, including DCMS/BDUK, to deliver ultrafast broadband connectivity and further develop the market
- Exploring devolved energy funding and related powers eg to set planning standards for sustainable design and construction and including clean energy and ULEV
- Exploring responsibility for flood defence capital investment eg to support advanced environmental resilience/sustainability measures (eg Living with Water) for port cities
- Co-design of sector deal pilots for the following sectors:
 - Social Care
 - Rural and Farming
 - Tourism, Heritage, Sport, Arts and Culture, including a formal strategic partnership with Visit Britain around maximising the tourism potential of Yorkshire
- Driving further Public Sector Transformation, including:
 - exploring the opportunities for a devolved and coordinated multi-agency approach to improving the life chances for all our children and young people;
 - Exploring the control of Further Education capital and revenue budgets (including 16-18 funding);
 - early years foundation stage, including the first 1000 days;
 - Integration of Health and Social Care; and
 - collaborating and learning related to blue light services/first responders and the regional role around resilience and mutual aid.