

OVERVIEW AND SCRUTINY COMMITTEE

**MEETING TO BE HELD AT 11.00 AM ON FRIDAY, 18 JANUARY 2019
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 16 NOVEMBER 2018**
(Pages 1 - 10)
- 5. CHAIR'S UPDATE**
- 6. GOVERNANCE CHANGES**
(Pages 11 - 18)
- 7. SCRUTINY WORK PROGRAMME**
(Pages 19 - 28)
- 8. APPRENTICESHIPS**
(Pages 29 - 64)
- 9. INCLUSIVE GROWTH**
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- 10. ASSURANCE FRAMEWORK REVIEW**
(Pages 77 - 82)
- 11. LEP REVIEW**
(Pages 83 - 88)

For Information

12. DRAFT BUDGET 2019/20
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13. DATE OF THE NEXT MEETING - 22 MARCH 2019

Signed:

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

**Managing Director
West Yorkshire Combined Authority**

**MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE
HELD ON FRIDAY 16 NOVEMBER 2018 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 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 Ian Cuthbertson	City of York Council
Councillor Dot Foster	Calderdale Council
Councillor Peter Harrand	Leeds City Council
Councillor Graham Isherwood (until minute 30)	Wakefield Council
Councillor David Jenkins	Leeds City Council
Councillor Paul Kane (until minute 31)	Kirklees Council
Councillor Marielle O'Neill	Kirklees Council
Councillor Denise Ragan	Leeds City Council
Councillor Betty Rhodes	Wakefield Council
Councillor Naveed Riaz (substitute) (until minute 30)	Bradford Council
Councillor Rosie Watson	Bradford Council

In attendance:

Khaled Berroum	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Councillor Elizabeth Smaje	Kirklees Council
Garry Collins (minute 30)	Yorkshire Water
Rosa Foster (minute 30)	Environment Agency
Justin Wilson (minute 30)	West Yorkshire Combined Authority
Roger Baker (minute 31)	West Yorkshire Combined Authority
Diane Groom (minute 31)	West Yorkshire Combined Authority
James Flanagan (minute 32)	West Yorkshire Combined Authority

22. Announcements

The Chair, Councillor Robert Light, informed the Committee that he was stepping down as Chair and as a Kirklees Councillor from 16 November 2018 and that the proposed nomination to replace him as Chair would be Councillor Elizabeth Smaje, due to be confirmed at the 13 December 2018 meeting of the Combined Authority.

The Chair thanked Members for their contributions and their success in making a difference to the Combined Authority's work and processes and urged them to always keep people and communities as the main focus and motivation for the scrutiny work programme.

The Committee thanked the Chair for his fair stewardship and willingness to engage all Members in discussions and work programming and wished him the best in his future endeavours.

Resolved: That the nomination of Councillor Elizabeth Smaje as Chair of the Overview and Scrutiny Committee be supported.

23. Apologies for absence

Apologies for absence were received from Councillors Mike Pollard, Sarfraz Nazir, Glenn Burton and Tina Funnell.

Councillor Naveed Riaz was in attendance as substitute for Councillor Mike Pollard.

24. Declarations of Disclosable Pecuniary Interests

There were no declarations of disclosable pecuniary interests.

25. Possible exclusion of the press and public

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

26. Minutes of the meeting held on 14 September 2018

Resolved: That the minutes of the meeting held on 14 September 2018 be approved.

27. Governance arrangements

The Committee received a report of the Scrutiny Officer providing confirmation of substitute members appointed since the last meeting and was also informed of a change in substitution arrangements since the publication of the agenda.

- Councillor Albert Manifold replaced Councillor Faith Heptinstall as substitute to Councillor Betty Rhodes.
- Councillor Harry Ellis replaced Councillor Martyn Ward Heptinstall as substitute to Councillor Glen Burton.

Resolved: That the confirmation of substitute members appointed since the last meeting be noted.

28. Chair's update

The Committee received a verbal update from the Chair updating the Committee on the success of the Combined Authority-led bid to secure the new national headquarters of Channel 4 for the region and the city of Leeds.

He thanked Combined Authority officers for their hard work, along with district and cultural sector partners, as a true collective effort.

The success of the bid was regarded to have been due to the region's strong cultural offer, economic profile and cooperation between regional partners, compared to the rival bids from Manchester and Birmingham.

Resolved: That the Chair's update be noted.

29. Scrutiny Work Programme

The Committee received a report of the Scrutiny Officer considering the Scrutiny Work Programme for the 2018/19 municipal year.

The following issues were raised by Members:

- That Northern has a policy of not allowing mobility scooters on its trains – a policy not shared by other train operators.
- The trend of 'pay day loans' offering incredibly high interest rates to vulnerable people in the region.

LEP Scrutiny Working Group Members asked the Committee:

- to allow them to revise the scope of the tasks assigned to it in view of developments not progressing quickly enough
- to consider establishing a new working group to focus on engaging with the assurance process and scrutinise projects more closely to support strengthening the key decision and call-in functions

After discussion, the Committee **agreed** that:

- If correct as reported, Northern's policy of not allowing mobility scooters on their trains is not acceptable and representations should be made to the Chair of the Transport Committee and / or Director of Transport Services to query the policy with the operator.
- While it was an important issue that needs to be considered, 'pay day loan' regulations were not currently within the Combined Authority's remit.
- Working Groups should be permitted, in general, to revise the scope of their tasks if needed and report that back to main committee.
- The possibility of establishing a working group (or sub-committee, given proper governance processes are adhered to) with the task of engaging with the assurance process and scrutiny of projects be explored further, and that any such sub-group should:
 - a) focus on pre-decision scrutiny ahead of triggering call-in provisions.
 - b) not arbitrarily limit which projects it looks at in financial terms and consider a different way of prioritising.
 - c) Include Councillors Cuthbertson and Baines as members, who volunteered.

Resolved:

- i) That the agenda forward plan and scrutiny work programme for the 2018/19 municipal year as outlined in **Appendix 1** be approved.
- ii) That a report detailing the consultation and development of the current inclusive growth criteria and policy for the Business Growth Programme (BGP) and an assessment of the options relating to extending inclusive growth criteria to all business grants programme be commissioned for the Overview and Scrutiny Committee to consider on 22 March 2019.
- iii) That the issue of mobility scooters not being allowed on Northern trains be raised with the appropriate persons on the Committee's behalf.
- iv) That the scope of the LEP Scrutiny Working Group's tasks be revised as members feel is needed and reported back to a future meeting.
- v) That a report exploring the possibility of a sub-group and process to strengthen pre-decision scrutiny of projects within the framework of the assurance process be brought to a future meeting for discussion.

30. Flood Review

The Committee considered a report of the Director of Policy, Strategy & Communications providing an update on delivery of the 10 recommendations the Overview and Scrutiny Committee made in September 2016, which ultimately formed part of the 2016 Leeds City Region Flood Review developed in response to the 2015 Boxing Day flood events.

The following were in attendance for this item:

- Justin Wilson, West Yorkshire Combined Authority (Policy Lead)
- Garry Collins, Yorkshire Water
- Rosa Foster, Environment Agency

The report and discussion centred on the question of what would be different if the flood events re-occurred in the Winter of 2018 / 19.

After questions and discussion, the Committee made the following **observations**:

Progress and general improvement:

- There had been general improvement in cooperation between the 'three arms' of local authorities, the Environment Agency and the water sector compared to three years previously. There have been smaller flood events since the larger 2015 Boxing Day floods and the responses to those events showed promise.

- The level of public and political spotlight which has been maintained since Boxing Day 2015 has been very encouraging. Previous flood events yielded only short term attention. There is evidence of a bigger focus on flooding in planning and policy making and those councils affected by the floods have created permanent flood partnerships, some of which are Member-led.

Planning matters and developer responsibilities:

- Responsibility for funding flood resilience and mitigation efforts should be shared by developers if their developments affect existing flood risk levels. The cost is often passed onto the public and councils which are currently under financial stress.
- The Environment Agency, and other sectoral and utility partners, should seek to provide comments more often, when possible, in planning applications to support flood resilience – even if a brief or standard response.
- It was felt that the Agency does not comment on planning applications and processes frequently enough. Some Members who have chaired planning committees reported rarely receiving any comments.
- It was understandable that the number of planning projects requiring Environment Agency comments was large and resource-intensive. It was noted that the Environment Agency's remit is to respond to applications that are within specific proximity to 'main rivers' and is not required or expected to respond to all planning applications.
- Currently, the burden is on councils and Members to challenge developers. Environment Agency comments about flood risks in a development would empower councils and Members to better challenge developers more often and ensure that flood resilience mitigation is achieved at the planning permission stage, rather than as more expensive 'bolt ons' later.
- In particular, additional support from the Environment Agency could be useful where major developments are being promoted near 'critical ordinary watercourses'.

Joint Services – police, fire and rescue and military:

- Supra-regional coordination of police could be further developed. There has been improvement in police coordination and strategy, after Members recalled some communities needing to provide security due to police shortage in some areas, but in geographic-based emergencies, local police forces should be able to draw from police resources from other unaffected geographic areas, similar to the Armed Forces.
- Resource resilience in joint services is as important as better coordination. Even though Fire and Rescue services were present from

the start, it depleted their resource resilience should there have been an incident elsewhere requiring their attention.

Awareness and community outreach:

- Community engagement, education and public outreach has become an increasing priority for the 'three arms' with the development of volunteer networks, use of flood wardens, and full time engagement staff – but Members reported many of their constituents being unaware of the outreach.
- Some Members questioned if the method of communication was missing certain target demographics, due to reliance on digital channels. Not everyone can get online easily and during the Boxing Day flood events themselves, the internet and phone lines were not available.
- It is sometimes difficult to find out exactly what actions are being taken, or projects being developed, at a 'micro' and local level. The Environment Agency was happy to share details of projects in their area with Members to share further with their networks.

Accountability and oversight:

- Members have an individual responsibility to hold their own councils to account in their performance of day-to-day duties that can mitigate flood risks, such as maintaining council owned or managed infrastructure, such as ensuring drains, street gullies and sewers are cleaned and in working order.
- The Combined Authority has established a Senior Flood Officers Group made up of representatives from the Combined Authority, partner councils, Yorkshire Water, Environment Agency and a representative from the Yorkshire & Humber Chief Executives Group – Flood Risk Forum. Other strategic partners are also included as required.
- The flood risk capital investment programme is overseen and governed by the Yorkshire Flood and Coastal Committee. Each Local Authority has an elected member representative on this Committee. The committee is supported by sub-regional (West Yorkshire, North Yorkshire etc.) Flood Risk Partnerships. These are member-led, meet quarterly, and is the primary point of oversight for flood risk in West Yorkshire.
- Emergency response is overseen and co-ordinated by the Local Resilience Forums (LRF) as required by the Civil Contingencies Act. The LRF is Member led and is supported by several working groups, one of which is a "Severe Weather Group".
- Statutory protections could have been stronger. Previously public discussions considered making the urban sustainable development document a statutory instrument, but it ultimately became government

guidance which did not obligate stakeholders as strongly as statutory requirements might have.

- It was acknowledged that flood defence is a complex issue that involved many strands of work and expertise. In future, the level of witnesses to the committee had to be considered carefully to either ensure there was representation from all areas, such as planning, local authority drainage or Local Resilience Forums, to support more detailed requirements in that area or an identify an appropriate individual who can represent and be responsible for the entire work streams, such as the chief executive lead for flooding.

The Committee **concluded** that whereas progress had been made, there was room for improvement and that the lines of inquiry in the future should revisit the following areas:

- Communications – outreach, community engagement and education before and during flood events
- Effective coordination of emergency services and response, including police, fire and military
- The coordination of planning policy and activity within a flood defence context
- Local authorities properly maintaining council owned or managed infrastructure that can mitigate flood risk
- Closer look at delivery against the 10 scrutiny recommendations, separately from the 19 flood review recommendations

Resolved:

- i) That the report be noted and the Committee's feedback and conclusions be considered further.
- ii) That the Flood Review be revisited at an appropriate time in the future and focus on the areas highlighted during this session as outlined above.

31. The Combined Authority's engagement with the public

The Committee considered a joint-report of the Directors of Resources, Transport Services and Policy, Strategy & Communications about the ways the Combined Authority engages with the public and other local stakeholders and what functions are in place to facilitate their involvement in decision making, consultations, campaigns, policy and service improvements.

The following were in attendance for this item:

- Roger Baker, Head of Communications
- Diane Groom, Head of Customers Services

After questions, the Committee learned that:

- Increased engagement with elected Members across the region was a priority for the Combined Authority and a monthly Members-focused e-Newsletter was launched earlier in 2018 to support that aim.
- The Combined Authority's communications and marketing team work closely with district councils to engage with the public as the councils have a more long standing connection to the public.
- Much of the Combined Authority's communications and marketing team's work is in supporting district council's communications / marketing efforts.
- The amount of coverage the Combined Authority receives for its communications / marketing output is projected to increase by a factor of five by the end of 2018.

After further discussion, the Committee **agreed** that:

- A report on this topic was very welcome as many constituents had still not heard of the West Yorkshire Combined Authority or Leeds City Region Enterprise Partnership (LEP) and that it was vital in a democracy that people were fully aware of the work of decision making bodies that were responsible for public policy and services.
- There had been progress in general but further improvements in engaging with elected Members, in particular, was very important and expected. The Committee suggested that the Combined Authority could bring together Members for one-day or afternoon policy briefings and discussions as a means of engaging them.
- The Combined Authority should be careful of 'digital by default' methods of communication as the population is ageing and it stands the risk of not engaging that demographic effectively and ignoring them. Digital inclusion is an increasingly important issue, which should be taken into account in communications / marketing policy.

The Committee **concluded** that a scrutiny communications and engagement plan should be developed to support the Committee to:

- increase its profile
- establish a presence on the Combined Authority website and social media networks with dedicated scrutiny pages.
- better engage with the public and include their views and community needs in work programming,
- help support identifying and arranging site visits (e.g. to flood affected areas when considering floods as an issue)
- arrange open 'scrutiny in a day' sessions on important issues, and

Resolved:

- i) That the report be noted and the Committee's feedback and conclusions be considered further.

- ii) That a report outlining a scrutiny communications and engagement plan be brought to a future meeting for discussion.
- iii) That Digital Inclusion be considered as an item for the Scrutiny Work Programme in the future.

32. Devolution

The Committee considered a report of the Director of Policy, Strategy & Communications on the progress towards securing devolution. The One Yorkshire devolution submission to the government, a governance and implementation route map, and an independent economic study of the Yorkshire economy conducted by Steer Economic Development were also attached as appendices to the report.

The following were in attendance for this item:

- James Flanagan, Lead Policy Manager (Public Sector Reform)

The Committee was informed that the Northern Powerhouse Minister, Jake Berry MP, had responded to a query raised at a meeting of Leeds City Council's Strategy and Resources Scrutiny Board on 12 November 2018 about Yorkshire Leaders still awaiting a response from the minister to their offer to discuss devolution in Yorkshire, by agreeing to meet with Yorkshire Leaders as soon as possible. Officers confirmed that Leaders in West Yorkshire had been contacted by the Minister's office to arrange a date.

The Committee **concluded** that:

- Further detail on the submission document submitted to the government in March 2018 was welcome and the economic study made a strong case.
- The governance and route map's commitment to fully embrace and embed overview and scrutiny within any Yorkshire Combined Authority and LEP governance structure was welcome.
- Checks and balances are paramount to ensuring a powerful directly elected Mayor and a combined authority based on the size of the proposed One Yorkshire geography is properly scrutinised and held to account. Some Members re-expressed reservations about too much power being vested in the hands of a single person and position.
- The Overview and Scrutiny Committee has a responsibility to advise the West Yorkshire Combined Authority, offer suggestions and help inform the development of robust scrutiny arrangements and principles for any new combined authority based on the proposed geography.

The Committee **agreed** that a report outlining a number of possible scrutiny models for a potential Yorkshire Combined Authority be discussed in the

future at an appropriate time. The report should, amongst other things, take into account:

- a) Arrangements currently in place in combined authorities with directly elected mayors
- b) The larger geography compared to other existing city region based mayoral combined authority areas
- c) How membership and participation in scrutiny from all member councils in the proposed geography could be most effectively facilitated
- d) The best balance between thematic or sub-regional based committees, working groups and work programming
- e) The optimal way of scrutinising a directly elected mayor in particular as opposed to a mayoral combined authority in general

Resolved:

- i) That the report be noted and the Committee's feedback and conclusions be considered further.
- ii) That a report outlining a number of possible scrutiny models for a potential Yorkshire Combined Authority, based on the proposed geography, be brought to a future meeting for discussion.

33. Date of the next meeting – 18 January 2019

Report to: Overview and Scrutiny Committee

Date: 18 January 2019

Subject: **Governance changes**

Director(s): Angela Taylor, Director of Resources

Author(s): Khaled Berroum, Scrutiny Officer

1 Purpose of this report

- 1.1 To inform the Overview and Scrutiny Committee of governance changes to Combined Authority committees which are of relevance to overview and scrutiny.

2 Information

New Chair of the Overview and Scrutiny Committee

- 2.1 At the 16 November 2018 meeting, the Committee was informed that the Chair, Councillor Robert Light, was stepping down both as Chair of the Committee and as a Kirklees councillor.
- 2.2 Councillor Elizabeth Smaje of Kirklees was confirmed as the Chair of the Overview and Scrutiny Committee at the 13 December 2018 meeting of the Combined Authority.

Substitute changes

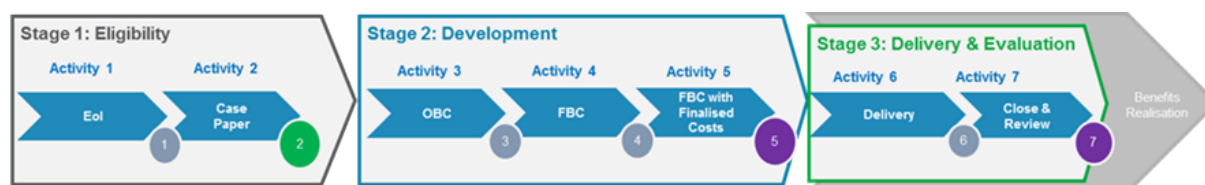
- 2.3 At the last meeting, the Committee was informed that Councillors Albert Manifold and Harry Ellis (Wakefield) had replaced Councillors Faith Heptinstall and Martyn Ward as substitutes to Councillors Betty Rhodes and Glen Burton, respectively.
- 2.4 Councillor Rob Walker has stepped down as substitute to Councillor Marielle O'Neill and the Committee has been informed that a nomination is currently in progress.
- 2.5 There remains one other outstanding substitute vacancy to Councillor Elizabeth Smaje, which is currently being progressed.

Investment Committee becoming a decision making committee

Investment Committee's new delegated powers

- 2.6 At its 13 December 2018 meeting, the Combined Authority agreed, with immediate effect, to delegate new decision making powers to authorise the Investment Committee to make decisions on the Combined Authority's behalf.
- 2.7 The Investment Committee's terms of reference have been amended accordingly and are attached as **Appendix 1**, with highlighted changes.
- 2.8 Membership and voting arrangements for the Investment Committee remain unaltered, with voting members able to exercise one vote. The Chair and Deputy Chair of the Transport Committee, Cllrs Kim Groves and Eric Firth, also attend committee meetings as observers. The current [voting members are as follows](#):
- Cllr Peter Box, Chair – Combined Authority Member
 - Roger Marsh, Deputy Chair – Combined Authority Member
 - Cllr Barry Collins – Calderdale, Labour
 - Cllr Ian Gillies – York, Conservative
 - Cllr Denise Jeffrey – Wakefield, Labour
 - Cllr Richard Lewis – Leeds, Labour
 - Cllr Peter McBride – Kirklees, Labour
 - Cllr Alex Ross-Shaw – Bradford, Labour

Figure 1 – Assurance Process and Decision Points



- 2.9 All schemes are approved by the Combined Authority at decision point 2 (Approval of Expression of Interest) of the assurance process (see **Figure 1**, above) based on a recommendation from the Investment Committee, at which point the Combined Authority then approves a bespoke assurance pathway and approval route for each scheme.
- 2.10 Prior to the change, approval routes usually required the Combined Authority to make some subsequent decisions, for instance at decision point 4 (Final Business Case), further to a recommendation from the Investment Committee, while some decisions were delegated to the Managing Director.
- 2.11 While that approach was understood to provide strong transparency of decision making and political oversight of schemes, when Investment Committee and Combined Authority meeting dates were not closely aligned, it could result in a delay of up to 6-8 weeks before recommendations could be approved and projects progressed.

- 2.12 The change in delegations, made after feedback from partner councils and others, means that a bespoke assurance pathway and approval route for a scheme may now allow any decision subsequent to "decision point 2" to be taken by the Investment Committee instead of the Combined Authority (or through delegation to the Managing Director), provided that any financial approvals do not exceed the limits set out in the Investment Committee terms of reference (**Appendix 1 – footnote 3**), seeking to ensure that particular schemes could progress more quickly.
- 2.13 To further speed up decision making, the Investment Committee is also now meeting monthly instead of every two months as it did previously.
- 2.14 The Combined Authority maintains an oversight of the Investment Committee through the Chair and Deputy Chair of the Investment Committee being Combined Authority Members and reporting back frequently to meetings of the Combined Authority under the standing item covering all capital programmes. The minutes of the Investment Committee are also reported to each meeting of the Combined Authority.

Implications for Overview and Scrutiny

- 2.15 All decisions (subject to some exceptions) taken by the Combined Authority and Transport Committee are eligible for call-in. Scrutiny Standing Orders 13 (and footnotes 14 & 22) have been amended by the Head of Legal & Governance Services, under delegated authority, to clarify that call-in provisions extend to any decision now taken by the Investment Committee.
- 2.16 This means that the Head of Legal and Governance Services is obligated to publish a notice of decisions taken by a meeting of the Investment Committee within two days of the meeting, triggering the call-in period of five days and the process by which Overview and Scrutiny Members have the opportunity to call-in and ask the Investment Committee to reconsider any decision it makes – with the exception of governance decisions.
- 2.17 At its 16 November 2018 meeting, this Committee expressed support, in principle, of strengthening pre-decision scrutiny of major spending decisions and projects in future, with the possibility of a working group or subcommittee being explored to strengthen this function. This will be addressed as part of the wider ongoing work-stream related to revising the Combined Authority's scrutiny arrangements to ensure it is compliant with national government guidance and good practise.
- 2.18 An updated governance structure diagram for the Combined Authority and LEP is attached at **Appendix 2** for information.

3 Financial Implications

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

4 Legal Implications

- 4.1 The Head of Legal and Governance Services has delegated authority under the Combined Authority's Officer Delegation Scheme, to update governance documents where changes are required further to a decision of the Combined Authority.
- 4.2 Any proposed decision to be considered by the Investment Committee which is a Key decision will be published as such, in accordance with the Combined Authority's Access to Information provisions.

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 governance changes pertaining to Overview & Scrutiny since the last meeting.

8 Background Documents

Report: [\(Item 13\) Corporate Developments](#) – West Yorkshire Combined Authority, 13 December 2018.

[Scrutiny Standing Orders](#), amended 3 January 2019.

[Terms of Reference, West Yorkshire and York Investment Committee](#) - amended 3 January 2019.

9 Appendices

Appendix 1 – Terms of Reference, West Yorkshire and York Investment Committee (amended on 3 January 2019)

Appendix 2 – Governance structure diagram, West Yorkshire Combined Authority / Leeds City Region Enterprise Partnership (LEP).

Terms of Reference

West Yorkshire and York Investment Committee

In relation to any function of the Combined Authority relating to:

- **economic development** and
- **economic and transport led regeneration**

the West Yorkshire and York Investment Committee is authorised:

1. To advise the Combined Authority on scheme management and delivery arrangements, including the adoption, application and review of the Leeds City Region Assurance Framework for schemes seeking funding from (or funded by) the Combined Authority or the Leeds City Region Enterprise Partnership.
2. To make any decision to progress a scheme¹ under the Leeds City Region Assurance Framework² in accordance with any bespoke approval pathway and approval route for the scheme³.
3. To make recommendations to the Combined Authority⁴ about any decision to progress a scheme under the Leeds City Region Assurance Framework.
4. To review the impact of schemes funded by the Combined Authority or the Leeds City Region Enterprise Partnership and make recommendations to the Combined Authority as appropriate.
5. To advise the Combined Authority in relation to any other function of the Combined Authority relating to its role as accountable body for funding received for the Leeds City Region.
6. To liaise with the Transport Committee to promote the strategic alignment of regional transport funding investment.⁵

¹ Including determining change requests

² After decision point 2 only

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

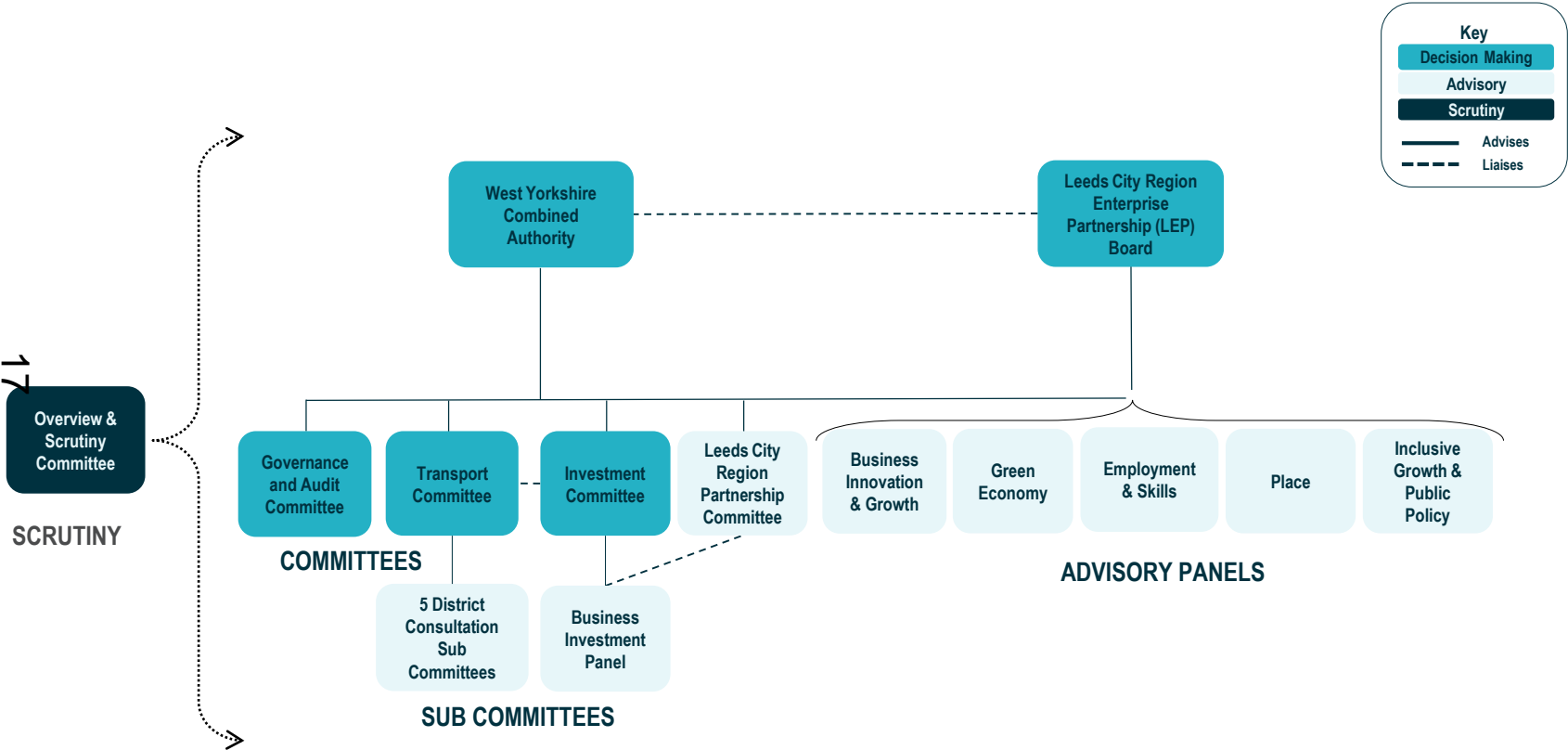
⁴ Or any relevant officer with delegated authority.

⁵ This may be through holding joint meetings with the Transport Committee.

7. To respond to reports and recommendations from an overview and scrutiny committee.⁶
8. To consider and advise the Combined Authority about any other issue affecting the discharge of these functions.

⁶ Of the Combined Authority, (in accordance with Scrutiny Standing Orders), or of any constituent council

Governance Structure



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Report to: Overview and Scrutiny Committee

Date: 18 January 2019

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 including 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 Overview and Scrutiny Committee has resolved to undertake, investigate further and focus on in the current municipal year (July 2018 – June 2019) within the resources, remit and powers available to it. 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 of the Overview and Scrutiny Committee, the Combined Authority or an elected Member of a West Yorkshire council or the City of York Council may formally refer a matter to 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 13 July 2018, the Overview and Scrutiny Committee directed the Scrutiny Officer to begin a **review of current scrutiny arrangements**. The review was

deferred until new statutory scrutiny guidance was published by the government. Further information on developments on the publication of new guidance is outlined below.

- 2.5 There are no other reviews ongoing at this time.

Publication of statutory scrutiny guidance delayed

- 2.6 Although the government informed the Communities and Local Government Select Committee that new national statutory scrutiny guidance would be published by the end of 2018, as of the production and publication of this report, the guidance has not yet been made public.
- 2.7 The Centre for Public Scrutiny, which was tasked by the government to produce parts of the guidance, understands that the text has been finalised, but there still remains the process of cross-Government review and signoff. It is unknown if that process has commenced and it is also understood that large numbers of civil servants have been reassigned from usual duties to support planning for the exit from the European Union¹.
- 2.8 The Scrutiny Officer shall inform Members when the guidance has been published.

Agenda forward plan 2018/19

- 2.9 At the last meeting (16 November 2018), the Committee noted the agreed agenda forward plan for the rest of the meetings in the 2018/19 municipal year. A summary of the current work programme is outlined in **Appendix 1**, with any proposed changes highlighted in yellow.
- 2.10 It is recommended that after the government publishes new scrutiny guidance, the Committee receive and discuss a report at the **22 March 2019** meeting proposing a series of changes to current scrutiny arrangements to improve the robustness of Combined Authority and LEP scrutiny and to ensure the Combined Authority is compliant with the statutory government guidance and good practice nationally.
- 2.11 It is also proposed that a series of workshop sessions involving all members be arranged between January and March 2019 to allow Members to discuss the guidance and shape the final proposals regarding new scrutiny arrangements. The Committee previously expressed support for arranging informal workshops on reforming scrutiny arrangements at its 14 September 2018 meeting².
- 2.12 At its last meeting, the Committee also agreed to receive reports on a number of issues which are listed in the shortlist table in **Appendix 1**.

¹ <https://www.cfps.org.uk/scrutiny-guidance-update/>

² Minutes, Overview and Scrutiny Committee (14 September 2018) : <https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CId=135&MIId=723&Ver=4>

- 2.13 The Committee is recommended to specify any particular focuses or information that reports from officers should contain for the items due for consideration at the **22 March 2019** meeting and any future meetings.

Working groups

- 2.14 Under Scrutiny Standing Order 7, the Overview and Scrutiny Committee may appoint working groups to consider matters more closely or fulfil 'tasks'.
- 2.15 At its last meeting, during the work programme item, the Committee resolved to allow working groups to revise scope as developments arise.
- 2.16 The report for the Assurance Framework (Item 8) agenda item of this meeting contains the LEP scrutiny working group's conclusions to the main Committee from its meetings in November and December 2018.
- 2.17 At its last meeting, the Committee also agreed in principle to explore the possibility of establishing a new working group or sub-committee to more closely scrutinise projects within the framework of the Combined Authority / LEP's assurance process. This will be considered as part of the wider report proposing changes to scrutiny arrangements to be presented to a future meeting.
- 2.18 The Transport scrutiny working group is currently preparing a summary of conclusions arising from its meetings in late 2018 to be presented to the next Committee meeting on **22 March 2019** within the transport item.

Key decisions and call in

- 2.19 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.
- 2.20 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.
- 2.21 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.
- 2.22 As outlined in the report for Item 5 of this meeting's agenda ("Governance changes"), key decision and call-in provisions have been extended to the Combined Authority's Investment Committee, as of 13 December 2018.

- 2.23 The latest key decisions and forward plans of key decisions are published on the [key decisions section of the Combined Authority's website](#).

Matters to raise at the Combined Authority budget meeting on 14 February 2019

- 2.24 The Chair of the Overview and Scrutiny Committee has 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.
- 2.25 The Combined Authority's agenda forward plan is summarised in **Appendix 1**.
- 2.26 [Minutes and agendas from past meetings](#) of the Combined Authority can be accessed on the Combined Authority's website.

Actions for the Scrutiny Officer

- 2.27 As outlined in Scrutiny Standing Order 15, the statutory scrutiny officer provides support to the Overview and Scrutiny Committee's work programme and all of its members in exercising their duties and fulfilling their objectives.
- 2.28 A list of outstanding actions is included in the work programme summary attached at **Appendix 1**.

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 agenda forward plan and scrutiny work programme for the 2018/19 municipal year as outlined in **Appendix 1** be noted or amended.
- 7.2 That any areas of focus or information in reports being submitted to future committee meetings be considered and requested.

- 7.3 That, following the publication of statutory scrutiny guidance by the government, a report detailing proposals for improving current scrutiny arrangements and ensuring the Combined Authority is compliant is submitted to the 22 March 2019 meeting.
- 7.4 That, following the publication of statutory scrutiny guidance by the government, a series of workshops involving all interested members be arranged between January and March 2019 to consider and discuss changes to scrutiny arrangements and ensuring compliance with new statutory scrutiny guidance.
- 7.5 That any other actions and decisions relating to the work programme be agreed.

8. Background Documents

[Scrutiny Standing Orders](#) (amended on 3 January 2019) – West Yorkshire Combined Authority.

[Past Combined Authority meeting agendas and minutes.](#)

Key decision forward plans for the Combined Authority [can be found here.](#)

9. Appendices

Appendix 1 – Scrutiny Work Programme Summary (18 January 2019)

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Scrutiny Work Programme Summary (18 January 2019)

Formal referrals	None
Reviews	<ol style="list-style-type: none"> 1. A review into the Combined Authority's scrutiny arrangements (<i>deferred until new government scrutiny guidance is published</i>). 2. No other reviews

Overview and Scrutiny Committee – Forward Plan (2018/19)		Info
Standing items for all meetings	Chair's Update Scrutiny Work Programme <ul style="list-style-type: none"> - Referrals - Reviews - Agenda forward plan - Working groups - Matters to raise at the Combined Authority - Key decisions and call in 	
13 July 2018	1. Policy Framework / Local Inclusive Industrial Strategy	
	2. Devolution	
14 September 2018	1. Government review of LEPs	
	2. Business grants	
	3. Business planning and Budget 2019/20	
	4. "West Yorkshire... and beyond – Calderdale Council's contribution to the Combined Authority"	
16 November 2018	1. Flood Review	
	2. Combined Authority's engagement with the public	
	3. Devolution	
18 January 2019	1. Governance changes	
	2. Assurance Framework (including any working group findings)	
	3. Apprenticeships	
	4. Inclusive Growth	
	5. LEP Review (including any working group findings)	
	6. Draft Budget 2019/20 (for information - subject to developments)	
22 March 2019	1. Business grants criteria	
	2. Transport priorities (including any working group findings)	
	3. Changes to scrutiny arrangements and compliance with statutory scrutiny guidance – to be confirmed	
	4. Devolution (subject to developments)	
	5. Corporate Plan and performance (to be confirmed)	
24 May 2019	1. Fuel Poverty	
	2. Devolution (if there are developments)	
	3. Assurance Framework (including any working group findings)	
	4. Annual scrutiny report and work programming 2019/20	

Issues / Reports Shortlist – 2018/19		
Issue	Notes	Date
Devolution - scrutiny arrangements in One Yorkshire Combined Authority	Requested at 16 November 2018 meeting	<i>To be confirmed</i>
Scrutiny communications and engagement plan / strategy	Requested at 16 November 2018 meeting	<i>To be confirmed</i>
Digital Inclusion	Suggested at 16 November 2018 meeting	<i>To be confirmed</i>

Workshops		
Issue	Notes	Date
Review of scrutiny arrangements	Two or three workshops	<i>January – March 2019</i>
Productivity	'Scrutiny in a day'	<i>Likely to be 2019/20</i>

Working Groups		
	LEP Review	Transport
Membership *Lead Member	S Baines (C – Calderdale) * P Kane (L – Kirklees) M Pollard (C – Bradford) R Watson (L – Bradford)	I Cuthbertson (LD – York) * D Foster (L – Calderdale) P Harrand (C – Leeds) D Ragan (L – Leeds)
Items / Tasks	<ul style="list-style-type: none"> - LEP review implementation plan' governance and scrutiny arrangements - Assurance Framework and risk - Local Inclusive Industrial Strategy 	<ul style="list-style-type: none"> - Recommend transport issues to be considered in work programme - 'Tackling transport-related barriers to employment' – JRF report - Accessibility in transport - Integrated ticketing - Rail performance and reviews
Meeting dates	<ul style="list-style-type: none"> - 9 November 2018 - 30 November 2018 - 14 December 2018 - 4 January 2019 - <i>To be confirmed – possible further meetings in 2019</i> 	<ul style="list-style-type: none"> - 22 October 2018 - 29 October 2018 - 5 November 2018 - <i>To be confirmed – possible further meetings in 2019</i>

Other actions		
Action	Date	Actioned
Director of Transport Services raising issue of mobility scooters not being permitted on Northern trains on behalf of the Committee	16.11.18	Yes. Response received from Northern outlining policy and shared with Members via email on 07.01.2019.

Combined Authority forward plan 2018-19	
Standing items at all meetings	<ol style="list-style-type: none"> 1. Capital spending and project approvals (standing item) 2. Corporate planning and performance (standing item)
Combined Authority agenda 14 February 2019	<ol style="list-style-type: none"> 1. Approving the 2019/20 Budget 2. Governance changes (to be confirmed) 3. Consultation on HS2 4. Brexit 5. Assurance Framework 6. LEP Review 7. Rail Performance Update (to be confirmed) 8. TfN Strategic Rail Plan (to be confirmed) 9. Devolution 10. <i>Other items to be confirmed</i>
Combined Authority agenda 25 April 2019	<ol style="list-style-type: none"> 1. Governance changes (to be confirmed) 2. Inclusive Growth: 6 Month Review (to be confirmed) 3. Energy Strategy 4. <i>Other items to be confirmed</i>

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Report to: Overview and Scrutiny Committee

Date: 18 January 2019

Subject: **Apprenticeships**

Director(s): Angela Taylor, Director of Resources
Sue Cooke, Executive Head of Economic Services

Author(s): Joanne Grigg, Peter Glover and Catherine Lunn

1. Purpose of this report

- 1.1 To provide the Overview and Scrutiny Committee with an update on internal and external apprenticeship activity and programmes being delivered (or part funded) by the Combined Authority.
- 1.2 This report has sought to respond to requests highlighted by the Overview and Scrutiny Committee in previous meetings.

2. Information

2.1 What is an apprenticeship?

- An apprentice, who can be anyone from the age of 16, works alongside experienced staff;
- An apprenticeship can be undertaken by new employees or current employees;
- They combine practical training in a job with study;
- They gain job-specific skills;
- They get time off the job for related study related to the job role (usually equivalent to one day a week);
- They are treated like and entitled to holidays as any other employee;
- They get paid a wage;
- Apprenticeships offer a good career progression route from Intermediate (level 2) to degree;
- Apprenticeships take 1 to 5 years to complete depending on their level.

- 2.2 The national *Review of Apprenticeships in England* was commissioned in 2012. The purpose of the review was to ensure that apprenticeships deliver the training, qualifications and skills that employers and learners need. The report highlighted a significant number of employers' concerns that the

frameworks (qualification descriptors) were not fit for industry needs. In order to address this, the subsequent implementation plan (known as the **Apprenticeship Reforms – see links**) acted as a strategy for redefining the shape of the apprenticeship system to meet the need to the changing economy. The Government subsequently launched in December 2015 ‘English Apprenticeships: Our Vision 2020’.

Apprenticeship Reforms

- 2.3 The Reforms came into operation in April 2017. The changes that were introduced in order to support the government’s ambitions of creating an additional three million apprenticeships during their term in office whilst improving the quality of the apprenticeships, included (but not exclusively):
- the replacement of the related qualification specifications (known as frameworks) with standards
 - introduction of the levy system for those businesses with a pay bill over £3m
 - introduction of a co-financing system for those businesses in scope of the levy, meaning that as a maximum a business would pay 10% of the cost of the apprentice training;
 - introduction of an apprentice training fee band. Dependent on the sector and level of an apprenticeship it can cost between £1,500 and £27,000;
 - introduction of a Register of Apprenticeship Training Providers (RoATP) to which a training provider has to be successful in applying in order to be able to offer apprenticeship training.
- 2.4 At the same time as, and part of the Reforms, ‘The Public Sector Apprenticeship Targets Regulations 2017’, which were made under powers conferred by the Apprenticeships, Skills, Children and Learning Act 2009, were introduced. The legislation which impacts on prescribed groups and public sector bodies with 250 or more staff in England have a target to employ an average of at least 2.3% of their staff as new apprentice starts over the period of 1 April 2017 to 31 March 2021. Bodies in scope must have regard to the target.
- 2.5 The Government considers the duty to ‘have regard’ to the target to mean that, in making workforce planning decisions, public bodies should actively consider apprenticeships, either for new recruits or as part of career development for existing staff. Apprentices are only considered as ‘new apprentices’ who will count towards the target, in the year in which they begin their apprenticeship. The Combined Authority and local authorities fall within scope of this regulation.

Apprenticeship position across the Leeds City Region

- 2.6 There were 22,250 apprenticeship starts in Leeds City Region during the 2017/18 academic year. This represents a considerable fall of 7,970 (26 per cent) compared with the previous year, a slightly greater decline than the England average rate of 24 per cent.
- 2.7 The Combined Authority considers that the decline was linked to the transitional effects of the introduction of the apprenticeship reforms during the latter part of the 2016/17 academic year, as larger employers came under the new levy arrangements while smaller employers were affected by the introduction of co-investment arrangements, which place a greater onus on them to meet the training costs of apprentices they recruit.
- 2.8 A number of groups and areas of provision were particularly hard hit, including apprenticeships for those aged 25+, which saw a 37 per cent decline and intermediate level apprenticeships which saw a 40 per cent fall. More positively higher level apprenticeships saw continued growth of 31 per cent.
- 2.9 Two of the three skills areas prioritised by the Leeds City Region Enterprise Partnership (LEP) saw growth during 2017/18, with construction growing by 20 per cent and ICT growing by 12 per cent. Engineering and manufacturing starts however fell by 19 per cent. The strong performance of construction is probably related to construction companies' past experience of using their own construction industry levy.
- 2.10 At district level there was also variable performance in terms of starts, although all saw a net decline in 2017/18, ranging from a fall of 36 per cent in Barnsley to 20 per cent in Craven.
- 2.11 The prospects for renewed growth in apprenticeship starts are difficult to assess. A reduction in the rate of co-investment required from small businesses (from 10 per cent of the total to five per cent), which is due to come into force in April may have a positive effect, whilst it may also be expected that over time levy paying businesses will develop their ability to make the most of their levy contributions.
- 2.12 With regard to achievement rates, the performance of Leeds City Region is similar to the national average and it ranks 16th out of 39 LEPs on overall achievement rates. 68% of apprenticeships are successfully completed in the City Region, suggesting that there is significant scope to improve the quality of apprenticeship opportunities and to increase the effectiveness of the process by which individuals are matched with apprenticeship opportunities.
- 2.13 There are issues about the extent to which apprenticeships are inclusive. Pupils eligible for free school meals are less likely to enter apprenticeships when they leave school. For example, only 4 per cent of disadvantaged pupils in Calderdale enter apprenticeships compared with 9 per cent of the non-disadvantaged. There are pronounced patterns of gender segregation by subject, with girls much less likely to enter subjects like engineering,

construction and ICT; which tend to offer strong pay and progression opportunities. Moreover, there are cultural barriers to apprenticeship take-up. Only 10 per cent of apprentices aged under 25 are from an ethnic minority compared with a representation of 20 per in the wider population in this age group.

For a more detailed analysis of apprenticeship take-up by level, age, gender, location and subject please see **Appendix 1**.

Delivery Activity – Leeds City Region Enterprise Partnership (LEP)

Strategic Policy Objectives

- 2.14 The Leeds City Region Enterprise Partnership (LEP) Board and associated Employment and Skills Panel (ESP) have strategic responsibility for the Leeds City Region employment and skills priorities and activities including apprenticeships.
- 2.15 In summer 2016, the LEP launched its Employment and Skills Plan Skilled People, Better Jobs 2016 – 2020 <http://www.the-lep.com/research-and-publications/>, which responds to Priority 2 of the Strategic Economic Plan (SEP). One of the cross cutting themes is More and Better Apprenticeships.
- 2.16 A recent review of the Employment and Skills Plan has led to the development of Policy Statements for each area which incorporate key metrics and aspirations including apprenticeships – see **Appendix 2**.
- 2.17 The apprenticeship priorities of the Employment and Skills Plan are also supported by strategic activities, as set out below.

Influencing College Provision

- 2.18 In July 2017 the LEP published in partnership with the seven further education (FE) colleges, Delivery Agreements (see [Delivery Agreements](#)) which through qualitative and quantitative measures monitor their institutional progress against LEP priorities including apprenticeships. The colleges working with the LEP on Delivery Agreements are:
 - Bradford College
 - Calderdale College
 - Kirklees College
 - Leeds City College
 - Leeds College of Building
 - Shipley College
 - Wakefield College
- 2.19 The Delivery Agreements include a qualitative narrative about the scope and aspirations of the college in a wider context. The Delivery Agreement provides a structure for proactive dialogue between the colleges and the LEP for influencing curriculum provision to ensure that there is an appropriate

learning offer for individuals and the businesses community. A data table at the beginning of each Delivery Agreement sets out the baseline position for 2015/16 alongside the aspirations of each College against a range of measures relating to the Leeds City Region Employment and Skill Plan priorities, including apprenticeships, up to 2019/20. This includes:

- baselines and aspirations around general number of apprenticeship starts;
- baselines and aspirations around apprenticeship starts in priority skill areas, and
- income achieved from apprenticeships.

The data table is supported by a range of actions the colleges committed to in order to meet their aspirations.

- 2.20 The first formal review of performance against the Delivery Agreements was undertaken in December 2018 and a report on progress will be available early in 2019. The report will reflect progress but also highlight issues and barriers for our local FE colleges.
- 2.21 One of the priorities of the Employment and Skills Plan is to address the gap in citizens across the City Region who have higher level skills/qualifications and engage businesses in developing their current and workforce to higher levels in order to boost their competitive advantage. The LEP is working closely with Go Higher West Yorkshire, a partnership organisation representing FE colleges and Universities, who offer Level 4 and above provision, including higher level and degree apprenticeships <https://www.apprenticesgohigher.co.uk/>. Through external funding they have developed a range of higher level and degree apprenticeships through a programme supporting social mobility. The LEP continues to support them to develop a wider offer that responds to the sector needs highlighted in our Employment and Skills Plan and Labour Market Intelligence http://www.the-lep.com/LEP/media/New/Leeds-City-Region-Labour-Market-Report-2017-2018_1.pdf

Supporting Employers

- 2.22 In 2015 and 2016, the LEP was awarded funding to the value of £8,062,500 to provide a grant incentive programme to encourage local businesses to offer apprenticeships. The initial programme supported 2,924 companies with 3,834 grants. 319 companies responding to an evaluation survey 6 months after receiving the grant showed that:
- 98% stated that their apprentice stayed with the business beyond 13 weeks;
 - 87% completed their apprenticeship with the business, and
 - 81% of businesses employed the apprentice on completion of their apprenticeship.

- 2.23 Utilising the remaining grant, in August 2018 the LEP has introduced a new grant offer to companies, known as the Apprenticeship Grant for Employers (AGE) www.the-lep.com/AGE. The grant encourages businesses within the priority skills shortage areas to take on apprentices for the first time, with top up grants available for higher or degree level apprenticeships, which help deliver the high level skills the region needs. Take up to date has been low in comparison to the original grant programme. A revision of the grant criteria is currently underway and will be presented to the LEP Board at the end of January 2019 for endorsement, which will enable a wider range of businesses to apply for the grant whilst still honouring inclusive growth principles.
- 2.24 There are approximately 125,000 businesses in the Leeds City Region. Approximately 80% of the businesses have never offered apprenticeship opportunities. It is therefore a LEP priority to engage as many of those businesses.
- 2.25 Where staff resources allow, the LEP provides support to the apprenticeship levy paying organisations to enable them to plan and utilise their levy contributions for the benefit of their own organisations and in working with local apprenticeship learning providers. One example of this is working through the Combined Authority Bus Alliance, where the LEP is working to source relevant providers for a collaborative approach to utilise levy funds with personal development of senior staff within West Yorkshire's bus stations and bus operators.
- 2.26 The LEP is not able to access information regarding how many businesses across the City Region are levy paying companies or who they are. It is estimated, however, that there are just under 2,000 levy paying companies. Nationally it is known that many businesses have not utilised their levy contributions, with many seeing it purely as a tax and therefore having no plans to reinvest their contribution back into the company and training of their current and future staff through apprenticeship training provision. With limited resources, the LEP has not to date been able to provide a comprehensive service to support and encourage these businesses to utilise the levy. One of the devolution asks includes the transfer of unspent levy monies back to our region to invest in the apprenticeship agenda.

Influencing Young People

- 2.27 The Combined Authority, working in partnership with the LEP and partner authorities, promotes apprenticeships to young people across the City Region through the Enterprise in Education programme and associated #futuregoals careers campaign <http://futuregoals.co.uk/>. A team of 13 Enterprise Co-ordinators (EC's) works with 172 schools across the Leeds City Region to support enterprise and careers advice and guidance in schools. One of the EC's has responsibilities for co-ordination and facilitation of apprenticeship promotion and activity in schools. **Appendix 3** gives an overview of apprentice related activities in schools through the Enterprise in Education programme for the period April to December 2018.

- 2.28 The Combined Authority has also extended its transport fare subsidies for students aged 16-18 years old which includes young apprentices.
- 2.29 The LEP has recently developed a strong relationship with the Yorkshire and Humber Apprenticeship and Young Apprentice Ambassador networks. The networks enable working in partnership to ensure that young people are hearing about apprenticeship opportunities and the benefits and experience of both employers and apprentices.
- 2.30 The LEP has a strong working relationship with the Department for Work and Pensions and have had for a number of years a part-time secondee whose role is to ensure that joint policies and practices are aligned. One example of this is promoting apprenticeship opportunities through the Jobcentres as employment opportunities.

New Developments

- 2.31 Following the successful implementation of the Apprenticeship Hub model via the City Deal from 2012 – 2016, in March 2018 the LEP worked with local authority partners to develop and submit an application for funding for a European Social Fund open call titled Routeways: Developing Young People. In October it was confirmed that the application had been successful. The programme has a value of £4.5m with the requirement to provide a further £4.5m (50% match funding) over three years.
- 2.32 The programme will be known as the Leeds City Region Employment Hub, and will deliver through a ‘hub and spoke’ model and include:
 - Enhanced centralised careers, information, advice and guidance, marketing and contract management activity;
 - Intensive support of young people 16-24 years old in preparation for employment (including apprenticeships) or further learning;
 - Establishment of local hubs in six local authority areas (Bradford, Calderdale, Kirklees, Leeds, Wakefield and York) which will provide a free, impartial and independent advice and support service to local businesses including a talent matching service, particularly in relation to creation of new apprenticeship opportunities (building on the success and learning of the original City Deal wave 1 Apprenticeship Hub programme delivered by the same partnership **Appendix 4**);
- 2.33 The contract is awarded by Department for Work and Pensions and will be offered for three years delivery with start date of January 2019.
- 2.34 The following reflects the outputs associated to the Employment Hub programme:

Participants (below 25 years of age) who are unemployed or inactive	6,294
Unemployed, including long term unemployed	4,406
Inactive	1,888

Participants from ethnic minorities	800
Participants with disabilities	566
Participants without basic skills	1384
Participants who live in a single household with dependent children	252
Participants gaining basic skills	200
Participants (below 25 years of age) in employment, including self-employment, or education/training upon leaving	2,706
Participants in employment, including self-employment, six months after leaving	1,000

- 2.35 The LEP works with local officers of the Education and Skills Funding Agency (ESFA)/National Apprenticeship Service (NAS) to progress the apprenticeship message to both businesses and individuals.

Internal Activity – Combined Authority

- 2.36 The Combined Authority is also an employer and has an apprenticeship levy account in the same way as any other employer, with an amount deducted from the pay bill each month and held in a levy account.
- 2.37 Progress in utilising this levy account and implementing an apprenticeships strategy across the organisation has been slow in its first year. This is due to a number of factors including not being in a position to procure appropriate providers and resourcing issues.
- 2.38 During the first year (2017), 4 apprenticeships were established and put in place across the organisation. During the course of 2018, steps were taken to increase the numbers with all posts at grade D or below being automatically converted into apprenticeships as they became vacant. Transport Planning, Business Administration and Project Co-ordinator apprenticeships are currently being supported.
- 2.39 A number of other current employees also put themselves forward for an apprenticeship as an opportunity to develop their skills and career which have been supported. A further 5 apprenticeships are in the process of being set up and providers procured for the relevant training element of the programme.
- 2.40 This will ensure that the levy for the current year is used and programmes are in place to benefit the organisation and individuals undertaking the apprenticeships.
- 2.41 In terms of future years, an apprenticeships strategy is required and this is part of a wider piece of work to put in place a range of workforce strategies. It is intended that a full survey of the Combined Authority's workforce can be undertaken to identify skills and characteristics which will help identify gaps in the workforce that can be filled or bridged by the implementation of a range of strategies including learning and development.

- 2.42 Apprenticeships will be a key strategy, not only to ensure as an employer the Combined Authority is making use of the levy, but also to enable the organisation to develop people and provide them with key experience of the working environment and developing the skills in the region, taking these responsibilities as an employer seriously.
- 2.43 In terms of the Combined Authority's apprenticeship levy contribution the average monthly totals for the current year are around £5,000.
- 2.44 There are currently approximately 512 employees in the organisation. 2.3% of the workforce would equate to 11.5 apprenticeships. There currently is a total of 10. Although this figure is slightly less than 11.5, a further factor is the spend and each level apprenticeship attracts a different fee. As some of the apprenticeships in place are more expensive i.e. project management as opposed to business administration, the levy amount is now close to being accounted for.

The Future

- 2.45 The apprenticeship policy and agenda nationally has been in turmoil since the introduction of the Apprenticeship Reforms in April 2017, which is impacting nationally on performance and engagement, as already reflected. The Combined Authority is, however, committed to supporting the apprenticeship agenda as it believes that apprenticeships can contribute to supporting the region's current and future skills needs and gaps.
- 2.46 Apprenticeships are one option for 16 year olds alongside 'A' levels, employment with training, self-employment and from 2020 the new T Level or technical vocation route. The T Level will be a two year programme of technical classroom based learning but will incorporate an Industrial Placement in a business of between 45 and 90 days duration. Businesses will be asked to provide these placements and may be seen as an alternative use of their resource to apprenticeships, with many making a choice between apprenticeships and Industrial Placements. It is not yet known whether this will displace the apprenticeship offer and opportunity.
- 2.47 The LEP recently endorsed a proposal to set up a Skills Commission to undertake a radical review of the post-16 vocational skills system, including apprenticeships. The review starts in January 2019, led by Cllr Susan Hinchcliffe, as Chair of the West Yorkshire Combined Authority and lead Local Authority Leader for Skills, and will:
- Assess the current performance of the system;
 - Identify future challenges;
 - Set out a coherent blue print for a reformed system that can meet needs more effectively at both local and national level;
 - Inform the national policy debate;
 - Develop the Combined Authority's thinking around powers and responsibilities.

3. Financial Implications

- 3.1 The Combined Authority contribution to the apprenticeship levy is being monitored, spent as far as possible and accounted for. Procurement involvement has been required to procure a compliant framework for the delivery of apprenticeship programmes.
- 3.2 External facing activity facilitated by the Combined Authority in partnership with the LEP is reliant on attracting external funding. Details of this are set out in the main body of the report.

4. Legal Implications

- 4.1 The Combined Authority is complying with its legal obligations in relation to payment of a contribution to the apprenticeship levy and is close to achieving the requirement to have 2.3% of the workforce as apprentices.

5. Staffing Implications

- 5.1 The number of apprenticeships within the Combined Authority has increased over the last six months. Further progress, particularly early in the year, was attributable to changes in resources in the HR team.
- 5.2 Appointment of additional staff to deliver externally funded programmes is taking place, approved through the normal Combined Authority assurance processes.

6. External Consultees

- 6.1 No external consultations have been undertaken.

7. Recommendations

- 7.1 That the Overview and Scrutiny Committee notes this report.

8. Background Documents

Apprenticeship Reforms	https://www.gov.uk/search?q=Apprenticeship+Reforms
Employment and Skills Plan: Skilled People, Better Jobs 2016 - 2020	http://www.the-lep.com/research-and-publications/
College Delivery Agreements	http://www.the-lep.com/research-and-publications/?page=2
Web link: Apprenticeships Go Higher	https://www.apprenticesgohigher.co.uk/
Labour Market Report	http://www.the-lep.com/LEP/media/New/Leeds-City-Region-Labour-Market-Report-2017-2018_1.pdf
Web link: #Futuregoals	http://futuregoals.co.uk/
Web link: Apprenticeship Grant for Employers	www.the-lep.com/AGE

9. Appendices

Appendix 1 - The Apprenticeship position across the Leeds City Region (full analysis)

Appendix 2 - More & Better Apprenticeships Policy Statement

Appendix 3 - Enterprise in Education Apprenticeship Activity in schools

Appendix 4 - Apprenticeship Hub Evaluation Executive Summary

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The Apprenticeship position across the Leeds City Region

1 Analysis of apprenticeship take-up in Leeds City Region in 2017/18 academic year

The following analysis examines take-up of apprenticeships in Leeds City Region¹ during the last academic year. It is based on recently finalised (R14) data provided by Education and Skills Funding Agency via gov.uk.

The values presented here are approximate since all figures provided via gov.uk are rounded to the nearest 10. Leeds City Region figures are based on the sum of the figures for the 10 districts, all of which are rounded in this way.

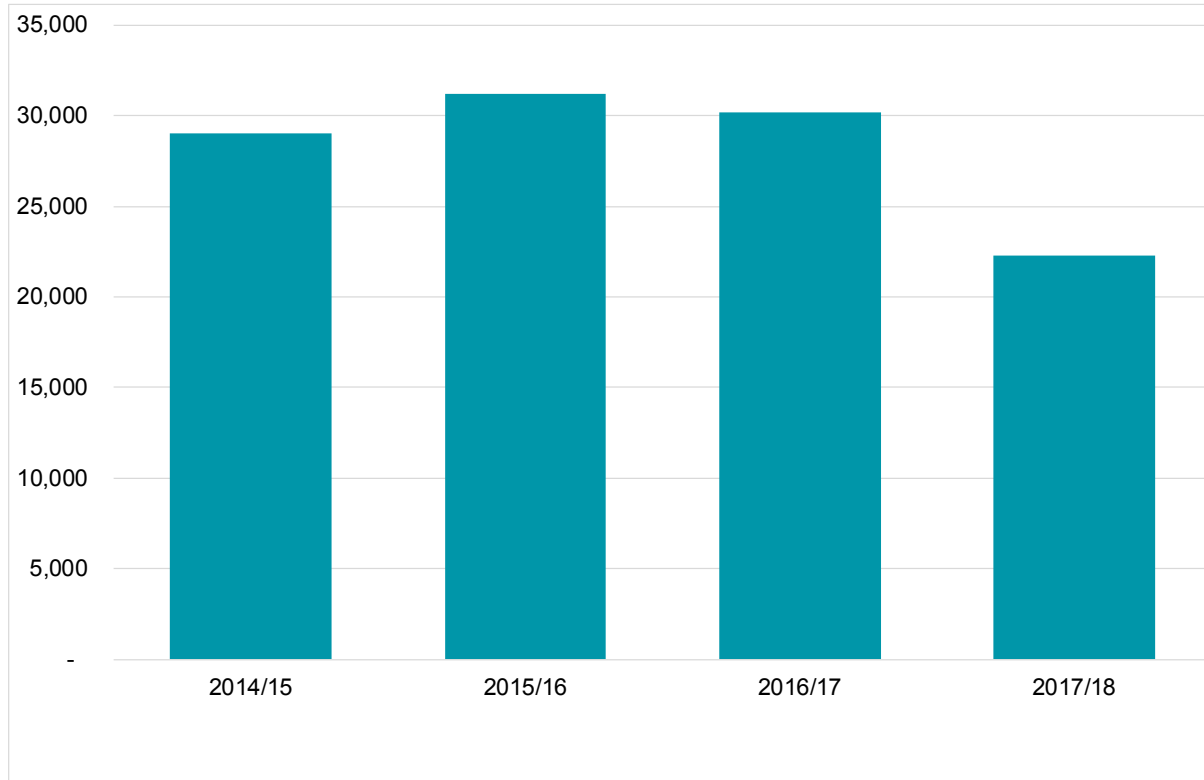
Headlines

There were 22,250 apprenticeship starts in the City Region in the 2017/18 academic year.

Apprenticeship starts fell by 7,970 (26 per cent) compared with the previous year, a slightly greater decline than the England average rate of 24 per cent. This follows a decline of 3 per cent in 2016/17 and growth of 8 per cent in 2015/16.

During 2017/18, there were 17,020 apprenticeship achievements, a fall of 3 per cent on 2016/17.

Figure 1: Change in total apprenticeship starts, Leeds City Region, 2014/15 to 2017/18



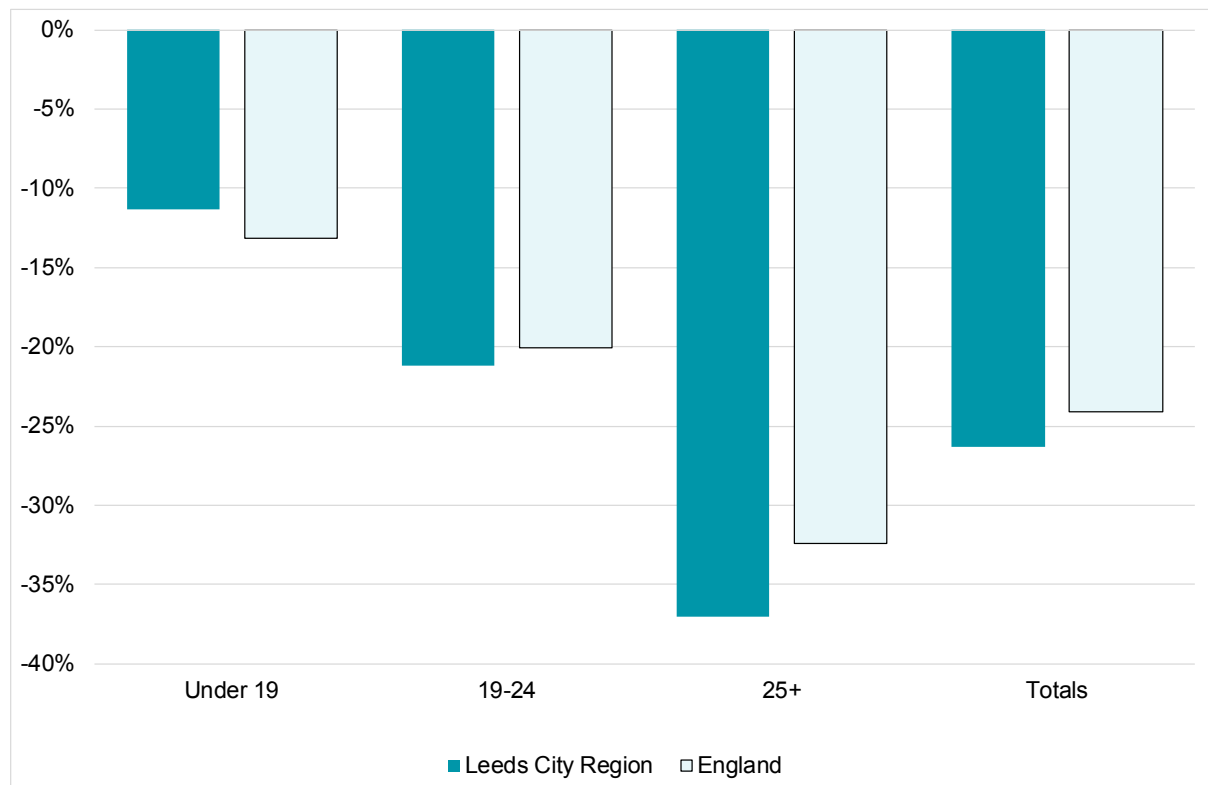
¹ Unless otherwise stated, the analysis relates to all apprentices whose home address lies within one of the 10 districts of the City Region.

Age

During 2017/18, 41 per cent of starts were for apprentices aged 25 and over, with the remainder split almost evenly between 16-18 year olds and 19-24 year olds.

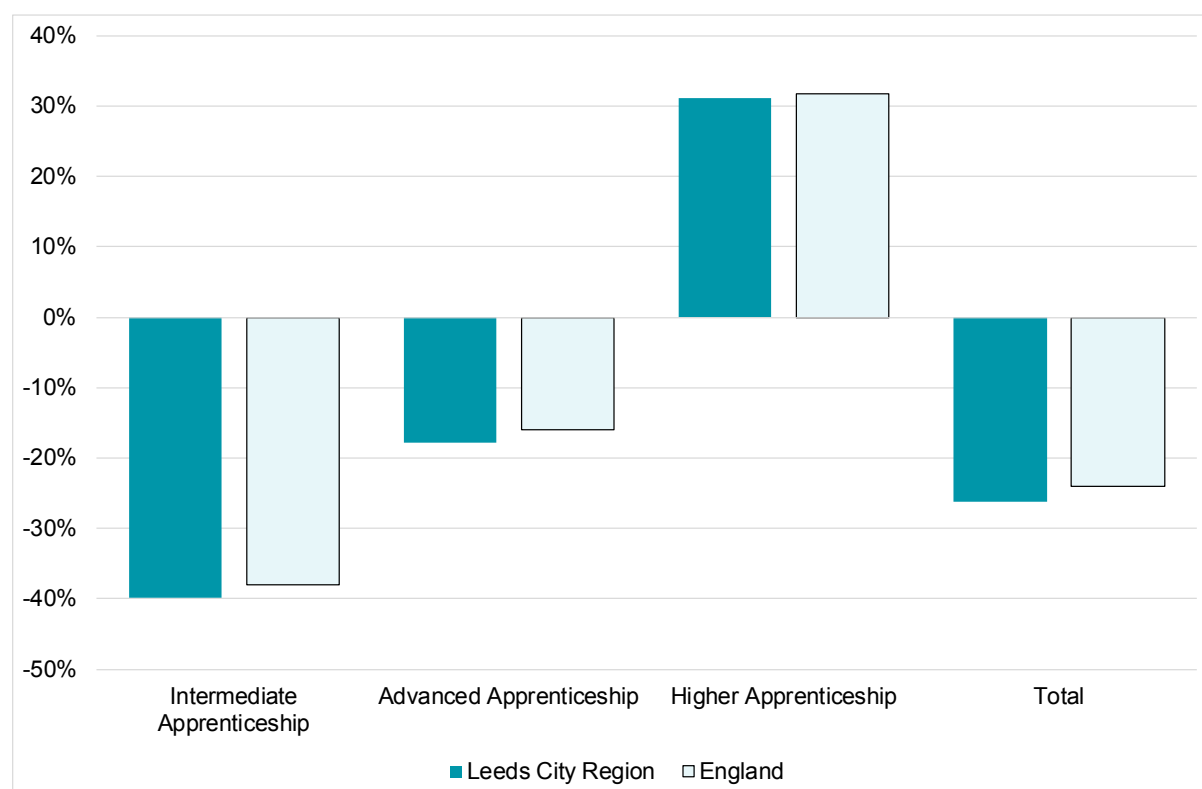
Starts among people aged 25+ fell fastest by -5,350 or -37 per cent, versus an overall rate of decline of 26 per cent; and this age group accounted for two-thirds of the total decline in starts. The fall for under 19s was much less pronounced at -11 per cent and also for 19-24 year olds – 21 per cent. The pattern of decline was similar to the national average, although 25+ starts fell to a greater degree in the City Region.

Figure 2: Change in total apprenticeship starts by age, 2016/17 to 2017/18



Level

During 2017/18, starts on intermediate apprenticeships accounted for 43 per cent of total starts (down from 53 per cent in the previous academic year), advanced apprenticeship starts contributed 45 per cent (up from 40 per cent) and higher apprenticeships 12 per cent (up from 7 per cent).

Figure 3: Change in total apprenticeship starts by level, 2016/17 to 2017/18

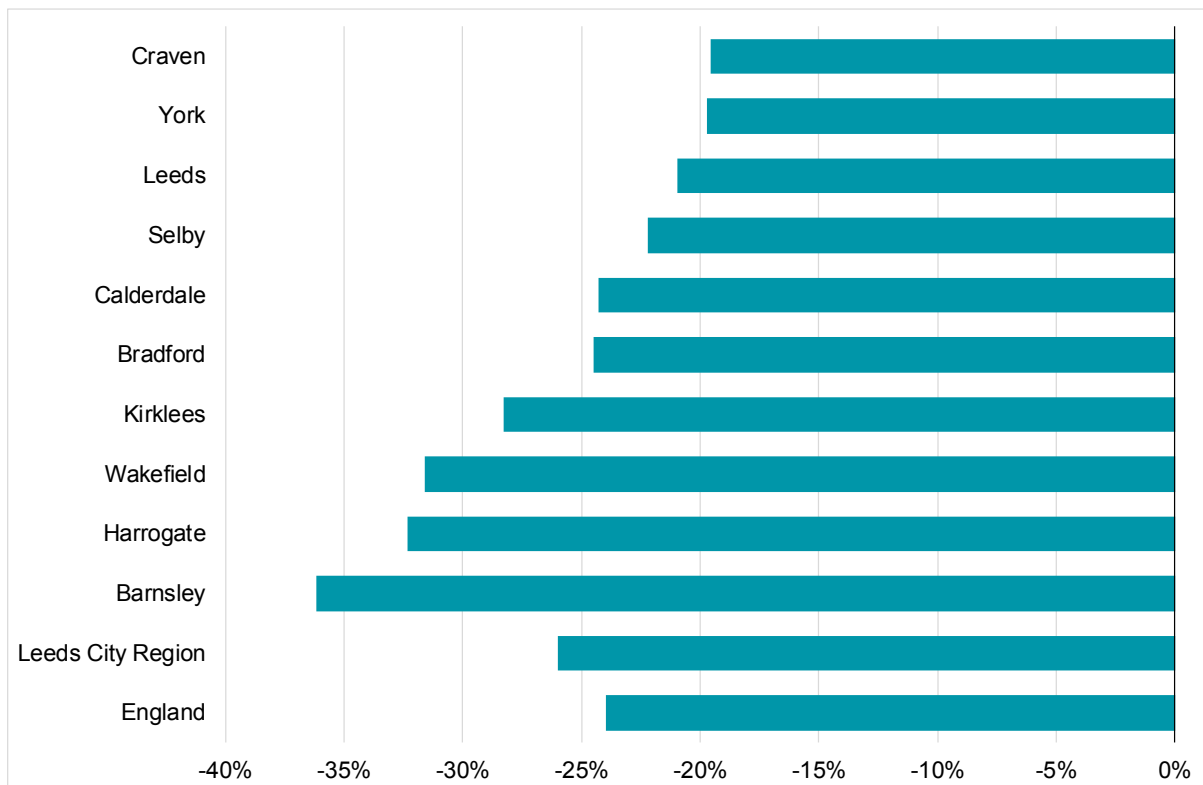
This change in shares reflects a pronounced decline in intermediate apprenticeship starts (by 6,380 or 40 per cent), a less marked fall in advanced apprenticeships (-2,170, -18%) and strong growth in higher apprenticeships (+630, +31 per cent). This mirrors the pattern seen at national level.

Districts

Based on location of learner residence, Leeds contributed the greatest number of apprenticeship starts during 2017/18 (25 per cent of the City Region total) followed by Bradford (18 per cent), Kirklees (14 per cent) and Wakefield (13 per cent); Craven had the fewest starts at 2 per cent.

All districts saw a decline in starts during the year but there was significant variation in the extent of the decline. Barnsley (-36 per cent), Harrogate (-32 per cent) and Wakefield (-32 per cent) saw the biggest proportionate falls, whilst Craven (-20 per cent), York (-20 per cent) and Leeds (-21 per cent) experienced the smallest declines.

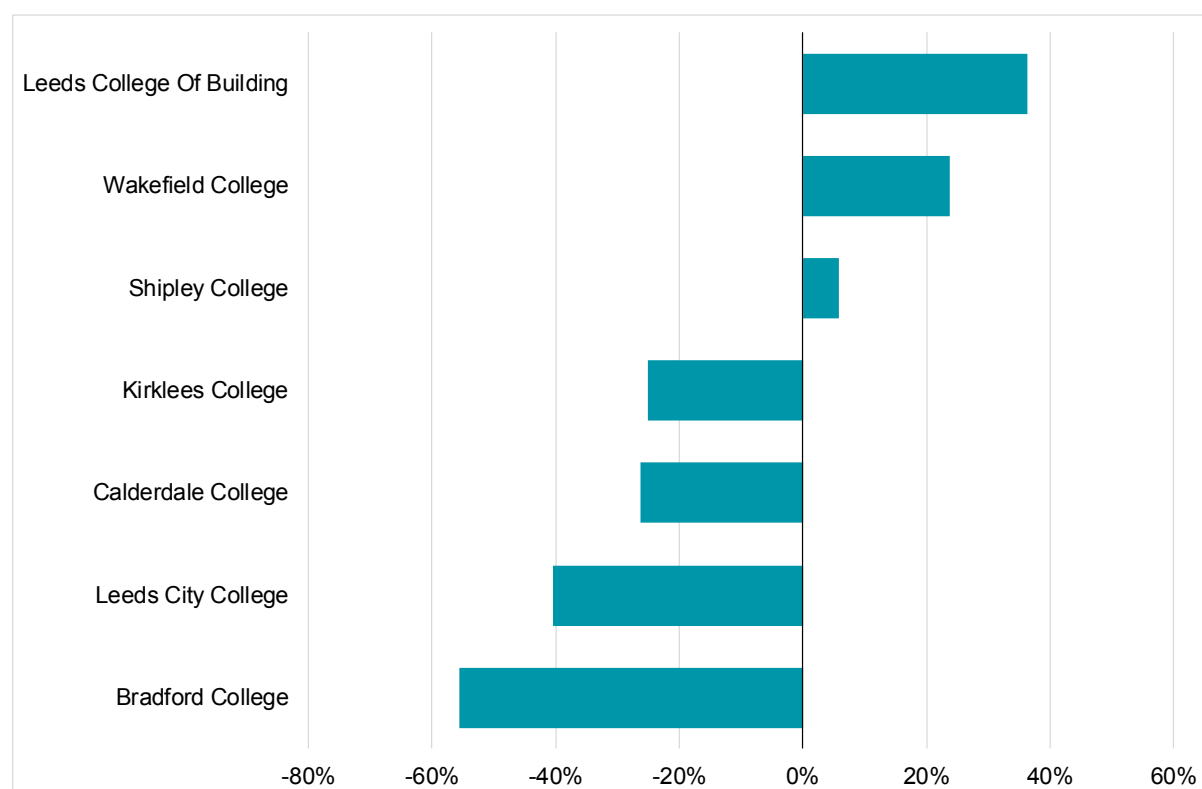
Figure 4: Change in total apprenticeship starts by district, 2016/17 to 2017/18



Providers

The performance of individual providers in respect of apprenticeship starts also varied markedly in 2017/18. Looking at total apprenticeship starts delivered by West Yorkshire colleges, including those delivered to out of area learners, Bradford College and Leeds City College saw declines of 56 per cent and 40 per cent respectively. In contrast, Leeds College of Building and Wakefield College saw growth of 36 per cent and 24 per cent respectively. Shipley College also saw a modest amount of growth.

This variation in performance partly reflects the ability of institutions to adapt to the immediate impact of the introduction of the apprenticeship levy and other reforms. For example, Leeds College of Building has a range of existing commercial relationships with business customers in the construction sector that meant the transition to the levy presented an opportunity for growth. Other colleges faced a more difficult transition, although anecdotal evidence suggests that they are currently taking steps to capitalise on the opportunities presented by the reforms.

Figure 5: Change in total apprenticeship starts by West Yorkshire college, 2016/17 to 2017/18

In aggregate, apprenticeship starts at the six West Yorkshire colleges fell by 25 per cent.

The Combined Authority considers that the decline was linked mainly to the transitional effects of the introduction of the apprenticeship reforms during the latter part of the 2016/17 academic year.

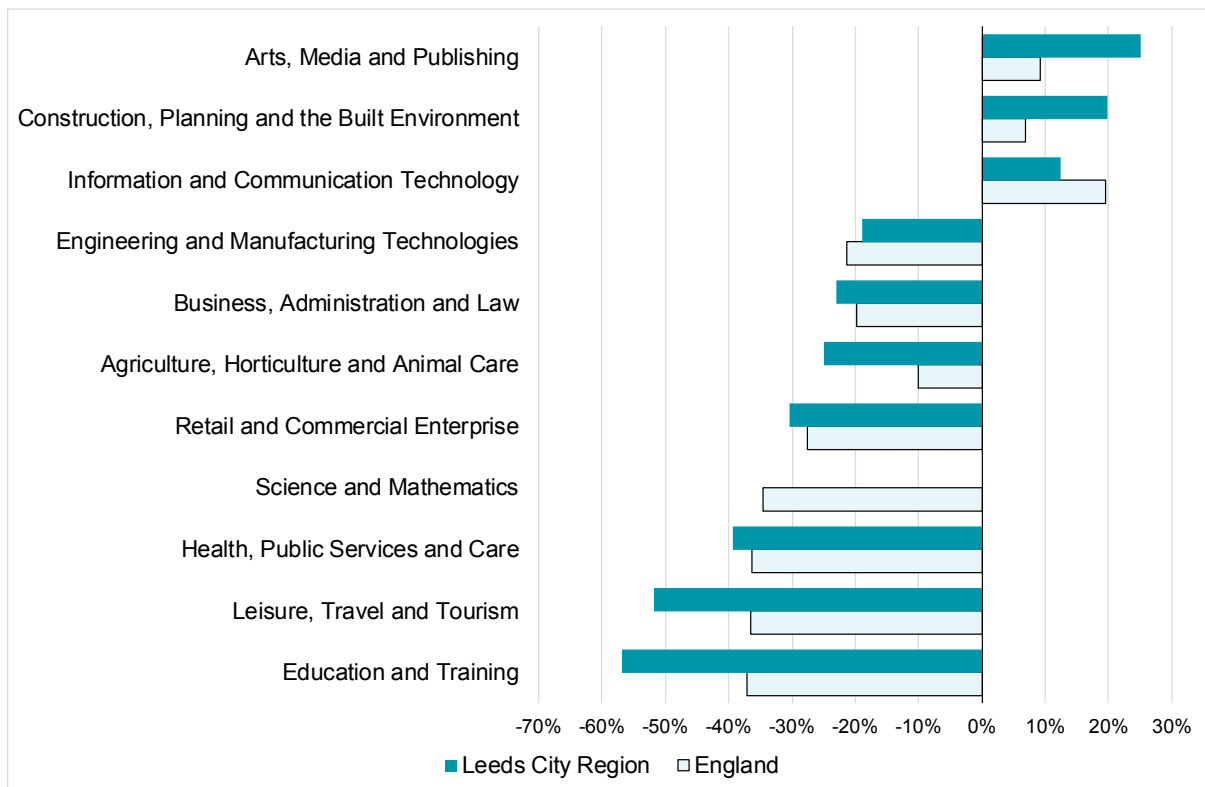
Subject area

Two of the three LEP priority skill areas saw growth in starts: Construction, Planning and the Built Environment (+280, +20 per cent) and Information and Communication Technology (+100, +12 per cent).

The third, engineering and manufacturing, saw a decline of 19 per cent. All other subject areas also saw a decline in starts.

The areas of greatest absolute decline with regard to subject area were Health, Public Services and Care (-3,280, -39 per cent), Business, Administration and Law (-2,060, -23 per cent) and Retail and Commercial Enterprise -1,300, -30 per cent).

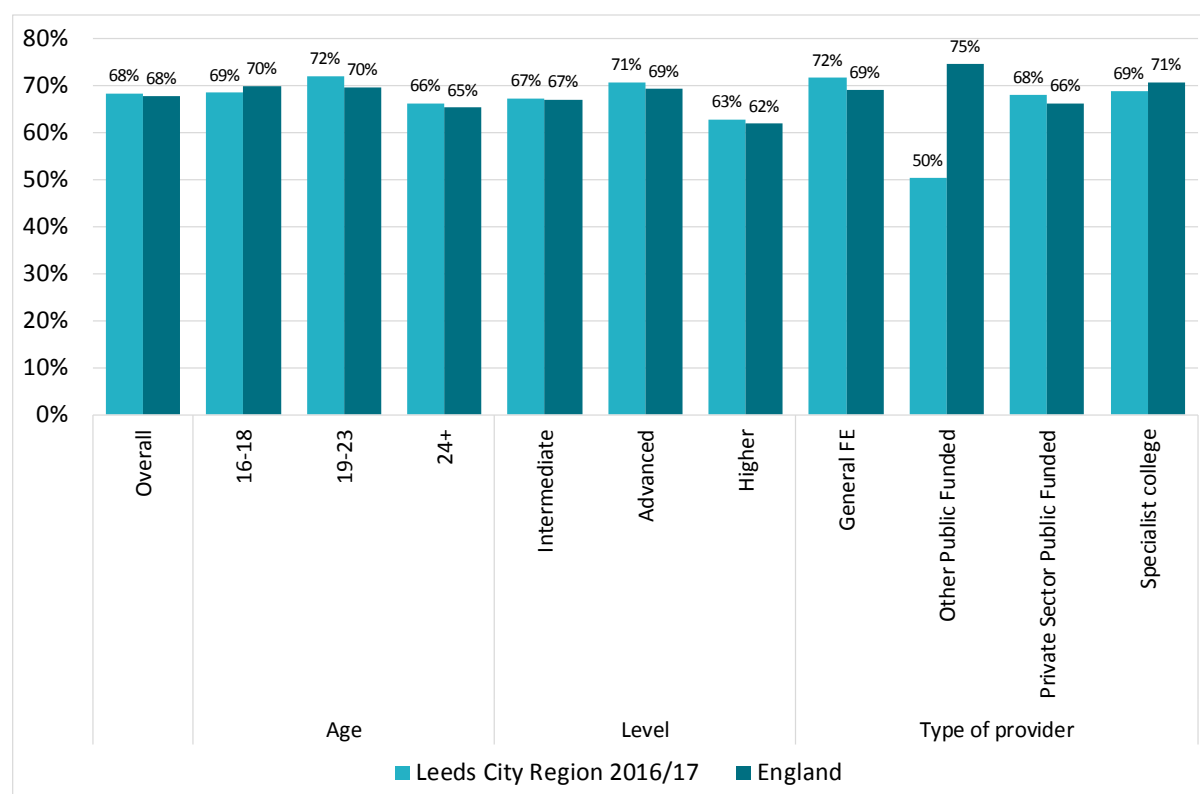
Figure 6: Change in total apprenticeship starts by sector subject area, 2016/17 to 2017/18



2 Apprenticeship achievement rates

A key performance indicator for the apprenticeship programme is the proportion of apprentices who complete / achieve their apprenticeship. The most recent data currently available is for the 2016/17 academic year.

Figure 7: Overall achievement rates by apprenticeship type, 2016/17



Source: Education and Skills Funding Agency

As the chart shows the performance of Leeds City Region is similar to the national average and it ranks 16th out of 39 LEPs on overall achievement rates.

68% of apprenticeships are successfully completed in the City Region, suggesting that there is significant scope to improve the quality of apprenticeship opportunities and to increase the effectiveness of the process by which individuals are matched with apprenticeship opportunities. Unfortunately, consistent time series data are not available to allow us to track trends in performance over time.

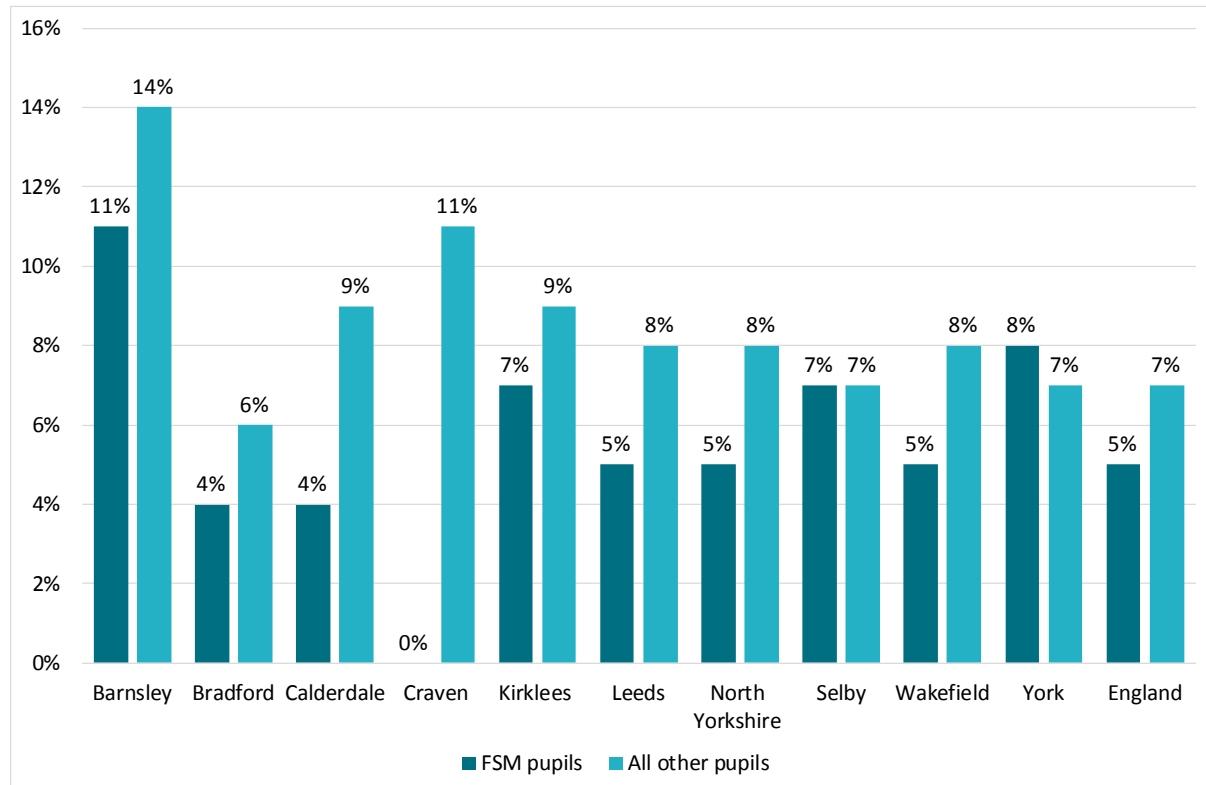
However, the City Region is similar or slightly higher than the national average with regard to most types of apprenticeship. With regard to differences in performance by type of scheme:

- Achievement rates are slightly lower for adult apprenticeship (24+) who will often be already employed rather than new recruits
- Advanced apprenticeships deliver higher achievement rates than the other levels - higher apprenticeships are around 8 points lower than for advanced apprenticeships and intermediate 4 points lower.

3 Inclusion

In considering the supply of skills within the City Region, we need to take account of the inclusiveness of the skills pipeline, as well as the extent to which it is sufficient to meet needs. In the case of apprenticeships, which should provide an important mechanism for social mobility, there are issues about the degree to which they are inclusive.

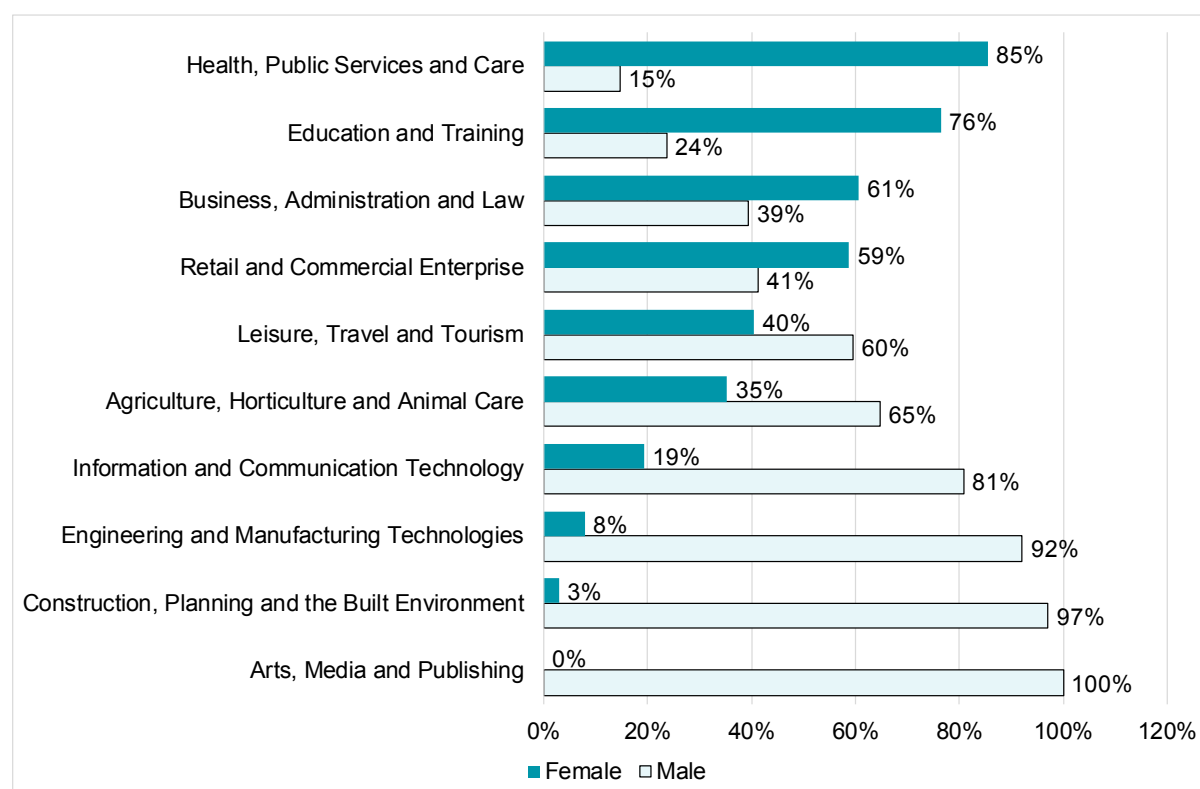
Figure 8: % of pupils entering apprenticeships following completion of key stage 4



Source: Department for Education. 2015/16 destinations for the 2014/15 cohort (state-funded mainstream schools)

Across all districts of the City Region (with the exception of York, Selby and Craven) disadvantaged pupils are less likely to enter an apprenticeship than other pupils on the completion of key stage 4.

The national average figures also show a gap but this is less pronounced than for a number of districts in the City Region.

Figure 9: Apprenticeship starts by subject area and gender, Leeds City Region 2016/17

Source: Department for Education

Note: there were fewer than 10 starts in total for Arts, Media and Publishing for this period

Another issue is that take-up of apprenticeships is highly segregated by gender and subject. For example, 85 per cent of starts on health, public services and care apprenticeships were for females but the proportion for construction, planning and the built environment was only 3 per cent. A range of national research shows that male-dominated apprenticeships such as construction and engineering offer better pay and prospects than those in which women are concentrated.

Relatively few people from ethnic minorities undertake an apprenticeship. Ten per cent of apprenticeship starts among under-25s in the City Region related to ethnic minority individuals during the 2017/18 academic year. This reflects the national average, also 10 per cent, but is much lower than the 20 per cent of the working age population of the City Region in this age group who are from an ethnic minority.

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Appendix 2 – Policy Statements

More and Better Apprenticeships

Vision / Aims & Objective

To drive productivity by supporting an increase in high quality apprenticeships that address employers' skills needs and enable firms to meet business objectives.

To contribute to inclusive growth by enabling individuals from all backgrounds the opportunity to fulfil their potential and to access apprenticeships that offer economically valuable skills, leading to strong earnings prospects and the potential for career progression.

To increase the awareness of business and individuals within the region of the benefits of apprenticeships, especially higher level apprenticeships, ensuring that opportunities are high quality, open and available to all.

To encourage more employers to offer good quality, well-paid apprenticeship opportunities, including in priority skills areas and at higher / degree level.

To have an integrated T level and apprenticeship offer across the region that addresses local needs.

That all business, particularly those in key sectors, are able to recruit and realise the full benefits of employing apprentices and that businesses are able to use their levy contributions effectively.

To demonstrate a year on year increase in apprenticeships opportunities in priority sectors identified through our Labour Market Information.

Evidence and rationale to support vision

The current apprenticeship reforms have been linked to a decline in starts nationally and locally, but they play an important role in supporting business to get the skills they need and young people to access the right opportunities that develop into rewarding careers.

The Government ambition for 3 million starts by 2020 remains. The Leeds City Region's achievement rates are above the national average but 30 percent do not complete.

There is still a perception that apprenticeship are only for young people – they are for all age groups and can plan an important part of individuals of any age developing their own career routes.

The take-up of higher / degree apprenticeships in the region lags behind leading areas, including not just London but also Manchester and Sheffield. Higher and degree level apprenticeships can help address the skills deficit in high level skills areas – high skills jobs are more resistant to automation and contribute to narrowing the productivity gap.

Local delivery partners are struggling because of the reduced take-up of apprenticeships due to the reforms bedding in.

There is still scope to increase employer involvement in apprenticeships.

Employment and Skills Plan Policy Statement Template

The Government's Careers Strategy and the Technical and Further Education Act 2017 ensures that schools must allow FE providers to speak to pupils about technical qualifications and apprenticeships.

[Include link to more substantial evidence base – assume that this will be possible as part of the same suite of documents that sit under the policy framework]

How to achieve the vision

In order to deliver the Region's vision action is needed from the Combined Authority, the LEP and our partners.

Current Action

The Combined Authority, the LEP and Local Authorities promote apprenticeships to young people across the region through the Enterprise Coordinator programme and the #futuregoals careers campaign. One of the Enterprise Coordinators is funded through National Collaborative Outreach Programme and Go Higher West Yorkshire to deliver apprenticeships messaging in schools.

We offer grants to companies in our priority skills shortage areas to take on apprentices for the first time, with top up grants available for higher or degree level apprenticeships, which help deliver the high level skills the region needs.

We are working with Go Higher West Yorkshire to develop a broader degree level apprenticeship offer. This work has been facilitated initially through the national Degree Apprenticeship Development Fund which has provided over 200 apprentice degree level opportunities for the 2018/19 academic year.

The Delivery Agreements that we have in place with colleges will be refreshed to include aspirations around all apprenticeships delivery – not just for 16-18 year olds.

Future Action

We will promote awareness and take-up of apprenticeships through the Employment Hub programme. This programme will play a key role in ensuring business have the right skills needed to grow, and individuals are able to enhance their skills and access the right opportunities through an impartial brokerage service. It will ensure that skills gaps are addressed by aligning opportunities with the region's needs, with a particular focus on high quality opportunities linked to priority skill areas and advanced and higher level apprenticeships.

The Employment Hub will be complemented by the Apprenticeship Grant for Employers - offering financial incentive of up to £2,000 to SMEs to encourage them to offer high quality apprenticeships in priority skill areas and at advanced and higher levels, with young apprentices receiving the full National Living Wage.

We will push ahead with our work on Delivery Agreements – using our labour market intelligence to align the provision of FE colleges with the needs of the labour market through shared aspirations linked to the City Region's employment and skills priorities. A key focus of the Agreements is to promote the availability of high quality apprenticeship opportunities for all communities, that lead to positive destinations and earnings outcomes.

To make a bigger difference to individuals, helping them gain the skills they need for rewarding careers, and ensuring that business has the right skills to prosper, more freedom

Employment and Skills Plan Policy Statement Template

is needed over the apprenticeship levy – this could make a real difference to the delivery of apprenticeships in the City Region.

Any unspent or unallocated levy funding, which will currently be recouped by Government if not spent by the individual companies, should be ring fenced for use in the region to engage more businesses in apprenticeships. This allocation of funding locally would support our ambitions and activity of working with the 80 percent of business in the region who have never offered apprenticeships.

There needs to be a more open and collaborative approach between Government, the ESFA and Combined Authorities / LEP to ensure a real difference is made in this area. Timely discussions on changes and details of any marketing activity need to be shared at an early stage so that we can effectively complement the work. An example of this would be to give us access to the list of levy paying companies in the region, this would enable the Combined Authority to help businesses with the effective use of their levy contributions, ensuring that they get the apprentices they need.

The citizens of the Combined Authority and LEP geography, and in particular young people and their key influencers (parents, teachers and careers practitioners) need to be able to see the benefits that an apprenticeship can deliver, in terms of prospects and a rewarding career. This can only be communicated through effective careers information, advice and guidance – apprenticeships need to be seen as an opportunity for all rather than a poor relation to the academic route. They also need to be seen by business and individuals at all ages as being an attractive proposition.

We need to reflect on the current programme of action, to build on the work with HEIs on the development of a local degree apprenticeship offer that reflects the skills needs of the Leeds City Region.

Key metrics and aspirations

A minority (46%) of employers in the City Region say they are aware and have a good knowledge of apprenticeships (including those who already offer apprenticeships). This is slightly lower than the national average of 49%. Our longer term aspiration for 2025 is to increase this to 60%.

The latest available data indicates that 10,970 workplaces in the City Region take on a funded apprentice each year. Our aspiration is to increase this to 15,000 by 2025. This links to our operational target of supporting 1,000 employers per annum to take-up apprenticeships for the first time.

There were 30,200 apprenticeship starts in the City Region in the 2016/17 academic year, a fall of 3% on the previous year. It is believed that disruption linked to the apprenticeship reforms has led to a much deeper decline in starts since then of around 30%.

The Government ambition for 3 million starts by 2020 remains. In order for the City Region to contribute to this target, we would need to increase annual starts to 38,800 in the remaining years to 2019/20. It is unlikely that this can be achieved in the current climate. However, in the longer term our aspiration is to increase the annual level of apprenticeship starts to 35,000 per annum by 2025, although clearly this is subject to a range of factors such as the timing of devolution and potential changes in government funding policy.

Through our Delivery Agreements, we aspire to increase the number of apprenticeship starts by West Yorkshire further education colleges by around 2,500 per annum, or 62 per cent, by 2020.

Employment and Skills Plan Policy Statement Template

Just under half (47%) of apprenticeship starts are at advanced or higher level. As part of our aim to increase the availability and take-up of higher quality apprenticeships, we aspire to increase this to 60% by 2025, recognising that an intermediate apprenticeship route is still relevant to many people.

Similarly, we aim to increase the proportion of total starts that are in the priority subject areas of digital, engineering / manufacturing and construction, from the current level of 23% to 35% by 2025. This reflects the importance of apprenticeships in addressing skill shortages in these occupational areas and the strong demand for apprenticeship in these subject areas prior to the government reforms.

To support equality of opportunity we will:

- Monitor entry into priority subject apprenticeships by females. They are currently heavily under-represented at only 8% of total starts in these subjects.
- Raise the proportion of apprentices who are from an ethnic minority from 10 per cent to 15 per cent to reflect representation in the wider population.
- Monitor entry into apprenticeships by residents of deprived communities, subject to data becoming available from ESFA.

We are currently developing our own database of apprenticeship employers in the City Region. We aim to use this as the basis for further data collection around employer satisfaction with apprenticeship provision and to explore the key issues that prevent employers from realising the benefits of apprenticeships.

APPRENTICESHIP ACTIVITY IN SCHOOLS – APRIL TO DECEMBER 2018

From April to December 2018, 130 apprenticeship engagement activities were delivered to a total of 23,199 young people in 78 schools via the LEP Enterprise in Education Programme across the Leeds City Region (managed by the Combined Authority and working closely with partner authorities).

The Combined Authority has focused its activity on those most disadvantaged young people in the city region in order to promote social mobility, as it has been identified that disadvantaged groups are less likely to become apprentices. Of the total 23,199 young people benefitting so far, almost 6,000 have been disadvantaged (pupil premium) learners.

In order to target disadvantaged groups most effectively, additional funding has been secured for a Careers Hub in Kirklees and through the Opportunity Area in Bradford, resulting in additional resource for these areas and a greater number of young people reached.

The Combined Authority role includes directly enabling some activity to take place, including by engaging business volunteers to promote apprenticeships.

Other activity is delivered by a number of providers and partners, funded through a range of sources and co-ordinated and influenced by the Combined Authority's Enterprise in Education team.

Deliverers include businesses, training providers, colleges, universities, public and third sector organisations, and schools themselves, broken down as follows:

- The highest proportion of activity was delivered through the Apprenticeship Support and Knowledge (ASK) programme, funded by the Education and Skills Funding Agency to promote apprenticeships to young people in schools, and delivering 33% of the total activities across the region.
- 21% of the apprenticeship activities were delivered by employers; both Enterprise Advisers and Business Volunteers engaged with young people in schools across the region to promote apprenticeships.
- Schools themselves delivered 22% of activities, working with local providers and colleges to organise school careers fairs to engage young people with post 16 options, including apprenticeships and FE / HE.
- Targeted activities (5%) were carried out across the city region, including the Make it in Manufacturing event delivered in Calderdale and Kirklees, linking over 180 young people with apprentices and employers from the advanced manufacturing sector.
- The remaining 19% of activity was delivered by public and third sector organisations.

Apprenticeship promotion in schools is a new area of focus for the Combined Authority, commencing about 18 months ago, and has been well-received by schools and employers. It will be developed further and expanded with the roll-out of the Employment Hub, in partnership with Local Authorities, enabling more young people in a greater number of schools to benefit. These activities are intended to have an impact in the medium and long term which will be realised over a number of years.

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FINAL EVALUATION OF THE CITY DEAL APPRENTICESHIP PROGRAMME

EXECUTIVE SUMMARY



THE APPRENTICESHIP PROGRAMME IN OUTLINE

THE LEEDS CITY REGION ENTERPRISE PARTNERSHIP (LEP) LAUNCHED THE CITY DEAL APPRENTICESHIP PROGRAMME IN JANUARY 2013. IT SECURED £4.6M OF FUNDING FROM THE SKILLS FUNDING AGENCY (SFA) AND BECAME THE FIRST OPERATIONAL PROJECT FOR THE LEP TO DELIVER WITH ITS LOCAL PARTNERS.

The Programme consisted of a central LEP team and eight local Apprenticeship Hubs – in Barnsley, Bradford, Calderdale, Kirklees, Leeds, North Yorkshire (Craven/Harrogate/Selby), Wakefield and York. It also supported the operation of Apprenticeship Training Agencies (ATAs) in Leeds and in Bradford.

This final evaluation is based on interviews with senior figures and practitioners in the Apprenticeship Programme and its local Hubs, a survey of businesses that it had engaged with, interviews with training providers, an apprentice focus group, and analysis of Programme data, outputs and results. It builds on a previous mid-term report which was launched in May 2015*.



£4.6 MILLION
FUNDING SECURED



FIRST OPERATIONAL
PROJECT FOR THE LEP

*Les Newby with Nicky Denison, Research and Reporting on the City Region Deal Apprenticeship Programme, Leeds City Region Enterprise Partnership, May 2015

THE PROGRAMME WAS DESIGNED TO HELP TACKLE UNEMPLOYMENT, SUPPORT THE CITY REGION'S NEET-FREE AMBITION AND TO HELP BUSINESSES MEET THEIR NEEDS FOR SKILLED STAFF.

Two targets were agreed with the SFA at the outset and then re-profiled in spring 2015 with SFA agreement. This also led to the Programme being extended from September 2015 to March 2016. The two targets were:

1 ENGAGE WITH 2,142 SMES WHICH HAD NOT PREVIOUSLY OFFERED APPRENTICESHIPS OR HAD NOT HAD AN APPRENTICE IN THE LAST 12 MONTHS
[REVISED TO 2,450 SMES ENGAGED]

2 CREATE 2,500 NEW APPRENTICESHIPS FOR THOSE AGED 16-24
[REVISED TO 1,700 APPRENTICESHIP STARTS]

The Programme allowed a good degree of flexibility for local partners to determine local Hub models. We identified four main types of Hub model:

- 1 APPRENTICESHIP HUB DELIVERING FROM WITHIN A SINGLE LOCAL AUTHORITY** (AS IN CALDERDALE, WAKEFIELD, YORK)
- 2 APPRENTICESHIP HUB MANAGED BY A LOCAL AUTHORITY BUT WITH MOST DELIVERY CONTRACTED OUT** (AS IN KIRKLEES AND BARNSELY, WITH MOST DELIVERY CONTRACTED OUT TO A LARGE LOCAL FE COLLEGE IN BOTH CASES)
- 3 APPRENTICESHIP HUB SPANNING MULTIPLE LOCAL AUTHORITY AREAS** (AS IN NORTH YORKSHIRE, WITH A SINGLE OFFICER COVERING THE DISTRICT COUNCIL AREAS OF CRAVEN, HARROGATE AND SELBY)
- 4 APPRENTICESHIP HUB WORKING ALONGSIDE AN ATA WITHIN A CITY** (AS ADOPTED IN BRADFORD AND LEEDS)

THE CENTRAL APPRENTICESHIP PROGRAMME

The central Apprenticeship Programme was delivered through an Apprenticeship Hub Manager employed by the LEP from March 2013 onwards and covered five main tasks:

- 1 OVERALL CO-ORDINATION AND CONTACT POINT**
(INCLUDING CONTRACTING, PARTNER LINKS, AND NETWORKING)
- 2 MANAGEMENT AND MONITORING**
- 3 FINANCES AND CONTRACTS**
- 4 LEP STRATEGY AND POLICY ON APPRENTICESHIPS**
- 5 CENTRAL MARKETING**

APPRENTICESHIP HUB ACTIVITIES

LOCAL APPRENTICESHIP HUB ACTIVITIES VARIED IN THEIR FOCUS, WITH A BALANCE BETWEEN BUSINESS ENGAGEMENT AND SUPPORT, AND WORK TO PROMOTE APPRENTICESHIPS TO YOUNG PEOPLE, INCLUDING THROUGH SCHOOLS AND EVENTS.

This involved using a range of marketing approaches and media (e.g. print and radio campaigns, social media and websites), work in schools to promote and raise understanding of apprenticeships, and organising and attending apprenticeship events.

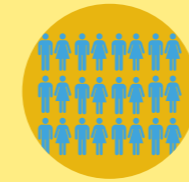
Hubs and businesses most frequently made contact through the Hub proactively approaching the business, e.g. through 'door knocking' or (often outsourced) telesales, with bursts of the latter proving fruitful for lead generation. Events, websites and referrals were also significant ways of reaching SMEs. Hubs then engaged with businesses face to face, talked through how apprenticeships worked and how they might fit with the business, and offered a range of support depending on the firm's needs. This included general advice and information, help selecting apprenticeship frameworks and training providers, salary benchmarking, and help with advertising an apprenticeship vacancy, the recruitment process, and matching the businesses with potential recruits. On average, businesses used 3-4 types of support.

QUANTITATIVE RESULTS

KEY OUTPUTS AND STATISTICS FROM THE PROGRAMME'S OPERATION INCLUDE:



The Apprenticeship Programme significantly exceeded its business engagement target. In total **2,941** SMEs were engaged, **37%** more than initially targeted (and **20%** more than the revised engagement target of **2,450**). **All eight** local Apprenticeship Hubs met their business engagement targets.



The City Region exceeded its revised target of **1,700** apprenticeship starts by **39%**. It narrowly missed its ambitious initial target and achieved **2,367** of the targeted 2,500 apprenticeship starts. **Six of the eight Hubs** met their starts targets and there was some excellent performance in this regard. In the two areas that did not, there were a mixture of mitigating circumstances and lessons to be learned.



The average conversion rate from business engagement to apprenticeship starts was **80%** across the Programme, rising further for businesses in the health, education and public administration sectors.



The top sectors for apprenticeship starts were manufacturing, retail and construction which together accounted for **35%** of starts. The most popular framework was Business Administration and Law.



Most apprenticeships were at **Intermediate Level (83%)**, with **16% at Advanced Level** and less than 1% at Higher Level.



Hubs were well regarded by customers - **83%** of businesses said the support of their Hub had been helpful or very helpful (against only 2% saying it was not helpful).



Business experience of employing an apprentice was positive - **90%** said that that would be likely to employ another apprentice in the future, including **31%** who already had done.



137 different training providers were used across the Hub network, with most Hubs having used over **30** providers. A single large FE college accounted for **50%** or more of provision for four Hubs/ ATAs.

QUALITY FACTORS AND OUTCOMES

HUBS DELIVERED WIDE RANGING BENEFITS IN TERMS OF RAISING AWARENESS AND IMPROVING PERCEPTIONS OF APPRENTICESHIPS AMONGST YOUNG PEOPLE, TEACHERS AND PARENTS.

It was hard to ascertain the exact impact of this activity, but

"work with an increasing number of schools, wider access to pupils, increasing attendance at apprenticeship events, and evidence of improving attitudes all suggest that they had a significant impact."

This may be the single most important factor in enhancing apprenticeship uptake long term.

There would be scope to improve aspects of any similar provision in the future. In particular, the focus on output targets mitigated against more time intensive work to reach under-represented groups (e.g. those of Asian/British Asian background) or to open up routes into apprenticeships for those with lower skills and employability. Some work was evident on this latter front, but it was not widespread. Lack of targeting, output pressures and some provider preferences further suppressed apprenticeships at Level 3 and above.

Most Hubs sought to generate quality apprenticeships that worked for businesses and young people, although some put more focus on this than others. Falling youth unemployment during the Programme made it harder for businesses to recruit apprentices.

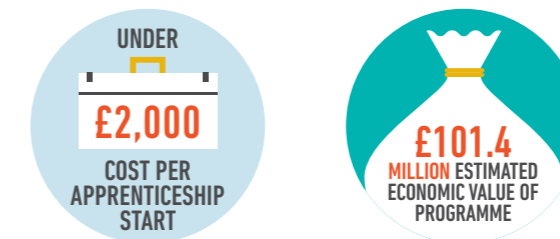
"This reinforced the importance of the quality of apprenticeships (including their level, the quality of training, framework options, the extent of progression and pay levels) in attracting able candidates, as well as in improving the reputation of apprenticeships."

ADDITIONALITY, COST PER OUTPUT, ECONOMIC IMPACT ETC.

THE COSTS OF DELIVERING OUTPUTS THROUGH THE PROGRAMME WERE MODEST, AT JUST UNDER £2,000 PER APPRENTICESHIP START, A FIGURE WHICH ALSO INCLUDES WIDER COSTS FOR BUSINESS ENGAGEMENT, AND ATA OPERATION WHERE RELEVANT.

Whilst this is a gross figure, the Programme's design will have kept 'deadweight' to a minimum and national studies suggest apprenticeship promotion has high additionality.

It is not possible to produce a precise figure for the economic value of the Programme. However, illustrative modelling based on national studies and survey data suggests that **the long term economic value of the 2,367 apprenticeship starts generated may be in the region of around £101.4 million***, around **twenty two times greater than the cost of the Programme**. This suggests that the long term outcomes and economic impacts are likely to be substantial and demonstrates an excellent return on investment.



* This is based on business survey data which suggests that 83% (or more) of apprentices will complete their apprenticeship and go into employment, and on using CEBR estimates for the value of economic gains during a year's apprenticeship and five years of subsequent employment.

CONCLUSIONS AND IMPLICATIONS FOR FUTURE PROVISION

SEVEN OVERALL LESSONS EMERGED FROM THE PROGRAMME WHICH WILL BE IMPORTANT IN INFORMING FUTURE PROVISION:

- 1** **Promotion of apprenticeships to young people** and those who influence them (specifically schools and parents) is fundamental and must be well covered by either mainstreamed local approaches, including on IAG, or the core activities of any future programme. It is important to use mechanisms and communication styles that connect with young people, and to use clear, consistent, and frequently reinforced messages based on real stories and experiences. This should include raising awareness of the range of apprenticeship options. Communication by one young person to another works especially well, whether through using apprentices within Hub teams, or 'apprentice ambassador' networks.
- 2** There should be a greater focus on **outcomes and quality**, including advanced/higher/degree level apprenticeships, which tend to deliver greater value. This will mean a more resource intensive approach and involve added value work to develop relationships, ensure good candidate/business matching, and to deliver apprenticeship starts. Provision should seek to promote apprenticeships that offer good training and progression opportunities and above minimum pay where possible, and avoid any poor quality apprenticeships. Programme outcome measures and monitoring should reflect this range of goals, with due weight on the quality as well as quantity of provision, and tracking of downstream benefits in terms of completions, employment and business benefits.
- 3** **Work is needed to widen the groups reached by apprenticeships**, including under-represented groups (e.g. BAME communities), all age groups, and widening access for less qualified and disadvantaged people and groups. Linked to the point on quality above (b), this work is likely to be relatively time intensive, and to involve pre-apprenticeship training and outreach so that apprenticeships and associated investment are better aligned to poverty reduction, employment and inclusion goals.

- 4** Whilst maintaining a degree of flexibility, there is a strong case for **applying greater consistency across local provision, based on the models that proved most successful**. This would most likely involve retaining the combination of a central LEP led role and local delivery. The most successful local models tended to involve delivery by Hubs within single local councils and with teams of a sufficient size. This model helps to support perceptions of the Hub as independent, and ensure alignment with other local council departments and partners. Based on their outputs, the case for future ATA provision is less strong than for Hubs, but if the two do coincide, it is important that they are integrated and have clearly differentiated roles. Strong management, senior support, and committed and able staff have been crucial at city-region and local level and will remain so in the future.
- 5** It is important to **build, extend and maintain good relationships with providers**, to have clear expectations on quality and approach, and clarity about their roles and those of Hubs in areas such as engagement with young people. There may be value in identifying a pool of providers across the city region that consistently meet quality standards and can meet needs for routine, specialist provision and higher level provision. It is good practice to ensure open recommendation of a number of providers wherever possible, rather than being tied to or strongly skewed towards single local providers.
- 6** **Marketing** is important in raising awareness and building positive perceptions amongst businesses, young people and parents. Social media and websites are particularly important for young people, backed by face to face contact in schools and at centrepiece events – all of which should draw on success stories of apprenticeships in action. Face to face contact is best for business engagement with targeted bursts of telemarketing to generate leads. There is value in a mix of central and local marketing but this must be scoped, agreed and commissioned from the outset to help Hubs to hit the ground running. This could include specialist in-house marketing support to a central programme team. Better monitoring arrangements should be in place from the outset to assess impact.
- 7** It is important to **connect apprenticeship support to wider business support and skills and employment provision**, both through the LEP and at local level. This should include fit with LEP business growth support and the Skills Service, as well to local provision and partners, with strong cross-referral mechanisms in place, including with wider young people's services. Support to business should include general advice and the range of support provided by Hubs to date.



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PARTNERSHIP

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Report to: Overview and Scrutiny Committee

Date: 18 January 2019

Subject: **Inclusive Growth**

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

Authors: James Flanagan and Britta Berger-Voigt

1. Purpose of this report

- 1.1 To provide the Overview and Scrutiny Committee with the following:
- An overview of the how the goal of delivering Inclusive Growth has progressed since the last report to this Committee,
 - Information on the early work and priorities of the Inclusive Growth and Public Policy Panel, and
 - An opportunity to discuss views about the emerging focus of the Panel.

2. Information

Background

- 2.1 The subject of 'Inclusive Growth' has increasingly come to the fore in recent years where, increasingly, income and health inequalities between people and places have widened. In recognition of the significant inequalities and the associated social, environmental and economic impacts, the Combined Authority has publicly stated that the City Region's ultimate goal is one of Inclusive Growth.
- 2.2 The 2017/18 Combined Authority Corporate Plan explains that "Our main goal is 'inclusive growth' – ensuring the widest range of people and places are able to contribute to, and benefit from, economic prosperity." This ambition is further emphasised in the 2018/19 Corporate Plan: "The achievements of the past year and more have put us in a great place to realise the strong, successful and socially inclusive economy that is the ultimate goal of political and business leaders".

Definition

- 2.3 As a starting point, the Committee is referred to the RSC's Commission into Inclusive Growth (2016) which settled on the term "Inclusive Growth" because it speaks to two related priorities in the post-financial crisis economy: economic inclusion and economic growth. The Commission therefore arrived at the following definition of Inclusive Growth:
- Enabling as many people as possible to contribute to, and benefit from, economic growth.
- This ambition has two dimensions:
- Social - benefitting people across the labour market spectrum, including groups that face particularly high barriers to high quality employment
 - Place - addressing inequalities in opportunity within an economic geography.
- 2.4 Delivering Inclusive Growth in the City region therefore means tackling the barriers that most constrain people from contributing to and benefitting from growth, such as poor skills, ill health (including those caused by environmental factors such as pollution), inadequate local transport, gender and ethnic inequalities, and childhood deprivation.
- 2.5 It is however recognised that there are a number of challenges in relation to the use of the term of "Inclusive Growth", including:
- The term is rooted in political and economic theory and is therefore innately abstract – which is arguably a barrier to community and business understanding and engagement.
 - There is a potentially confusing array of similar terms in usage, each with a slightly different meaning, eg "more and better jobs", "quality jobs", "closing the gap", "an economy that works for everyone", "meaningful growth", "inclusive economy", "economic justice" etc.
 - The risk that some of the associated policy language currently used, eg "deprived areas", is derived from technical sources (eg ONS data sets) and may be perceived negatively by some individuals and target communities.
 - Although the analysis of the problem has been high profile and thorough (eg OECD, RSC Commission into Inclusive Growth, World Bank and others), the policy prescriptions and interventions proposed have been much less well articulated, especially those applicable at the more local level.

Inclusive Growth across the Policy Framework

- 2.6 The LEP Board (November 2017 and January 2018) and Combined Authority (February 2018) agreed to broaden the city region's policy scope by working towards the development of a new, long-term strategic framework, with inclusive growth at its centre. This is attached as **Appendix 1**.
- 2.7 The key priorities of the emerging Leeds City Region (LCR) Policy Framework – in the shape of four key challenges - were identified at the LEP Board's September 2017 away day and re-endorsed in 2018. Inclusive growth

has been identified as an underlying driver across these challenges, which are:

1. The City Region's productivity gap with national and international peers is too large and growing. A more productive economy, where value is created and shared fairly across society, was identified as the single most significant driver of inclusive growth.
2. Investment is too low – particularly research and development investment by the private sector.
3. Half a century of continuously improving living standards in the City Region have stalled recently.
4. Stubborn deprivation persists, with the poorest communities staying the same over decades.

2.8 The City Region's existing strategies are being aligned and reviewed under the new policy framework. Inclusive Growth is one of the core principles of the new framework which ensures all strategies have a clear focus on tackling the above challenges, which feeds through into outcomes. These outcomes are being drawn together using what exists in current policies, plus new ambitions. **Appendix 2** provides an early draft of the City Region's emerging impact framework, which it is anticipated will be developed to include a more refined understanding of the impact felt by the most disadvantaged groups. This outcomes model will also be used to inform programme and project level appraisal and evaluation frameworks.

2.9 This broader framework also provides opportunities for partners to consider new and ambitious positions on topics that directly and indirectly affect Inclusive Growth. The Combined Authority's Policy, Strategy and Communications Directorate will, therefore, work with a range of partners to explore options on issues like tax, wages, welfare, labour market inclusion and the impact of automation on job roles.

Flexing Combined Authority projects and services

2.10 The Combined Authority has undertaken an initial survey of its activities to understand how it can best drive inclusive growth. This has led to several changes so far, such as:

- The Growth Service's grant support for small and medium sized enterprises (SMEs) to incentivise more inclusive growth commitments, such as undertaking training or helping improve progression amongst staff – which the Overview and Scrutiny Committee discussed at its 14 September 2018 meeting (further details below in 2.18 - 19).
- Targeting the enterprise advisor offer to schools in the most deprived areas, providing a rich experience of opportunities in different industries.
- Incorporating Social Value in procurement and certain minimum standards that suppliers must meet.

- Removing the photo requirement for young people to access subsidised bus travel, removing a barrier for some who require public transport to get to a place of education, training or work.
- 2.11 More broadly, inclusive growth is also being delivered across partner authorities. For example, the seven local authorities that are members of the Leeds City Region Business Rates Pool agreed to fund projects that are specifically aimed at driving inclusive growth across West Yorkshire, Harrogate and York.

The Inclusive Growth and Public Policy Panel

- 2.12 The Inclusive Growth and Public Policy Panel was established by the Combined Authority in September 2018 to advise the Combined Authority and the Leeds City Region Enterprise Partnership (LEP) in support of their ambition to secure inclusive growth. The Terms of Reference of the Panel are shown at **Appendix 3**.
- 2.13 Panel members have welcomed and noted the various achievements to date of partners across Leeds City Region in delivering Inclusive Growth activities. The need to understand the overall scale and complexity of the Inclusive Growth challenge, and maintain the focus on delivery in order to create a more socially inclusive economy, was also recognised as a core aim of the Panel.
- 2.14 The following issues and opportunities have been raised and discussed by the Panel as potential early priorities:
- Driven by financial efficiency requirements, businesses and institutions are increasingly providing more of their services either partially, or wholly, online. The example of ongoing bank closures was cited and the adverse social impacts were noted for individuals without access, or the skills to access, service online. It was noted that the issue of getting everyone online had been highlighted as a key issue in the emerging Leeds City Region Digital Framework.
 - A common ‘good employers’ framework was identified as needed for public sector employers, covering business leadership, poverty standards, living wage pay, elements of the low pay charter and other commitments such as around offering specialist skills through volunteering. It was noted that this would help to refocus the debate away from economic outputs (e.g., number of jobs created) and more towards the quality of jobs.
 - Inclusive growth through a healthy workforce – economic growth and living standards are intrinsically linked to peoples’ health. Preventing ill-health with the help of employers and public health partners is thus seen as a crucial element of inclusive growth.
- 2.15 In addition, Panel members express an interest in supporting emerging ideas being led by other Panels and Committees such as the LCR Inclusive Growth Corridor project, and the Healthy Streets project, that are currently being established under the auspices of the Transport Committee.

- 2.16 The Panel has identified there is a need to establish a clearer evidence base of the scale and nature of the regional challenge of stubborn deprivation and economic growth not being inclusive enough. It was also suggested by the Panel that the Combined Authority and other partners (e.g. local authorities, universities, colleges and schools) could usefully undertake an 'audit' of their work to establish a benchmark against which their future contribution to inclusive growth can be measured. To support this process, relevant indicators could be identified, with support from the higher education sector, for example on understanding the social return on investments made.
- 2.17 Finally, the Panel agreed to apply a strategic focus to its work. It was suggested that districts should report on their strategies and policies related to inclusive growth for the Panel to determine what can be up-scaled, supported or championed at a regional level. It was suggested that districts could provide inclusive growth updates at future meetings to assist the Panel's assessment.

Next steps and the role of scrutiny

- 2.18 At its 14 September 2018 meeting, the Overview and Scrutiny Committee considered an item on the business grants programme and discussed the inclusive growth criteria for BGP grants. The Committee concluded with a **recommendation** that:
- "...work should begin on exploring the extension of inclusive growth criteria to all current and future business grant programmes at all grant award levels and conclusions reported back to the Overview & Scrutiny Committee".¹
- 2.19 Consequently, at its 16 November 2018 meeting the Committee agreed to request a report detailing the "consultation and development of the current inclusive growth criteria and policy for the Business Growth Programme (BGP) and an assessment of the options relating to extending inclusive growth criteria to all business grants programmes" to be discussed at the 22 March 2019 committee meeting.²

3. Financial Implications

- 3.1 None arising directly from this report

4. Legal Implications

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

5. Staffing Implications

- 5.1 None arising directly from this report

¹ Minutes – Overview and Scrutiny Committee, 14 September 2018.

<https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CId=135&MIId=723&Ver=4>

² Minutes – Overview and Scrutiny Committee, 16 November 2018.

<https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CId=135&MIId=724&Ver=4>

6. External Consultees

6.1 None as part of this report

7. Recommendations

7.1 The Overview and Scrutiny Committee note and comment on the report.

8. Background Documents

None.

9. Appendices

Appendix 1 – City Region Policy Framework

Appendix 2 – Draft Ambitions and Outcomes Framework

Appendix 3 – Terms of Reference, Inclusive Growth and Public Policy Panel

VISION

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

PRIORITIES

BUSINESS ENVIRONMENT, IDEAS & WORKFORCE

- Private sector leadership to drive a more productive region
- A region at the forefront of science, innovation and new technologies, including ambitions to decarbonise all sectors of the economy through the 2020s.
- Nurture future talent, address skills shortages and provide the technical skills that will drive our economy.

TACKLING OUR 4 KEY CHALLENGES

1. Boosting productivity & earnings
2. Increasing levels of innovation & R&D
3. Tackling stubborn deprivation
4. Improving living standards

PLACE & INFRASTRUCTURE

- Invest in infrastructure to transform connectivity & the places where people want to live and work and businesses invest.
- Contributing to national commitments to climate change
- Vibrant, people-friendly regenerated town and city centres, with high quality green infrastructure and public realm.

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

BUSINESS, IDEAS & 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)

LOCAL INCLUSIVE INDUSTRIAL STRATEGY

DEVELOPING BIG IDEAS TO:

1. BOOST PRODUCTIVITY & EARNING POWER
2. CONTRIBUTE TO NATIONAL PRIORITIES & GRAND CHALLENGES

PLACE & INFRASTRUCTURE

TRANSPORT, CONNECTIVITY & MOBILITY
(21st century transport)

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

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

QUALITY OF LIFE
(High quality culture and citizen experience)

PARTNER PLANS & STRATEGIES

INCLUSIVE GROWTH

IMPROVING PRODUCTIVITY

CARBON REDUCTION

PLACE LEADERSHIP

INTEGRATED INVESTMENT

GROWTH & PRODUCTIVITY SUSTAINABILITY

GOOD JOBS & EARNINGS

SKILLS UPLIFT

IMPROVING CONNECTIVITY

REDUCING DEPRIVATION

ENVIRONMENTAL

DIFFERENCE FOR WHOM (COHORTS/SEGMENTATION)

EVIDENCE BASE / POLICY DEVELOPMENT - ONGOING

GOLDEN THREAD

IMPACT AREAS

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VISION

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

AMBITION.....BY 2036....

To have a £100bn plus economy, becoming a positive, above average contributor to the UK economy;

To close the productivity gap with x (appropriate exemplar);

To reduce the proportion of jobs that pay less than the real living wage by x

To hit the 2.3% for private sector investment in innovation;

To reduce the employment rate gap for all disadvantaged groups by x (including all disabled groups);

To deliver 10,000 to 13,000 new homes per annum of which x will be affordable

PERFORMANCE FRAMEWORK & KEY METRICS (BASELINE/INTERIMS & LONG TERM TARGETS BEING DEVELOPED)

BUSINESS & WORKFORCE		PLACE		TRANSPORT & CONNECTIVITY	
IMPACT AREA	METRIC	IMPACT AREA	METRIC	IMPACT AREA	METRIC
GROWTH & PRODUCTIVITY	<ul style="list-style-type: none"> Economic output (£ billion per year) Output per head (£ per hour worked) Business birth, death and net rates Exports as a % of GVA 	COMMUNITIES	<ul style="list-style-type: none"> Absolute low income – children living in households with income below 60% of medium income Residents satisfaction with their local area - % of people either satisfied/dissatisfied with their neighbourhood Quality of life/place – Halifax quality of life survey 	TRANSPORT	<ul style="list-style-type: none"> Satisfaction with transport infrastructure National Highways & Transport Survey Satisfaction with public transport (WYCA customer survey) Widening labour markets (deprived communities) – access to urban centres/employment within 20/40 mins using public transport/cycling, etc. Mode share (Key route network speeds/Traffic volumes, Km of new cycle facilities) % of smartcard/m-ticket transactions
INNOVATION	<ul style="list-style-type: none"> R&D expenditure (public/private) Investments by British private sector equity & venture capital association members % of firms engaged in product & process innovation (UK Innovation Survey) 	ENERGY & ENVIRONMENTAL SUSTAINABILITY	<ul style="list-style-type: none"> CO2 emissions per capita Air quality (% deaths attributed to air pollution) % of households in fuel poverty Area of land experiencing a reduction in flooding likelihood (hectares – EA stats) 	BROADBAND	<ul style="list-style-type: none"> Business premises with superfast broadband service made available Households with superfast broadband service made available Download speeds Take-up
GOOD JOBS AND EARNINGS	<ul style="list-style-type: none"> Employment rate (% of working population) Economic inactivity rates (% of working age population) 20% earn less than (£ per week) / real living wage Weekly median wages (£) 	SITE DEVELOPMENT	<ul style="list-style-type: none"> Area of developed land (hectares) Housing units completed by tenure/affordability House price/land value/rental effects Commercial floor space constructed/refurbished 		
SKILLS & TALENT	<ul style="list-style-type: none"> % of working age population with NVQ Level 4 qualification % of working age population with no qualifications 				

Agenda Item 9
Appendix 2

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Terms of Reference

Inclusive Growth and Public Policy Panel¹

The Inclusive Growth and Public Policy Panel is authorised to advise the Combined Authority and the Leeds City Region Enterprise Partnership in support of their ambition to secure inclusive growth, in relation to:

- a) overseeing and monitoring the realisation of inclusive growth;
- b) promoting collaboration and joint working on public services between partner councils, and
- c) developing public policy in so far as this relates to any function of the Combined Authority which is not specifically within the terms of reference of any other advisory committee or panel appointed by the Combined Authority.

¹ The Inclusive Growth and Public Policy Panel is an advisory committee to the Combined Authority, appointed under S102(4) Local Government Act 1972.

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Report to: Overview and Scrutiny Committee

Date: 18 January 2019

Subject: **Assurance Framework Review**

Director(s): Melanie Corcoran, Director of Delivery

Author(s): Rachel Jones / Dave Haskins

1. Purpose of this report

- 1.1 To provide the Overview and Scrutiny Committee with an update on progress relating to changes proposed to the Local Assurance Framework arising from the annual review and the recently issued review of the National Assurance Framework (December 2018 – still in draft at the time of writing this report) and the Strengthened Local Enterprise Partnership report (July 2018).
- 1.2 To request the Overview and Scrutiny Committee provide feedback on the updated assurance requirements, and to note the reasons why the review is being undertaken.
- 1.3 To recommend that the Overview and Scrutiny Committee delegate responsibility for scrutinising the updated 2019 Local Assurance Framework to the LEP Review Working Group.

2. Information

Background

- 2.1 In view of the growing levels of investment and funding under local control or influence, it is essential that there are robust, transparent and accountable processes in place to ensure value for money for the public purse.
- 2.2 As part of the LEP's Growth Deal with Government, a Local Assurance Framework was developed in 2015 to cover all funding flowing through the LEP. The Combined Authority, as the accountable body for the LEP, is also covered by this framework, which is updated on an annual basis.
- 2.3 The Local Assurance Framework must be published on each Local Enterprise Partnership's website, and reviewed annually.

- 2.4 It is the key mechanism to ensure that there are robust processes in place to support the developing confidence in delegating central budgets and programmes to the LEP and the Combined Authority. It covers all significant discretionary projects and programmes funded from Government or local sources that flow through the LEP and the Combined Authority, and has been prepared in accordance with National Assurance Framework guidance, and builds on a body of existing good practice.
- 2.5 The LEP must comply with this guidance for the relevant funding streams, but as the Leeds City Region LEP and West Yorkshire Combined Authority operate on a 'one organisation' basis and form one, single corporate structure, the principles of the assurance framework guidance also apply to the Combined Authority as well.
- 2.6 The Combined Authority's current Assurance Framework was approved by the LEP Board in January 2018 and by the Combined Authority (as the accountable body) in February 2018.

Revision to national assurance framework guidance – December 2018

- 2.7 A revision to the 2016 “Local Enterprise Partnership National Assurance Framework” Guidance is due to be published by the Ministry of Housing, Communities and Local Government in early January 2019. This will bring in a set of new requirements, which will be incorporated into this ongoing review. The Combined Authority's Assurance Framework is already compliant with the majority of the expected requirements, based on draft information received.
- 2.8 Additionally, the recent ‘Strengthened Local Enterprise Partnership’ (LEP Review) report sets out a number of Government commitments alongside a number of additional changes that Government will work with Local Enterprise Partnerships to implement. This is being addressed within the National Assurance Framework, and has implications for the Combined Authority's Assurance Framework, both for the 2019 review and the review for 2020, relating to the revisions to LEP geography.
- 2.9 Changes for 2019 include:
- Requirement for the LEPs to set out arrangements regarding data protection, following introduction of the General Data Protection Regulation (GDPR)
 - A new requirement for LEPs to set out how contracts are managed and the LEP Board kept informed of progress
 - Further detail regarding the roles and responsibilities of the LEPs, and Section 151/73 Officers
 - Detail to specify the role that is responsible for certain tasks, including ensuring value for money and scrutiny and recommendation for business cases, the final sign off for funding decisions and a named diversity champion

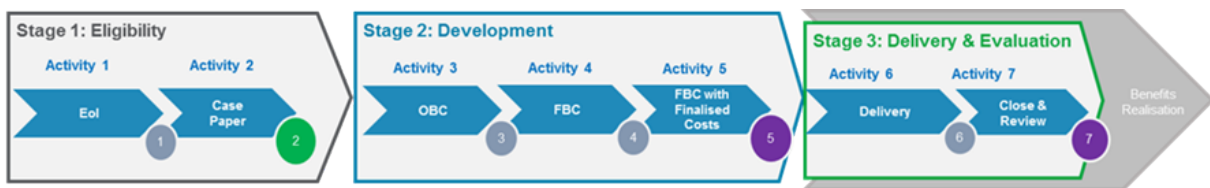
- 2.10 Other changes required to the Assurance Framework include an update to the delegated authority to reflect the changes to Investment Committee, and an update to reflect recent changes to stage 1 of the assurance process.
- 2.11 Section 151/Section 73 Officers are required to write to HM Government by 31 March 2019, ahead of next year's Local Growth Fund payment, to certify that the Assurance Framework is compliant with the national framework.
- 2.12 A revised version of the document is now being developed, to take account of changes to the Combined Authority Assurance Process and recent review of the National Assurance Framework. The scope of the revised Local Assurance Framework remains broadly unchanged to the existing document, and is as follows:
- updated detail on the LEP's governance and decision-making arrangements and processes for accountable and transparent decision-making to ensure the proper use and administration of funding
 - information on how the LEP will prioritise and appraise schemes, facilitate business case development and undertake risk management
 - a description of the arrangements for supporting the effective development, appraisal and delivery and implementation of projects and programmes, including relationships with delivery bodies

Role of Scrutiny and the LEP scrutiny working group

- 2.13 In the 2017-18 municipal year, the Overview and Scrutiny Committee tasked its Strategic Economic Plan (SEP) Working Group to help develop the final 2018 Assurance Framework which was ultimately adopted by the LEP Board and Combined Authority in February 2018. As the Assurance Framework is reviewed every year, the Committee agreed to revisit the Assurance Framework again at its 18 January 2019 meeting.
- 2.14 In light of the ministerial review into LEPs, on 14 September 2018 the Committee reconstituted the SEP Working Group as a 'LEP Review Working Group' and, amongst a wider remit, assigned it the task of "scrutinising the development of the Assurance Framework and risk management processes in compliance with new government guidance".
- 2.15 The LEP scrutiny working group met on 9 November 2018, 14 December 2018 and 4 January 2019 to discuss proposed revisions to the assurance framework.
- 2.16 After questions and discussion, Members were informed of the following key matters related to scrutiny:
1. Although the publication of new national assurance framework guidance is still being awaited, officers were sighted with an early draft version which, although not final, provided an insight into what changes could be expected.

2. Based on the draft, officers have prepared a preliminary draft checklist of 136 potential actions needed to satisfy new guidance. Most of them were minor changes.
3. That the current Assurance Framework was already compliant with most new additions to the national framework and had already undergone a review from the government's Cities and Local Government Unit's Leeds City Region team earlier in the year.
4. There are planned further developments of the monitoring of benefits and outcomes realisation in Section 5 – which has also been a major priority of the Overview and Scrutiny Committee.
5. In Section 4, there would be alterations to Stage 1 of the current Assurance Process (highlighted below in **Figure 1**). Activity 1 (Expression of Interest) and Activity 2 (Case Paper) would be changed to Activity 1 (Eligibility) and Activity 2 (Strategic Outline Business Case – SOBC) to further ensure and strengthen the alignment of projects to the Combined Authority and LEP's strategic aims and policy framework. Strategic outcome evaluation and benefit analysis has been identified as a priority by the Overview and Scrutiny Committee.

Figure 1: Assurance Process



2.17 Members discussed some of the changes to the existing framework proposed by officers in more detail. These included:

1. **Scrutiny in the Assurance Process:** The presence of scrutiny in the assurance process could be better highlighted, for instance in the Assurance Process diagram highlighted in **Figure 1** (above) and throughout the Assurance Framework document, where appropriate.
2. **Pre-decision scrutiny:** The delegation of decision-making powers to the Investment Committee has again highlighted the necessity for pre-decision scrutiny processes to be strengthened. There will be an increased number of decisions being made about projects, programmes and spending that are eligible for call-in. The establishment of effective briefing of Members on upcoming decisions and a platform – possibly in a working group or workshop setting – to scrutinise projects at appropriate stages should be explored further. This could be included within any changes to scrutiny arrangements currently being developed as part of the work-stream related to ensuring the Combined Authority is compliant with new national scrutiny guidance.
3. **Outcomes evaluation:** Usually when project development concludes, the officers / team who delivered the project are assigned to new projects and

would not return to perform reviews and evaluations of outcomes years later. It is felt that responsibility for a strengthened outcomes evaluation function could best rest with the Research & Intelligence section of the Policy, Strategy and Communications Directorate and would require significant resource.

4. **Scrutiny and the LEP:** It is clear that as LEPs are being strengthened nationally, there are greater expectations from the government about the scrutiny of LEPs in future. Scrutiny's role in scrutinising LEPs will largely be determined by the publication of three sets of government guidance:
 - i) National scrutiny guidance
 - ii) National assurance framework guidance
 - iii) Guidance and further clarity on the LEP Review and local industrial strategies in particular.

All three are expected to have sections outlining how scrutiny is expected to engage with and scrutinise LEP performance in particular, which might necessitate changes to scrutiny arrangements.

- 2.18 The LEP Review working group agreed, due to the delay in receiving the new national assurance framework guidance from the government affecting the detail of discussion at the previous meetings, that further meetings of the working group be arranged in early 2019 and that the Committee be recommended to delegate responsibility for scrutinising the development of the assurance framework to the working group – which will report back to an appropriate future committee meeting.

Next steps

- 2.19 A draft of the Local Assurance Framework will be presented for approval to the Combined Authority at its meeting on 14 February 2019 and a final draft version of the report will be presented to the LEP Board for approval on 26 March 2019. If the Committee is agreeable with the LEP Review working group's suggestion outlined in paragraph 2.10, the revised Assurance Framework would also be presented to the working group for scrutiny and feedback.
- 2.20 It is the responsibility of the Director, Resources, as the Combined Authority's Section 73 Officer (the Chief Finance Officer) to write to HMG ahead of the 2019 Local Growth Fund payments to certify that the Local Assurance Framework has been agreed, is being implemented, and meets the standards set out in the National Assurance Framework.
- 2.21 It is envisaged that further changes will need to be made to the Assurance Framework as more projects move through the appraisal process, to reflect any future updates to guidance, feedback from the "Annual Conversation" with Government and as an evolution to the process as more projects are progressed.
- 2.22 It is anticipated that significantly more work will be required in 2019/20 to ensure the changes required as part of the Strengthened Local Enterprise Partnerships (LEP Review) report and change in LEP geography are

addressed in the Assurance Framework. This is subject to a separate report to the Overview and Scrutiny Committee. Input from the LEP Review Working Group will be required in due course.

3. Financial Implications

- 3.1 The annual update to the Assurance Framework is required in order to remain compliant with government guidance. Failure to do this may result in future growth deal funding being compromised.

4. Legal Implications

- 4.1 The annual update to the Assurance Framework is in response to government guidance and is not a legal requirement.

5. Staffing Implications

- 5.1 The annual update to the Assurance Framework is completed using existing resources within the Combined Authority.

6. External Consultees

- 6.1 None.

7. Recommendations

- 7.1 The Overview and Scrutiny Committee note the report and provide feedback.
- 7.2 That the LEP Review Working Group continue to scrutinise and provide feedback during the development of the updated Assurance Framework.

8. Background Documents

[Assurance Framework 2018](#)¹

[National local growth assurance framework guidance](#) – published **8 January 2019**, Ministry of Housing, Communities and Local Government.

9. Appendices

- 9.1 None.

¹ <https://westyorkshire.moderngov.co.uk/documents/s6037/Assurance%20Framework%202018.pdf>

Report to: Overview and Scrutiny Committee

Date: 18 January 2019

Subject: **LEP Review**

Director(s): Alan Reiss, Director of Policy, Strategy and Communications

Author(s): Jonathan Skinner

1. Purpose of this report

- 1.1 To inform the Committee how the Leeds City Region Enterprise Partnership (LEP), Combined Authority and partners are addressing the requirements following Government's review of LEPs to position the City Region positively to deliver a local industrial strategy and access future funding, including the UK Shared Prosperity Fund to support economic growth and social transformation.

2. Information

Background to LEP Review and the role of scrutiny

- 2.1 At its 14 September 2018 meeting, the Overview and Scrutiny Committee was informed of the background, findings and next steps of the LEP Review and the implications for the West Yorkshire Combined Authority, Leeds City Region LEP, and scrutiny.
- 2.2 It was reported at that meeting that early discussions between the Leeds City Region and York, North Yorkshire & East Riding LEPs had been positive, recognising the economic case for a LEP covering West Yorkshire, York and North Yorkshire.
- 2.3 Following discussion of the main issues, the Committee resolved to ultimately support the approach to unite the Leeds City Region, York & North Yorkshire LEP areas, with the West Yorkshire Combined Authority as the accountable body.
- 2.4 The Committee also reconstituted the 'SEP Working Group' as the 'LEP Review Working Group' with responsibility for:

- (a) Engaging with and monitoring the LEP's implementation plan with a focus on ensuring governance, assurance and scrutiny arrangements are robust, transparent and beneficial to all parties
- (b) Scrutinising the development of the Assurance Framework and risk management processes in compliance with new government guidance
- (c) Scrutinising the development of the Local Inclusive Industrial Strategy and policy framework, with a focus on measuring outcomes and performance indicators
- (d) Engaging with North Yorkshire and York scrutiny members

Transition to a new LEP covering West and North Yorkshire

2.5 Since the last committee meeting, the LEP made two submissions, as requested by Government:

- A proposal on 28 September for a single LEP across all of West and North Yorkshire, thereby removing overlaps and providing the basis to drive new activity
- A full implementation plan, submitted on 31 October 2018, addressing other elements including Board diversity, recruitment, etc.

2.6 Following Ministerial discussions with LEP Chairs, there is now a consensus across the Leeds City Region and York, North Yorkshire and East Riding (YNYER) LEPs for a future LEP covering the whole of West and North Yorkshire:

Fig.1 – the proposed geography of a West and North Yorkshire LEP



- 2.7 The LEP Board's position means Barnsley will be covered by the Sheffield City Region LEP, although there will be strong ties made with neighbouring areas (e.g. Humber LEP, Sheffield City Region, etc.) to further develop activity on issues of mutual interest.
- 2.8 This means that a new LEP, representing a population of 3.1 million and economy worth £70.3 billion a year, provides the scale that is expected to give the region even greater influence on a national and international matters. This will include developing a local industrial strategy that reflects the opportunities across rural, coastal and urban communities and improves the region's ability to attract investment and influence Government policy, such as securing a significant share of the UK Shared Prosperity Fund (UKSPF) – which could be worth hundreds of millions of pounds a year to the region. The Government has been clear that LEPs that do not resolve overlaps will not have access to the UKSPF.

Joint Transition Working Group

- 2.9 Both LEPs have also agreed to form a joint Transition Subgroup that will set the initial, high-level direction towards implementing a new LEP. The Transition Subgroup comprises of board members from each LEP (and the chief executives):
- Leeds City Region:
 - Roger Marsh
 - Andrew Wright,
 - Cllr Susan Hinchcliffe
 - Ben Still
 - York, North Yorkshire & East Riding:
 - David Kerfoot
 - Prof Colin Mellors
 - Cllr Carl Les
 - James Farrar
- 2.10 The Transition Subgroup will develop a terms of reference and make recommendations to both LEP Boards in March 2019. These recommendations will provide a clear route map to a new LEP for West and North Yorkshire becoming operational in April 2020. Some of the expected milestones include:
- Formal decision by the LEP Board to merge – March 2019
 - Recruitment process of new LEP chair – after April 2019
 - Recruitment process for new LEP board – once LEP chair appointed later in 2019/20
 - Formal creation of new LEP Board – April 2020
- 2.11 The Transition Subgroup will operate collaboratively and transparently across workstreams which cover:
- a) Transition and leadership
 - b) Policy and strategy
 - c) Identity, communications and engagement
 - d) LEP membership and recruitment

- e) Decision-making
- f) Programme delivery
- g) Project delivery
- h) Regional influence

2.12 A terms of reference for the Transition Subgroup based on the headlines outlined above is currently being developed. The first meeting is scheduled for mid-January 2019.

3. Financial Implications

3.1 By meeting the requirements of the LEP Review, the LEP is able to unlock £200,000 of capacity funding to support any associated activity and strengthen the evidence base for a future local industrial strategy.

4. Legal Implications

4.1 There are no legal implications directly arising from this report, but the full implementation of a new LEP will have significant legal implications. These are being identified and addressed through the transition working group, under the guidance of both LEP Boards.

5. Staffing Implications

5.1 There are no direct staffing implications directly arising from this report. The broader delivery of the LEP Review requires significant capacity. Some of this will be covered by Government funding, but other capacity is being reprioritised from other work.

6. External Consultees

6.1 No external consultations have been undertaken.

7. Recommendations

7.1 That the Overview and Scrutiny Committee notes the report.

7.2 That the LEP Review scrutiny working group continue to maintain an overview of developments and provide feedback on behalf of the Committee.

8. Background Documents

The following background reports are referenced in this report:

- 2 August 2018 Combined Authority – Devolution and Review of LEPs
- 20 September 2018 LEP Board – Strengthened Local Enterprise Partnerships
- 11 October 2018 Combined Authority - Strengthened Local Enterprise Partnerships
- 22 November 2018 LEP Board - Strengthened Local Enterprise Partnerships

- 13 December 2018 Combined Authority – LEP Review

9. Appendices

None.

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Report to: Overview and Scrutiny Committee

Date: 18 January 2019

Subject: **Draft Budget 2019/20**

Director(s): Angela Taylor, Director, Resources

Author(s): Jon Sheard/Angela Taylor

1. Purpose of this report

- 1.1 To advise the Overview and Scrutiny Committee of the work underway to progress the budget for 2019/20.

2. Information

Budget Process

- 2.1 The Combined Authority received an update on the draft budget proposals for 2019/20 at its meeting 13th December 2018. That report and one of its appendices are attached at **Appendix 1** for information with the appendix to that report that provided the latest version of the business plan [available here](#).
- 2.2 The Combined Authority recognises the difficult funding position facing local authorities as they await the outcome of the fair funding review and comprehensive spending review in 2021. This is at a time when their funding continues to be cut and demand for their services is increasing. In the same way that local authorities are focussed on cost reduction, efficiencies and income generation the Combined Authority has also sought to ensure in developing its budget each year that it too is reviewing its activities and finding ways to deliver its services more efficiently. It also seeks to maximise third party income, such as advertising revenue and sponsorship for inward investment events.
- 2.3 The latest draft budget for 2019/20 as presented to the Combined Authority at its meeting showed a required use of reserves of £1.8 million, against the target agreed in February of £1.2 million. This position has been developed through the Member Budget Working Group, and with overview from the Chief Executives. There have been a number of changes to the figures since the strategy was agreed in February 2018 and some significant budget pressures identified. In order to reach the current position a number of reductions and

cuts have been included in the draft position and some reprioritisation to enable an allowance for emerging pressures. These are set out in more detail in the attached report. Further work is underway to finalise figures and reduce the funding gap down to the previously agreed use of reserves of £1.2 million and this will be progressed through the Budget Member Working Group on 10 January.

2.4 The paper to be presented for approval to the Combined Authority on 14 February will also include an updated version of the business plan, with clear priorities and success measures that will be monitored throughout the year.

2.5 Members are asked to note progress, provide any further areas for consideration and confirm if there is any information they would like to have provided to future meetings.

3. Financial Implications

3.1 As set out in the report.

4. Legal Implications

4.1 None arising directly from this report.

5. Staffing Implications

5.1 None arising directly from this report.

6. External Consultees

6.1 None.

7. Recommendations

7.1 That the Overview and Scrutiny Committee provide any input to budget planning and the issues raised in the report.

8. Background Documents

None.

9. Appendices

Appendix 1 – Draft business plan and budget 2019/20 report submitted to the Combined Authority (13/12/18)

Appendix 2 – Draft business plan for 2019/20

Appendix 3 – Draft budget for 2019/20



Report to: West Yorkshire Combined Authority

Date: 13 December 2018

Subject: **Draft business plan and budget 2019/20**

Director: Angela Taylor, Director of Resources

Author(s): Jon Sheard and Angela Taylor

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

1. Purpose of this report

- 1.1 To provide West Yorkshire Combined Authority with outline directorate business plans and the proposed draft revenue and capital budget for 2019/20.

2. Information

- 2.1 The Combined Authority approved a medium term financial strategy including the detailed 2018/19 budget at its meeting in February. Recognising the challenging financial position faced by its local authority partners, the strategy included a commitment to reduce the transport levy by £1 million each year and to reach a balanced position by 2020/21 that does not require the use of reserves.
- 2.2 Work has been progressing to update and refresh the business plan for the Combined Authority, maintaining the focus on the three big objectives agreed for the current year corporate plan: Productivity, inclusive growth and a 21st century transport system. A number of actions addressing a possible fourth objective of carbon reduction have also been identified. All teams have been required to demonstrate how expenditure delivers against the objectives and

priorities of the Combined Authority and its partners, demonstrating efficiency and effectiveness and value for money for the services delivered.

- 2.3 The Combined Authority recognises the difficult funding position facing local authorities as they await the outcome of the fair funding review and comprehensive spending review in 2021. This is at a time when their funding continues to be cut and demand for their services is increasing. In the same way that local authorities are focussed on cost reduction, efficiencies and income generation the Combined Authority has also sought to ensure in developing its budget each year that it too is reviewing its activities and finding ways to deliver its services more efficiently. It also seeks to maximise third party income, such as advertising revenue and sponsorship for inward investment events.
- 2.4 In putting together budget submissions teams are tasked with minimising costs and maximising income. Senior manager challenge sessions are used to scrutinise the funding requirements put forward, with this information then informing discussions with members on options to present a balanced budget. These actions have resulted in a range of efficiencies and savings each year that have contributed to the Combined Authority being able to reduce the transport levy and achieve more for less.
- 2.5 Actions taken include the reduction in the cost of providing bus services by 50% in real terms over the last ten years, as a result of smarter procurement and a continued focus on value for money. The commitment made in setting the 2019/20 budget includes a further 20% reduction in the cost of bus tendered services over a three year period. The Combined Authority has also reduced costs by three quarters of a million pounds through efficiencies and staff savings arising from adopting new technology including smart ticketing and moving customers to on-line services. Further savings of over a third of a million pounds per year have been made in the cost of managing the Combined Authority's facilities through better contract management and the introduction of an improved more efficient CCTV system.
- 2.6 New teams that have been established have been benchmarked against other authorities and best practice. For example the Delivery directorate was put together in 2016 and the Portfolio Management Office that oversees project delivery is operating on a ratio of only 1 person to every 15 projects, compared to the industry recommendation of 1 to every 4. Other teams have achieved reductions in headcount or an increase in output for the same resource.
- 2.7 **Appendix 1** sets out the draft business plan for each directorate, demonstrating how they deliver against the organisation's priorities and objectives and, at a summary level, the resources required to do so.
- 2.8 **Appendix 2** sets out the draft proposed revenue budget for 2019/20. The final budget for 2019/20 will be approved at the Combined Authority meeting of 14 February to enable the transport levy to be set in accordance with legislative requirements.

- 2.9 The latest position for 2018/19 is considered in agenda item 12 and confirms that the previously agreed position of a use of reserves of £1.4 million looks likely to be achieved. The latest draft budget for 2019/20 shows a required use of reserves of £1.8 million, against the target agreed in February of £1.2 million. This position has been developed through the Member Budget Working Group, and with input from the Overview and Scrutiny Committee and overview from the Chief Executives. There have been a number of changes to the figures since the strategy was agreed in February and some significant budget pressures identified. In order to reach the current position a number of reductions and cuts have been included in the draft position and some reprioritisation to enable an allowance for emerging pressures. These are set out in more detail in the following paragraphs which consider the key drivers and assumptions for the main budget lines. Further work is underway to reduce the funding gap down to the previously agreed use of reserves of £1.2 million.
- 2.10 **Bus strategy** – earlier this year the Transport Committee considered the issues around the effectiveness of expenditure on bus services in supporting mobility and approved revised policy guidelines together with a process of district level bus network reviews. It also approved for consultation revised policy guidelines in respect of home to school services. At the February 2018 budget meeting a 20% savings target was set for all bus service procurement over the period 2018/19 to 2020/21. To date, contract awards and amendments are delivering the necessary savings for 2018/19 and there is an expectation that the targeted savings for 2019/20 will be exceeded by some £500k. This has been possible as a result of retendering some schools services and reshaping of the batch renewals retendered in 2018/19.
- 2.11 **Bus franchising** - discussions regarding bus partnership and alternative models including franchising are continuing. If franchising were to be identified as the preferred way forward then there would be a need to invest in the initial work required to produce an outline business case, including external legal and financial consultancy work. At this stage no costs have been included in the budget to progress this detailed feasibility work although liaison will continue other combined authorities who are progressing this agenda.
- 2.12 **Concessionary travel** – a significant part of the Combined Authority’s budget is spent on the discretionary and statutory elements of the concessionary travel scheme. The costs of the statutory English National Concessionary Travel Scheme for 2018/19 are £46 million and are calculated using a spreadsheet model prescribed by the Department for Transport. This model includes a number of factors, including bus operating costs, so in effect will change each year as inflation affects fuel and salary costs of bus operators. In order to mitigate the potential volatility of these costs arrangements with the major bus operators are in place. 2019/20 is the third and final year of the current arrangement and indications at this stage are that there is a fall in patronage which may result in reviewing the thresholds of the agreement to be applied in 2019/20.

- 2.13 Subsequent years are then forecasting a standstill, when the current agreement with the major bus operators comes to an end. In the absence of any further agreements payments will be made based on actual patronage and the calculated reimbursement rate. The policy position on bus includes a focus on increasing patronage and as such there is a risk that reimbursement costs increase.
- 2.14 A further £9.5 million per annum is spend on discretionary concessions, predominantly for young people and enables them to travel at half fare up to the age of 19. This clearly supports the inclusive growth aims of the Combined Authority and discussions are taking place with bus operators to ensure that maximum benefits are derived from this expenditure.
- 2.15 **Joint work with bus operators** – there are a number of areas of service provision where the Combined Authority works with the bus operators, including the provision of travel information and the sale and administration of MCards. Work has been undertaken to ensure the relative responsibilities of the bus operators and the Combined Authority are understood and that costs are fairly apportioned between them. This has resulted in an increase in income to the Combined Authority in 2019/20 and subsequent years to reflect the current full costs of administering the MCard scheme. There is also a plan to reduce the operating costs of travel centres within the bus stations with the impact of this coming into the budget from 2020/21.
- 2.16 **Enterprise Zones** - the income stream from the Enterprise Zones (EZ) accrues to the LEP and is received by the Combined Authority as accountable body. This is one of the key income streams that has the capacity to grow and is key in establishing a viable budget. The LEP has an Enterprise Zone (EZ) in Leeds at the Aire Valley and a multisite M62 zone, both of which will contribute business rates above the established baseline for a 25 year period from their date of establishment (2013 for Leeds and 2016 for the M62).
- 2.17 The Leeds EZ has been established for some years and is due to pay over £1.2 million in 2018/19. Forecasts used in budget setting in the last three years have shown strong growth in this income but in reality these increases have been slow to materialise. Since establishing the strategy in February the forecast income from this site has fallen from by £1.6 million for 2019/20. Detailed scrutiny of the pipeline of future development is underway to enable a more robust position to be established, building on the already established baseline of £1.2 million due for 2018/19. This is the first year that the full income on the site accrues to the LEP after some initial investment costs have been recovered by Leeds City Council. Significant growth in this income could for example provide a means by which to fund business and skills projects, or further trade and investment activities, and remove some of the dependence on short term government funding.
- 2.18 The M62 EZ consists of nine sites, only two of which are forecast to make any payments this year – Lindley Moor West and South Kirby. Whilst collectively the sites are all due to make multi million pound annual contributions in due course, they require investment and further development before they can

become income generating. Growth Deal funds have been secured as a partial contribution towards these costs and a development plan identifying priority sites for investment is under consideration.

- 2.19 **Capitalisation** - the level of capitalisation ie charging eligible revenue costs to capital schemes was increased for 2018/19, reflecting the growing capital programme in comparison to the revenue expenditure. Work on the size and shape of the future capital programme will assist in identifying whether there is an opportunity to further increase this capitalisation of revenue costs.
- 2.20 **Policy and strategy** – a number of posts in the team have been held vacant in the current budget in order to achieve the saving required. This is being continued into 2019/20 but will clearly limit the capacity of the team to deliver across the full range of policy areas for the Combined Authority and its partners. Additionally there is significant work required to ensure the development of the Local Inclusive Industrial Strategy is underpinned by robust evidence. A compelling strategy will be key to unlocking future funding. Should the proposed LEP merger be agreed by government then the strategy will have to address the revised geography. Government funding is being sought to support this work.
- 2.21 **Rail** – the concerns with the performance of the local rail network is requiring a marked increase in work from the current team to address issues and consider future plans. Coupled with this is uncertainty over the funding from government to support this work via the current administration grant arrangements.
- 2.22 **LEP merger** – the proposed merger between the main constituents of the Leeds City Region LEP and the York, North Yorkshire and East Riding LEP is awaiting approval from government. This will require increased resources to establish agreed ways of working for the new organisation and put in place the right governance and practical arrangements. It is unclear at this stage whether government funding will be available to meet some or all of these costs.
- 2.23 **Trade and Investment** – external funding is being sought to continue the current Key Account Manager posts and if this bid is unsuccessful these costs would need to be met from revenue budgets. There is a clear need to ensure post Brexit that there is sufficient resource to continue to build on the successes of recent engagements with China and India for example.
- 2.24 **Pay award** – the 2018/19 and 2019/20 pay awards have recently been negotiated and the increases are reflected in the attached appendices. It is assumed that future pay awards will be around the 2% average rate settled for this year and next.
- 2.25 **Pay and pension** – the triennial pension valuation will take place in 2020 and will have an impact on ongoing employer contributions. Assumptions on the likely impact of this will need to be agreed.

- 2.26 The pay award has been agreed for both 2018/19 and 2019/20 and these costs have been included in the attached revenue budgets. During the pay negotiations it became apparent that there may be benefit in reviewing the pay structure in place at the Combined Authority. Work on this will be progressed during 2019 with the assumption that any costs arising will be managed within the overall staffing budget.
- 2.27 The draft budget includes as assumption on vacancy savings that will arise as a result of the usual churn of people leaving. The Combined Authority has over recent years been undergoing a review of its staffing structures and now that these revised structures are largely agreed and in place staffing costs can be forecast with greater accuracy.
- 2.28 **Commercialisation** – the Combined Authority owns a portfolio of operational property assets (including bus stations) and some land and property acquired for previous transport schemes. Opportunities are being sought to maximise commercial rents from the portfolio and to identify the longer term scope to realise any redevelopment potential.
- 2.29 **Other income streams** – the Combined Authority has been awarded further funding since February, including from the business rates pool, which has been built into the 2019/20 budget. The cliff edge scenario of short term funding coming to an end for skills programmes in particular continues to cause ongoing challenges in planning the delivery of these key programmes.
- 2.30 **Capital programme** – Work is continuing on finalising the three year capital programme and the funding available. A significant number of new schemes have achieved decision point 2 of the assurance framework and have therefore passed the eligibility threshold for inclusion in the Growth Deal programme. Much of the current Growth Deal funding which makes up the largest element of the capital funding available concludes in 2021. There is an ongoing income stream beyond this date of £30 million per annum for the West Yorkshire plus York Transport Fund, to be supplemented by borrowing in accordance with the original City Deal, but it is expected there will still be a requirement beyond 2021 for a broader capital programme that would need to be supported by borrowing or yet to be identified funding streams.
- 2.31 The detailed programme is being verified by partners delivering the projects and highlights a borrowing requirement from 2019/20 onwards. The revenue costs of supporting this borrowing, which is predominantly for the Transport Fund, will be reflected in the final proposed budget in February, to be funded from the Transport Fund reserve. It is intended to utilise the Transport Fund reserve to support these costs but once these are applied it must be noted that there will be an ongoing long term commitment to meet the costs of the borrowing entered into. A fuller consideration of debt costs and the application of the Transport Fund reserve to meet these is being undertaken and will be brought to the February meeting.
- 2.32 **Living wage foundation accreditation** – the Combined Authority ensures no employee is paid less than the real living wage. As part of its work on social

inclusion consideration will be given as to whether to pursue the full Living Wage Foundation accreditation. This would require the Combined Authority to ensure its contractors and sub-contractors all pay their employees no less than the real living wage. Further work will be undertaken to establish the potential financial costs of doing this, alongside the wider inclusive growth benefits of doing so. No contingency has been built into the current budget assumptions to enable this accreditation to be pursued.

- 2.33 Members are asked to consider the proposed draft budget and provide any input into the final version of both the business plan and budget that will be brought to the February meeting.

3. Inclusive Growth Implications

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

4. Financial Implications

- 4.1 As set out in the report.

5. Legal Implications

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

6. Staffing Implications

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

7. External Consultees

- 7.1 No external consultations have been undertaken. Information on the budget position will be shared with members of the public via the internet during December and January.

8. Recommendations

- 8.1 That the Combined Authority consider the draft business plan and budget proposals for 2019/20 and provide any further input to them.

9. Background Documents

- 9.1 None.

10. Appendices

Appendix 1 – Draft business plan for 2019/20

Appendix 2 – Draft budget for 2019/20

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2019/20 Draft Business Plan Summary

ECONOMIC SERVICES VISION

Delivering effective services to drive inclusive growth.

To attract global investors, support businesses to be more productive and inspire people to gain relevant skills, working with partners from the public, private and third sector.

2019/20 Economic Services Overview

In 2019/20 the Economic Services Directorate will focus on delivery against the following pan-directorate priorities:

- 66 • Increase our focus on **productivity improvement** with businesses, underpinned by more strategic conversations with business leaders to encourage a more long term approach to business planning which helps them access the right package of business support offers to complement their own strategic plans.
- Extend and deepen our work to embed **inclusive growth** across the broad range of skills, business support and inward investment services, in order to foster greater social mobility and to engage stronger commitment from businesses we support to be responsible employers.
- Develop an agile and responsive approach to **Brexit-related opportunities and challenges** by supporting indigenous businesses, potential investors and the workforce in our labour market.

The overall balance of resource investment will be kept under review in line with emerging policy priorities and in response to the prevailing economic conditions, within the constraints of contractual obligations linked to specific funding agreements.

2019/20 Team Priorities

Business Support Team Priorities

The Business Support Team will focus on delivering the following operational priorities during 2019/20:

Current Programmes:

- Deliver LEP Growth Service* with a target of supporting 3,025 businesses and providing 1,035 of these with intensive support
- Deliver Pop-up Business Advice programme with a target of holding 14 events (with over 50% of these in more disengaged / disadvantaged areas).
- Deliver Capital Grants Programme with 75% of jobs created in businesses receiving grants paying the real living wage and above
- Deliver Resource Efficiency Fund programme to October 2019, supporting 88 businesses to reduce energy, water and waste.
- Deliver Access Innovation programme, supporting 77 businesses to research and develop new products or services.
- Deliver Strategic Business Growth programme, supporting 100 businesses to produce and implement strategic growth plans.
- Deliver Travel Plan Network* programme with a target of recruiting 96 new members and contributing to modal shift
- Deliver the Productivity Pilot and use learning to inform future grant programmes.
- Capture and monitor Inclusive Growth outcomes from capital grants with a target of 90% of businesses contributing to inclusive growth outcomes

New Programme Development:

- Develop and introduce new Investment Readiness programme to support 60 firms to become more investment ready
- Develop and introduce new Business Resilience* programme for 45 companies, with flexibility to respond to economic uncertainty
- Design, secure funding for & commence delivery of a successor Resource Efficiency Fund* programme from October 2019.
- Design, secure funding for & commence delivery of a successor Access Innovation* programme from January 2020.
- Design and secure funding for a successor Strategic Business Growth* programme to be delivered from April 2020.

Impact Analysis:

- Produce detailed impact analysis of cohorts of businesses supported across all programmes.

N.B. Resources for delivering the above programmes include some local authority staff and contracted delivery partners, as well as the Combined Authority staff resources listed.

**Projects asterisked are subject to current and future funding applications being successful*

The Business Support Team will also focus on the following strategic priorities in 2019/20:

- Increase the reach of the LEP Growth Service across the City Region’s districts, including some of its more disadvantaged neighbourhoods, with a clear focus on business improvement.
- Broaden the LEP’s business support portfolio to better meet the changing needs and circumstances of our businesses, with a particular focus on strategic planning, financial resilience (Brexit and other challenges) and improved productivity.
- Demonstrate the positive impact and outcomes of the LEP’s business support products, both in quantitative and qualitative terms.
- Increase the contribution from businesses we support to the LEP and Combined Authority’s inclusive growth commitments.

2019/20 Employment and Skills priorities

The Employment and Skills Team will focus on delivering the following operational priorities during 2019/20:

101 ↗ Carry out a review and update of delivery agreements with 7 West Yorkshire FE Colleges to influence education and skills provision in line with economic need

- Build career readiness of young people, delivering an enhanced model of employability, enterprise and careers education to 18,000 disadvantaged students
- Deliver a pilot Careers Hub with partners in Kirklees
- Influence 1,000 businesses to engage with education, apprenticeships and sector skills initiatives, including support for 800 businesses to offer apprenticeships
- Support individuals to develop skills in priority sectors* and change careers, helping 1,000 people to upskill in skills shortage areas.
- Reach 250,000 people with information on careers linked to labour market information to promote better informed choices.

The Employment and Skills Team will also focus on the following strategic priorities during 2019/20:

- Provide strategic leadership of the skill system, in particular by creating a Skills Commission to undertake a high profile Skills System Review and extending the effectiveness of Delivery Agreements with Colleges as a precursor to devolved skills funding in order to ensure colleges and training providers deliver the skills we need in the regional economy.

- Build career readiness of young people by investing more resource into enhancing the offer to disadvantaged pupils, extending #futuregoals and working with careers leaders in secondary schools to ensure many more pupils benefit from increased encounters with employers in line with the Gatsby benchmarks in the National Careers Strategy, working in partnership with local authorities.
- Deliver services to support young people, career changers and businesses through the Employment Hub, [re]boot, Apprenticeship Grants for Employers, and support for Apprenticeship levy-payers.

N.B. Resources for delivering the above programmes include some local authority staff and contracted delivery partners, as well as the Combined Authority staff resources listed.

**Projects asterisked are subject to current and future funding applications being successful.*

2019/20 Trade and Investment priorities:

The Trade and Investment Team will focus on the following operational priorities during 2019/20:

- Inward Investment enquiry handling with a target of generating 100 new enquiries of which 50 are non-Core City inward investment enquiries
- Investor Development service* - building engagement with circa 100 foreign owned businesses and identifying new FDI projects
- Bringing 30 successful inward investment projects to LCR, of which a minimum of 15 are beyond the Core City, creating 1,500 jobs for the region and safeguarding a further 500
- Leveraging £50,000,000 in private sector investment
- International Trade – work to simplify the trade delivery landscape and connect potential exporters to new opportunities
- International profile raising - ensuring the profile of our key industrial sectors is maximised
- Sector Development and lead generation to convey specialisms and attract the attention of international investors. Ensure a presence at leading industry events to engage with the sector, investors and represent the region (i.e. Arab Health, SMART Cities etc.)
- MIPIM Property Conference – to provide a platform for our Local Authorities and private sector developers/investors to be represented and promote the region's key messages
- Emerging Markets - a more concentrated approach to China and India including the expansion of strategic activity to obtain in-market recognition for Leeds City Region

The Trade and Investment Team will also focus on the following strategic priorities in 2019/20:

- Respond to new policy drivers to rebalance the gains from investment across the whole City Region, including support for supply-side promotion of key assets
- Increase the amount of FDI from indigenous firms, through effective investor development by our newly established KAM team, in particular to support companies to secure and win additional local investment post-Brexit.
- Increase the focus of our international trade work help companies exploit post-Brexit export opportunities, in particular to develop stronger links with key emerging markets in particular China and India.
- Channel 4 – maximise the opportunities from securing the high profile inward investment. Attracting new investment in creative & digital sector, supporting existing businesses and new investors. Work in partnership with local authorities to deliver value across the city region (NB additional budget or staffing assumptions not yet included - until DP5)

N.B. Resources for delivering the above programmes include some local authority staff and contracted delivery partners, as well as the Combined Authority staff resources listed.

**Projects asterisked are subject to current and future funding applications being successful*

Economic Services budget summary: DRAFT FIGURES	£
Net revenue requirement 2019/20	1,180,203
Gross revenue expenditure	13,085,142

ECONOMIC SERVICES DRAFT KPI's: TO BE UPDATED

	Proposed Measure	Target	Measurement Frequency	Notes
BUSINESS SUPPORT 104	Number of businesses receiving support	3025	Monthly	10% increase on 18/19 but part-dependent on successful funding applications.
	Intensive support to growth businesses	1035	Monthly	15% increase on 18/19 but dependent on successful funding applications.
	Jobs created in businesses receiving intensive support	650	Monthly	30% increase on 18/19 but part-dependent on successful funding applications and outcome of the Productivity Pilot.
	Proportion of jobs created in businesses receiving capital grant investment paying the Real Living Wage and above.	75%	Quarterly	New measure linked to Inclusive Growth and the incentive to increase wage rates to the Real Living Wage or above
	Investment in business capital growth projects	£6m	Monthly	20% increase on 18/19 but part-dependent on successful funding applications.
	Businesses supported to reduce costs on energy, water and waste	88	Monthly	10% increase on 18/19 but dependent on successful funding application.
	Business supported to produce and implement strategic growth plans	100	Monthly	Same as 18/19 as funding only in place for 10 months of 19/20

	Proposed Measure	Target	Measurement Frequency	Notes
105	Business supported to improve innovation capacity	77	Monthly	10% increase on 18/19 but part-dependent on successful funding applications
	Businesses supported to become more investment-ready	60	Monthly	New project to commence delivery to SMEs in April 19
	Businesses supported to improve their financial health and resilience	45	Monthly	New project to commence delivery to SMEs in June 19, but funding not yet secured
	Pop-up business advice events delivered across the City Region	14	Monthly	Increase of 2 (circa 14%) on 18/19
	Pop-up business advice events delivered in more disadvantaged areas	8	Monthly	Increase of 2 (circa 25%) on 18/19
	New members recruited to the Travel Plan Network of 500 (tbc) members	96	Monthly	20% increase on 18/19 but dependent on successful funding application / CA funding
	Larger employers supported to deliver shared travel plans	15	Monthly	New measure more focused on behaviour change and modal shift
	% of business growth programme grant recipients contributing to Inclusive Growth outcomes	90%	Monthly	New measure linked primarily to businesses in receipt of capital investment grants.
	Proportion of businesses receiving intensive support achieving growth (employment and/or GVA)	80%	Annual	5% increase on 18/19 and to be measured via annual impact analysis

	Proposed Measure	Target	Measurement Frequency	Notes
	Proportion of businesses supported by the Growth Service likely to recommend it	90%	Monthly	5% increase on 18/19 and to be measured on a monthly basis as opposed to annually
EMPLOYMENT AND SKILLS	Deliver an enhanced model of employability, enterprise & careers education to disadvantaged students	18,000	Monthly	6,000 increase per year
	Refresh and monitor delivery agreements with FE colleges, to deliver skills outcomes which support our economic priorities and inclusive growth ambitions	7	Annually	West Yorkshire FE Colleges – 2 nd round of delivery agreements
	Number of businesses influenced to engage with education, apprenticeships and sector skills initiatives	1,000	Monthly	[re]boot, Enterprise in Education, AGE, Employment Hub/BRP
	Of which businesses supported to offer apprenticeships	800	Monthly	Rolled forward from 18/19 for AGE and telemarketing (increase to 1,000 if get funding)
	Of which new businesses (not engaged with skills products in the last year)	150	Monthly	
	Number of people reached with information on careers linked to labour market information, thus promoting better informed choices	250,000	Monthly	Future goals activities, assemblies, website
	Number of individuals supported to upskill in skills shortage areas	1,000	Monthly	[re]boot, Employment Hub, practitioner CPD
TRADE AND INVESTMENT	Total New Enquiries Generated	100	monthly	Maintained from 18/19 as stretch on actual enquiries

	Proposed Measure	Target	Measurement Frequency	Notes
107	a.) of which no. of non-Core City Inward Investment enquiries generated	50	monthly	A new target due to the objective to stimulate inward investment in the wider Leeds City Region
	b.) of which no. generated through Investor development activity	30	monthly	Increased contribution from KAM team reflected
	Total Projects to Leeds City Region (Successes)	30	monthly	Reduced in line with refocus of priorities and Brexit
	a.) of which no. of Projects to non-Core City regions (Successes)	15	monthly	New KPI to target rebalancing spread of investments
	b.) of which no. delivered through investor development activity	15	monthly	Increased contribution from KAM team reflected
	Number of companies that will be actively account managed through investor development activity.	120	monthly	Increased contribution from KAM team reflected
	New Jobs Created (Successes)	1500	monthly	Maintained as stretch on actual performance in 18/19.
	Jobs Safeguarded (Successes)	500	monthly	In likelihood of increased safeguarding priority post-Brexit.
	Private Sector Investment Leveraged	£50,000,000	monthly	Increased to reflect total leverage of investments
	<i>Trade targets still in development to reflect changing priorities regarding Brexit and emerging markets.</i>			

DELIVERY DIRECTORATE VISION

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

2019/20 Delivery Directorate Overview

The Delivery Directorate is focussed on the delivery of projects and programmes which meet strategic objectives within the funding envelope available. We are responsible for supporting, developing and delivering schemes which create 21st century transport and boost productivity. In particular we support businesses directly by offering loans to support growth and the creation of jobs, including supporting low carbon schemes, supporting college and university infrastructure to support a skilled workforce, delivering superfast broadband to businesses and hard to reach communities, and infrastructure that safeguards businesses and homes from flooding, and tackles fuel poverty by delivering warm homes and alternative heating schemes, supporting inclusive growth. We are building 21st century transport infrastructure by designing and building new rail stations, supporting bus Park and Ride schemes and extending rail station parking, support sustainable transport schemes such as cycling and walking, supporting highways improvement and new highways infrastructure schemes to unlock key housing and employment sites, develop Enterprise Zones and improving the connections between homes and centres of employment. We are also developing smart card technology to make it easier for people to pay for public transport and we are supporting clean technologies to reduce bus emissions and deliver superfast vehicle charging points.

We also ensure schemes that are delivered in the Leeds City Region offer good value for money and meet the requirements of central government and our wider funders. We ensure that projects pass through our assurance process, where schemes are appraised and challenged to ensure we get the best schemes for our money and safeguard public funds.

We rely on support from across the Combined Authority to delivery our portfolio of projects, in particular:

- Policy and Strategy define our projects and programmes and lead on programme level monitoring and evaluation;
- Communications support in meeting government requirements regarding publicity;
- Resources Directorate support in producing legal and funding agreements, finance support, procurement advice, HR and ICT support.

- Where additional or specialist support is required to support the delivery of our programmes these are procured externally and funded via the management costs of these programmes.

Challenges

1. We do not have adequate resources to effectively manage a growing portfolio/workload – this relates to the delivery of additional projects and programmes, supporting partners to deliver new/expanding programmes, and ensuring robust appraisal of our growing portfolio;
2. Managing programme costs effectively when scheme costs are increasing and there is increased pressure on limited funds;
3. Ensuring outputs and benefits are delivered within the timescales set;
4. Ensuring we have sufficiently robust processes/assurance to satisfy government requirements, whilst allowing the flexibility for timely decision making.

There are increasing pressures on resources to deliver an increasing and expanding portfolio, with further planned expansions of projects and programmes. This includes schemes such as Enterprise Zones, new rail stations, future Growing Places Fund/ business loans programme and expansion into commercial areas. The exact requirements of these programmes is still being defined and where additional resources are required any additional costs will be capitalised through defined projects and programmes.

2019/20 Pan-Directorate Priorities

Successful delivery of x projects on the ground (projects starting on site) and completion of x projects

Successful outcome of the 2019 Growth Deal Review (Transport Fund)

Actual spend and forecasts on target and the correct projects delivered / being delivered to ensure we meet our strategic priorities and derive maximum benefit for the region with regards:

- Growth Deal funding (target spend of £105 million in 19/20 and £516 million in total by March 2021);
- LPTIP funding (target spend of £72m original target in 19/20 and £173.5 million by March 2021);
- Other programme funding.

Continue to build and strengthen relationships with partner Councils and external sponsors.

DRAFT

PIMS system embedded and working successfully including further development to improve efficiency to ensure consistent, clear and concise monitoring and reporting to our partners and leaders

Embed measurable changes following the outcome of the 2018 Employee Survey

Proactively manage and maximise business rate potential, capture and investment as part of the Enterprise Zone programme

Planning for future programmes by working closely with the Policy and Strategy teams to ensure place-making, deliverability and monitoring resource capacity (internal, external and partners) to deliver new areas of the pipeline (e.g. Transforming Cities Fund, next SCIP programme)

Completing the smart ticketing and technology programme, making it easier for bus and rail users when paying for their journeys

New strategy for Growing Places Fund reinvestment initiated and embedded

Deliver the early phases of the Corporate Technology Strategy in conjunction with ICT, the Transformation Team and Delivery Partner.

Head Office Accommodation refurbished and flexible ways of working implemented.

Continue to manage and review the corporate, portfolio, programme and project risk and cost management strategy and communicate to our partners.

Celebrate the success of delivering projects as they are delivered and SEP objectives realised.

Proactively manage Lessons Learnt and strategy for capturing benefits realisation

Policies, procedures and working practices improved and implemented to maximise staff retention, e.g. full complement of staff, trained staff, known as an organisation people want to work for / know who we are.

Culture of high performing teams and continuous improvement embedded with motivated and engaged people that are responsible for delivering named projects and new governance arrangements embedded

2019/20 Implementation Team priorities
Transport Projects - direct delivery of transport projects as below:
Rail Park and Ride Programme, Phase 1: Extension to rail station car parks to increase capacity and access to rail- 14 sites in total. 4 schemes to commence construction works in 2019/20, subject to approvals (to Activity 6): <ul style="list-style-type: none"> • Garforth • Steeton & Silsen • Shipley • Moorthorpe Providing approximately 350 additional spaces
Rail Park and Ride Programme, Phase 2: Programme (to Activity 3)
Castleford Rail Station Gateway Project completion (to Activity 6)
New rail stations at Elland, Leeds Bradford International Airport, White Rose and Thorpe Park Approvals secured for taking forward the next steps (At Activity 3 OBC working to Activity 4 – FBC for all 4 stations)
ULEV taxi charging point infrastructure (West Yorkshire) Target 88 No. installations in place Project completion (to Activity 7)

DRAFT

New Station Street, Leeds project completion
(Activity 7)

Rail Accessibility programme - Connecting Leeds

To facilitate step free access, from the station entry point, through to the platform edge, at Cross Gates, Horsforth and Morley rail stations.
(At Activity 3 OBC working to Activity 4 – FBC)

Real Time -Connecting Leeds

490 4-line LED real time information displays at bus shelters in Leeds with no current provision.

510 pole mounted real time information displays along main bus corridors in Leeds.

10 totems with static information and integrated real time information displays at main transport hubs in Leeds.

(Activity 6 – Delivery for Phase 1)

New Pudsey rail station Park & Ride -Connecting Leeds

(At Activity 3 OBC working to Activity 4)

Halifax bus station

A new build bus station will be constructed on the site of the current bus station. The new structures will be to modern standards providing enhanced passenger environs, with improved access to and prominence of the bus station manager's office, ticket office and commercial units.
Design and funding agreed 19/20

(At Activity 3 OBC working to Activity 4 FBC)

Smartcard Implementation Programme

Programme completion with CHASE residential MCards online process in place & Smart Transactions and Information (Aug 19)

Online sales e.g. via a QR/ bar code smartphone app (Sept 19) - making it easier for bus and rail users when paying for their journeys

(Activity 6)

DRAFT

Wellington House Accommodation Project

Completion of refurbishment 19/20

(Activity 6)

Corporate Technology Strategy:

- Service Management Capability
- Accessible Technology Charter
- Data Centre and Cloud Strategy
- Active Directory
- Network Infrastructure
- Windows Server Upgrades
- Data Platform
- Meeting Room System
- Cyber Security and PSN
- ICT Disaster Recovery and Business Continuity
- Mobile Access to Corporate Apps (Remote Access)
- End User Devices
- Intranet -
- Sharepoint online and office 365
- CRM Improvements and Futures
- Digitising Services

(Activity 6) - Programme to be delivered 19/20 and 20/21

Bus Hubs (Connecting Leeds)

Initiate delivery phases - awaiting scope definition from Policy (Activity 2)

Transport Partnerships - supporting partner delivery of transport projects as below:

To Activity 2:

No. WY+TF/Connecting Leeds Projects approved at Decision Point 2 (EOI) (1)

CALDERDALE

1. A641 Corridor EOI

To Activity 3:

No. WY+TF/Connecting Leeds Projects approved at Decision Point 3 (OBC) (3)

CALDERDALE

- 1. A629 Ph4 OBC
- 2. Halifax Station Gateway OBC

KIRKLEES

3. A629 Halifax Road Phase 5

To Activity 4:

No. WY+TF/Connecting Leeds Projects approved at Decision Point 4 (FBC) (5)

CALDERDALE

1. A629 Phase 1b
2. Elland Station & Access Package

KIRKLEES

3. A62 Cooper Bridge

LEEDS

4. City Centre Gateways (LPTIP) – various

YORK

5. York Outer Ring Road Ph4

To Activity 4:

City Connect Phase 3

No. schemes to Activity 4 (FBC) (1)

- ¹/₅ 1. Cooper Bridge

To Activity 5:

No. WY+TF/Connecting Leeds Projects approved at Decision Point 5 (FBC+) (8)

CALDERDALE

1. A629 Phase 2

KIRKLEES

2. West Yorkshire Integrated UTMC Element C

LEEDS

3. East Leeds Orbital Route

4. Bus priority corridors (LPTIP) – various

WAKEFIELD

5. Wakefield City Centre Package (Phase 2, Ings Rd)

YORK

6. York Northern Outer Ring Road – Phase 3 – FBC+

CORRIDOR IMPROVEMENT PROGRAMME

7. A62 Smart Corridor
8. Huddersfield Southern Gateways

Activity 5:

City Connect Phase 3

No. schemes to Activity 5 (FBC+) (4)

1. Canals:
 - Huddersfield Narrow
 - Leeds Liverpool (Shipley)
2. Castleford/Wakefield Greenway Ph4
3. Huddersfield Town Centre
4. Leeds Links: -
 - Claypit Lane

- Dewsbury Road
- Elland Rd and

To Activity 6:

No. WY+TF/Connecting Leeds Projects in delivery (on site) 13

CALDERDALE

1. Calderdale A629 Ph2

KIRKLEES

2. UTMC Element A, B & C

LEEDS

3. LPTIP early interventions
4. East Leeds Orbital Route

WAKEFIELD

5. Glasshoughton Southern Link Road

YORK

6. York Central Access Road
7. York Station Frontage

<p><u>CORRIDOR IMPROVEMENT PROGRAMME</u></p> <ul style="list-style-type: none">8. Corridor Improvement Programme - Kirklees, A62 Smart Corridor9. Corridor Improvement Programme - Calderdale, A58 - A672 Corridor10. Corridor Improvement Programme - Calderdale, A646 - A6033 Corridor11. Corridor Improvement Programme – Leeds, Dyneley Arms12. Corridor Improvement Programme – Leeds, Fink Hill13. Corridor Improvement Programme – Wakefield, Newton Bar
<p><u>To Activity 7:</u></p> <p><u>No. WY+TF/Connecting Leeds Projects completed – (2)</u></p> <ul style="list-style-type: none">1. YORR ph22. Calderdale A629 (Phase 1A) - Jubilee Road to Free School Lane – Project
<p><u>To Activity 7:</u></p> <p><u>City Connect Phase 2:</u></p> <p><u>No City Connect schemes to Activity 7 (completed) (9)</u></p> <ul style="list-style-type: none">1. Canal Towpath – Airedale Greenway (Leeds/Liv)2. Canal Towpath – Calder Hebble3. Castleford/Wakefield – Methley Bg – Fairies Hill Lock4. Canal Towpath – Huddersfield Narrow5. Canal Towpath – Rochdale Phase 16. Bradford Canal Road7. Leeds City Centre8. Castleford – Wakefield Ph2, 3 & Bridge over Railw’y9. York Scarborough Bridge
<p>Corridor Improvement Programme Phase 2 / 3 Development of EOI at programme level to Activity 1 (1)</p>
<p>Transforming Cities Fund – Policy to define scope to Activity 1 (1)</p>

Economic Regeneration - supporting partner delivery of projects as below:

Framework and Programme management of Better Homes Yorkshire (Year 5); (Activity 6)

- Projects in development to continue benefit utilisation of the framework
- Draft KPI target of 750 homes improved (subject to funding bids)
- Benchmarking of prices exercise to complete

Flood Alleviation Programme

- Skipton monitoring to complete (Activity 7)
- Brighouse & Clifton progress to FBC+ and commence on site (Activity 5/6)
- Leeds FAS 2 progress to FBC+ and delivery (Activity 5/6)
- 119 • Progress Kirklees to FBC+ (Activity 5/6)
- *Mytholmroyd due to complete March 2020* (Activity 6)
- Natural Flood Management programme (Colne & Calder) in delivery (Activity 6)
- Wyke Beck water storage area at Killingbeck Meadows complete (Activity 7)

Leeds District Heat (PIPES)

- On sign up of two heat sales agreements release £4m grant funding
- The Heat Network will go live Summer 2019 (Activity 7)

Warm Homes Round 1

- Complete the programme May 2019 (Activity 7)

<p>Warm Homes Round 3 (subject to funding bid)</p> <ul style="list-style-type: none">• Owner occupiers• Private Rented Sector• Council housing (York and Leeds)
<p>Tackling Fuel Poverty Programme completion and close down (Activity 7)</p>
<p>Leeds City Region Enterprise Zone programme, accelerated delivery for Phase 2:</p> <ul style="list-style-type: none">• FBC for Gain Lane, Bradford (Activity 4)• OBC for Clifton EZ (Activity 3)• OBC for Staithgate Lane, Bradford (Activity 3)• OBC and FBC for South Kirkby (Activity 3/4)• OBC for Parry Lane, Bradford (Activity 3)• OBC for Langthwaite (Activity 3)• OBC and FBC for Moor Park, Mirfield (Activity 3/4)• Financial agreement for approach to Business Rates retention to the Combined Authority across the EZ programme• Collection of business rates
<p>Skills Capital & Innovation Programme:</p> <ul style="list-style-type: none">• Completion of Leeds City College (Quarry Hill/Park Lane Project) (Activity 7)• Working towards the completion of Kirklees College Pioneer House building (Dewsbury Learning Quarter Project) (Activity 6)• Huddersfield Innovation & Incubation Project complete (Activity 7)• End Project Reports finalised and presented to PAT on completed Round 1 & Round 2a schemes (Activity 7)• Post completion monitoring of project outputs on performance for implications of potential clawback if underperformance

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Energy Accelerator Programme (Activity 6):

- Developed pipeline of projects and commencement of services
- Mid-term programme targets achieved

Growth Deal-Housing & Regeneration Programme

Drive forward Housing and Regeneration Programme, supporting Authorities to achieve spend and deliver anticipated outputs.

- FBC+ Dewsbury Riverside (Activity 5)
- FBC+ Bradford Heritage Buildings (Activity 5-6)
- FBC Bradford Heritage Buildings ph2 (Activity 4)
- FBC+ Northgate House (Activity 5)
- FBC+ Halifax Living (Activity 5)
- FBC+ Wakefield City Centre Gateway (Activity 5)
- Bradford Odeon (Activity 6)
- Leeds Brownfield (Activity 6)
- FBC+ One City Park (Activity 5)
- Barnsley Glassworks (Activity 6)
- Kirklees Housing (Activity 6)
- Halifax Beech Hill (Activity 6)

Growing Places Fund

Priority 1-continue daily management of existing loans to best protect Combined Authority Investment

Priority 2- Ensure all GPF documents and procedures are reviewed to ensure robust practices are in place, best protecting Combined Authority investment

High Speed Rail Institute

Work with University of Leeds to ensure scheme is progressing as planned and Combined Authority resource is effectively utilised to deliver the anticipated outputs for the LCR.

Following RIBA 4 technical sign off, FBC+ (Activity 5) submissions for:

land and infrastructure costs Aug 19

Ph1 Infrastructure Testing Facility Dec 19

Phase 2 Vehicle Testing Facility March 20

Broadband Contract 2 Deployment ongoing (Activity 6)

Broadband Contract 3 – subject to funding bid (Activity 6)

2019/20 Feasibility & Assurance priorities

Achieving a successful Growth Deal 2019 outcome

- Liaison with consultants and supply of monitoring data
- Influencing the review at Government level
- Input to final report, due December 2019

Assurance Framework:

- Annual update, incorporating best practice nationally
- State of readiness for revisions to LEP geography and governance – may lead to significant changes to ways of working

Monitoring & Evaluation:

- Development/support of Evaluation Plans
- Strengthened approach to Benefits Realisation
- Update to Assurance Framework to reflect revised approach

Business Case reviews:

- Formalise role with policy in respect of pre-Eol requirements
- Allocate, train, develop and strengthen review capability of Case Officers to ensure greater consistency and meeting increased demands of expanding portfolio
- Ongoing review of external specialist resource requirements
- Developing partner skills and understanding
- Review and expansion of Peer Reviews across the portfolio and beyond transport schemes
- Roll-out of Appraisal Specification Reports to non-transport schemes

Define and introduce categorisation of schemes by risk level across the portfolio and undertake deep dives

Respond to and lead on future Calls for Projects and Business Rates Pool etc.

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2019/20 Portfolio Management Office priorities

Continuous review of the assurance process including ensuring transparency and incorporation of inclusive growth, green strategy etc.

- Develop, review and embed templates and guidance documentation:

More efficient delivery of programmes and projects with check and challenge to ensure we meet our strategic priorities and derive maximum benefit for the region including implementation of PMO business partnering

- Service and manage PAT:
- Manage assurance process decision making - TC, IC and CA reporting, MD RfDs:
- Provide advice and guidance on the assurance process to the CA and partners:
- Business partnering to ensure programmes and projects are adequately checked and challenged:
- Case Officer duties

<p>Management of the portfolio with an increased understanding and embedding of controls for the assurance process, i.e. risk and issue management, cost management, change management, interdependencies, benefits realisation / monitoring and evaluation and Planning (Time) Management</p> <ul style="list-style-type: none"> • Develop, review and embed controls and guidance documentation:
<p>Fully embed PIMS reporting system with 'one version of the truth' and clear and concise monitoring and reporting to our partners and leaders.</p> <ul style="list-style-type: none"> • Reporting from PIMS to IC, CA, LEP Board • Management of PIMS – data collection and input • Check and challenge of PIMS data

Delivery Directorate budget summary : DRAFT FIGURES		£
	Net revenue requirement 2019/20	(178,555)
124	Gross revenue expenditure 2019/20	4,555,011

DELIVERY DRAFT KPI's: TO BE UPDATED

Proposed Measure		Target	Measurement Frequency	Notes
125	Delivery of a programme of significant transport projects by end of March 2019	X No at DP3 X No at DP5	Quarterly	
	Support partners to deliver significant transport projects by March 2019	X No at DP3 X No at DP5	Quarterly	
	Improving homes through the Better Homes and Warm Homes programmes	750 homes	Quarterly	Subject to funding bids (Warm Homes, ESIF)
	Better Homes: % of contract value delivered by LCR supply chain	80%	Quarterly	
	Tackling Fuel Poverty Programme: progressed through decision point 7	Q1	Quarterly	
	Flood Alleviation: Growth Deal Spend	£3 million	Quarterly	
	Flood Alleviation: Projects progressed through decision point 5	2	Quarterly	Leeds FAS 2, Brighouse & Clifton
	Flood Alleviation: number of businesses with reduced flood risk	70	Quarterly	Programme cumulative target to end 19/20: 620
	Leeds District Heat: heat on achieved (commercial)	Q3	Quarterly	
	Leeds District Heat: Growth Deal spend	£4 million	Quarterly	

	Proposed Measure	Target	Measurement Frequency	Notes
126	Supporting the creation of jobs and increasing GVA output through progression of the Enterprise Zones programme	Xx ha land unlocked?	Quarterly	
	Supporting digital inclusion through the provision of broadband infrastructure in urban and rural communities	XX THP	Quarterly	
	Developing smart card technology, making it easier for bus and rail users when paying for their journeys	Programme completion Qtr3	Quarterly	
	Transport Partnerships - No. WY+TF/Connecting Leeds Projects approved at Activity 2 (EOI)	1	Annually	
	Transport Partnerships - No. WY+TF/Connecting Leeds Projects approved at Activity 3 (OBC)	3	Annually	
	Transport Partnerships - No. WY+TF/Connecting Leeds Projects at Activity 4 (FBC)	5	Annually	
	Transport Partnerships - No. City Connect projects at Activity 4 (FBC)	1	Annually	

Proposed Measure		Target	Measurement Frequency	Notes
127	Transport Partnerships - No. WY+TF/Connecting Leeds Projects approved at Activity 5 (FBC+)	8	Annually	
	Transport Partnerships - No. City Connect projects at Activity 5 (FBC+)	4	Annually	
	Transport Partnerships No. WY+TF/Connecting Leeds Projects at Activity 6 (in delivery)	13	Annually	
	Transport Partnerships No. WY+TF/Connecting Leeds Projects At Activity 7 (completed)	2	Annually	
	Transport Partnerships - No. City Connect projects at Activity 7 (completed)	9	Annually	

Proposed Measure		Target	Measurement Frequency	Notes
128	Review of the assurance process	Revised and approved March 2019	Annually	Ties in with assurance framework review
	Schemes reviewed at PAT at: DP2 DP5	To determine based on forecasts	Quarterly	
	PIMS updated with all schemes within funding programmes CA is responsible for	March 2019	Quarterly	
	Portfolio reporting format for our partners and leaders agreed and implemented for all funding programmes CA is responsible for	March 2019	Quarterly	
	Successful Growth Deal Review Outcome by December 2019	Pass	One-off	
Feasibility & Assurance	Successful Growth Deal Review Outcome by December 2019	Pass	One-off	
	Incorporate LEP Review guidance into updated Assurance Framework	Date still unclear	On-off	Currently awaiting Government guidance to be issued
	Review of submitted business cases to meet Programme Appraisal Team timescales	100%	Annual	

POLICY, STRATEGY AND COMMUNICATIONS VISION

Leading Thinking; Empowering the region

To be the “Best in Class”. To develop a leading, inclusive industrial strategy; a radically new economic and public policy framework for Leeds City Region; a new vision for the kind of place we want the City Region to be; to secure a devolution deal; to agree a long term funding settlement with Government; and to make the region known nationally and globally as a place where everyone can build great businesses, careers and lives, supported by world-class transport, housing and digital connections.

2019/20 Policy, Strategy and Communications overview

1. Leading thinking, and carrying out detailed evidence-based policy development work, to help regional leaders to achieve their long term objectives to improve prosperity and living standards for people across West Yorkshire and the Leeds City Region;
2. Developing a Local Inclusive Industrial Strategy as part of new Policy Framework, of a quality and ambition that helps to unlock the potential of the region and enhances its status as a national and international economic centre;
3. Leading work with partners to bring game-changing devolved powers and investment to the region;
4. Leading thinking on, and securing funding for, transformational 21st century connectivity infrastructure, which will unlock opportunity by enabling people to move around the region and enable easy and swift travel nationally and internationally;
5. Providing a fit for purpose data and intelligence infrastructure to support the organisation’s business plan objectives and to ensure that our analysis capabilities and research tools can support the needs of delivery teams;
6. Delivering a positive profile of the organisation, our partners and region to international, national, regional and local audiences - ranging from the media, our communities, and businesses, to international investors, National Government decision makers and specific influencers. All to encourage investment in our region and greater opportunity for those who live and work here. Also to enhance confidence in the Combined Authority, the LEP and its partners to more readily achieve our strategic objectives;
7. Engaging with people, communities and businesses to ensure that our policies are shaped by local views and local evidence;
8. Leading on strategic engagement with key regional, national and international audiences and influencers to secure our Inclusive Growth, Strategic Transport investment, Devolution, Investment and Productivity aims;
9. Delivering marketing projects and campaigns that directly support our aims and objectives and the services we offer.

The above work is **delivered** by two services:

- A **Strategy and Policy** service (led by Heads of Transport and Economic Policy, and Research and Intelligence). The team is flat and flexible, consisting of Managers who own specific areas, supported by a team who can flex and surge depending on priorities. The team is organised around clusters shaped by the organisation's Policy Framework – Transport and Connectivity, Place, and Business and Workforce and supported by a flexible and expert Research and Intelligence team;
- A **Communications and Marketing** service led by a Head of Communications consisting of a flat structure of Communications managers with a flexible pool of Communications, Engagement & Marketing officers that can work across different needs and projects as required. The teams cover all aspects of a modern communications function including - External Affairs and Media Relations, Marketing, Internal Communications, Public Engagement, Digital Marketing & Communications, Design and project-specific teams such as City Connect, Skills and Trade & Investment.

2019/20 Strategy Priorities
Strengthen our local powers and secure investment to maintain and enhance the CA's investment in the region (currently c.150m a year) , by continuing to make the case for devolution, successfully securing bids, and influencing the future shape and size of the UK Shared Prosperity Fund.
Maximise the delivery of the current ESIF programme to 2020 , by ensuring that we allocate the full sum of money to support our priorities.
Development over the course of 2018/19 of a single, bold City Region Strategic Framework (including the development of Local Inclusive Industrial Strategy) which will be owned by both the LEP and CA with inclusive growth at its core (This will be an agile, long-term framework aimed at driving growth, boosting productivity and earning power for a post 2030 economy. This will be produced in partnership with key stakeholders including Districts, Universities, and business representative groups)
Influencing pan-northern economic policy: Development and implementation of the NP11 policy and research programme (policy advisory role to LEP Chair and wider group)

2019/20 Business, workforce and productivity priorities:
Drive improved productivity across the City Region's business base and ensure the benefits result in an inclusive economy, with proposals to enhance the region's digital and innovation capabilities and improved skills, by developing ambitious proposals to improve productivity, deliver a Digital Framework and develop a strategy for innovation.
Develop proposals to support extraordinary economic growth and enhance the region's business base and job creation, including on business finance and inward investment
Conduct a review of the local skills system to assess the current performance of the system, identify future challenges, set out a coherent blue print for a reformed system that can meet needs more effectively at both local and national level, inform the national policy debate; and develop the CA's thinking around the powers and responsibilities.
Develop with partners specific elements of sub regional public policy including on health and social care, children and young people and inclusive growth
2019/20 Place priorities:
Deliver improvements to Place to deliver inclusive and clean growth, including strategic input to local and regional strategies, ambitious strategies and delivery plans for energy and green and blue infrastructure, digital connectivity, and development of interventions for flood mitigation
Ensure alignment of Local Plan spatial priorities with strategic spatial priorities and strategic infrastructure investment decisions, working with partner councils and enhancing joint working arrangements
Support delivery of housing growth to reach the upper range of 13,000 homes a year as outlined in the Strategic Economic Plan, by promoting the LCR Housing Vision, prospectus and pipeline.
2019/20 Transport priorities:
Development of an integrated 'City Region' Transport Network including the development of Inclusive Growth Corridor Plans and mass transit proposals leading to the development of a LCR Connectivity Strategy
Develop an ambitious Transforming Cities Fund submission which helps deliver our targets and indications and meets partners expectations

Develop the policies within the WY Transport Strategy 2040 into action and evaluation plan including embedding Healthy Streets, developing our approach to air quality, aligning the LTP funding to meet objectives, developing a freight policy and create a 'State of Transport' report.
Develop a pipeline of road schemes
Develop Local Cycling and Walking Infrastructure plans and pipeline.
Shape the development of national rail schemes (including Leeds Station, High Speed Two, Northern Powerhouse Rail, Calder Valley improvements, Trans Pennine Route Upgrade and East Coast Mainline)
Ensure WYCA's priorities for short term rail operations are delivered e.g. rail performance, maintenance and through franchise service changes are met.
Develop and establish a new WYCA rail plan and pipeline of schemes to support rail patronage growth and customer experience
Support an increase in bus patronage and customer satisfaction including a new Voluntary Alliance, a review of bus services and infrastructure in the context of reducing revenue budgets
Shape Transport for the North's strategy and investment programme.
Developing and testing future mobility options including agreeing and implementing a digital payment strategy, identifying risks, impacts and opportunities of Autonomous Vehicles and trialling demand responsive passenger services.
2019/20 Research and Intelligence priorities:
Develop our information and intelligence assets to support the corporate and business plan needs of the organisation, including leading development of economic research work to support monitoring and impact assessment of UK departure from EU on LCR businesses and households, and enhancing evidence bases for Industrial Strategy and Inclusive Growth.
Drive the development of project evaluation and economic appraisal , including leading economic business case assessments, and monitoring to support West Yorkshire Transport Strategy and Connecting Leeds
Drive the development and management of the CA's spatial intelligence assets to support the corporate and business plan priorities of the CA , including developing and implementing a Spatial and Location Intelligence Strategy and data platform for self-service access to spatial and local economic data.
Raise the profile of CA evidence advocacy across key policy areas
Ensure the CA and LEP's analytical capability can respond to key operational and reactive requirements, including inward investment, bid development, monitoring and impact assessment.

2019/20 Communications and marketing priorities:
To establish a regional Public affairs function & strategy – (Equivalent Agency Value EAV £1.5m) (NEW)
To establish a regional and coherent local place based narrative programme – (EAV £0.5m) (NEW)
To establish LCR as a centre for people based Digital & Tech development – (EAV £0.35m) (NEW)
Market services and delivery of CAs, initiatives and programmes (BAU)
Use of full service digital engagement, marketing and communications function delivering efficient and valued engagement channels (BAU)
Create a strategic communications and external affairs function promoting inclusive growth measures, policy choices & the region (BAU)
Establish an ongoing partnership programme in priority of order: (BAU)
Use internal communications to embed the organisation's values & Enable Transformation (BAU/NEW)

Policy, Strategy and Communication budget summary: DRAFT FIGURES	£
Net revenue requirement	4,759,920
Gross revenue expenditure	6,509,153

DRAFT POLICY, STRATEGY AND COMMUNICATIONS KPI's : TO BE UPDATED

Proposed Indicator	Target	Measure	Notes
Development of a funding framework	A framework that prioritises how we bid for opportunities that align with objectives with a review of local funding options completed.	Annual	tbc – quarterly review of progress.
Development of the Local Inclusive Industrial Strategy	End March 2019 – to be in the first wave of places to develop strategies	Annual	tbc – quarterly review of progress.
Development of our approach to mobility as a service and an agreed an action plan.	Plan agreed [date tbc]	Annual	tbc – quarterly review of progress.
Progress Leeds Public Transport Improvement Programme	Rail stations to Outline Business Case and connecting communities and transport hubs programme passed over to Delivery. [dates tbc]	Milestones/ Annual	tbc – quarterly review of progress. In partnership with Leeds
Organisational research strategy setting out key research and evidence themes.	Approach agreed and strategy developed by June 2018	Milestones/ Annual	Implementation plan to reduce consultancy spend.
Local Inclusive Industrial Strategy impact and outcome report	Approach agreed and strategy developed [date tbc]	Milestones/ Annual	Integral part of monitoring the strategy and linking intervention to support the strategy on the impact and outcome at community and local level work.
Advertising value equivalent	£4million p.a.	Annual / Quarterly review	based around 5 regional stories a week and 1 national stories a week

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Proposed Indicator	Target	Measure	Notes
Social media reach	Double reach	Annual	Reach not followers - tbc
Followers increase	300%	Quarterly	
Income streams developed	£50k	Annual	To be reinvested into digital, engagement, external affairs tools

RESOURCES VISION

Enabling the right solution

In 2019 the resources teams will be valued business partners to the rest of the organisation, operating systems and processes that are clearly defined and well understood with principles around self service and access to information that make them easy to use and that form the centrepiece of strong governance and accountability. ICT systems will be integrated, with all resources teams working together to ensure a unified offer to the organisation. Internal strategies and policies will embed the principles of inclusive growth with the Combined Authority demonstrating best practice in procurement and talent acquisition to champion those aims itself. This will enable clarity around expectations and responsibilities between managers across the organisation and support services.

Teams will be resilient and agile with structures enabling rapid redeployment across the team to respond to the changing needs of the organisation and with the skill sets to support the varied and growing agenda. The values and behaviours will be embedded in how the teams do business for both internal and external customers and both the added value and value for money they deliver for the Combined Authority will be clear.

2019/20 Resources Directorate Overview

In 2019/20 the Resources Directorate will continue to deliver supporting services to the rest of the organisation in order to enable overall organisational objectives to be met. In addition to these business as usual functions, the Directorate will also continue to deliver a programme of change activities which will include the following cross-cutting activities:

- Embedding a culture of integrated working across Resources Teams to provide a unified offer for internal customers which is 'best in class'
- Review and enhance organisational design structures for each team to ensure these are delivering what was intended
- Embedding the partnering approach across all Resources services that shifts from transactional to strategic support.
- Embed Inclusive Growth principles across Resources team's policies, in particular procurement and HR and to include consideration of living wage foundation accreditation.
- Further deliver and embed improved internal governance arrangements, including arrangements for a LEP with revised geography
- Development of new HR and Finance ICT systems to further embed self service and improve efficiency in working practices
- Further develop and embed customer service principles/ways of working
- Further embed Flexible Ways of Working
- Deliver ICT improvements through the Corporate Technology Programme
- Produce improved management information to drive better decision making and compliance.

2019/20 Team Priorities

2019/20 Finance Team Priorities

Ongoing provision of Financial services and support including:

- Coordinating and reporting on statutory compliance activities,
- Annual budget planning process and ongoing monitoring activities
- Financial and management accounting
- Invoicing
- Debtor management
- Payroll
- Grant administration
- Financial reporting and advice

Additional service transformation activities:

- ➔ Detailed analysis of finance/budget/HR system requirements to feed into new system specification
- ➔ Soft market testing of financial systems market
- Review and update of key financial policies / processes and user documents
- Finance manual development
- Further embed and review that OD Phase 1 is achieving expected outcomes.

2019/20 Corporate Planning and Performance Team Priorities

Ongoing Corporate Planning and Performance activities including:

- Annual business planning process
- Monitoring progress against corporate priorities
- Corporate risk management and monitoring activities
- Business continuity planning and testing
- Management information reporting and monitoring

Additional service transformation activities:

- Programme management and support for the corporate transformation programme

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- Providing support to key corporate projects including the Wellington House office accommodation and flexible working project and the Corporate Technology Programme
- Further digitising key corporate processes in association with roll out of new technology through the Corporate Technology Programme

2019/20 Procurement Team Priorities

Day to day procurement and contract management support:

- Delivery of 40 individual procurement projects to support the delivery of organisational goals
- Delivery of 10 strategic procurement projects to support delivery of corporate strategy
- Routine purchasing support
- Procurement pipeline planning
- Management of framework agreements
- Contract management activities
- Spend analytics and reporting

Additional service transformation activities:

- 138 People: Establish a mechanism for flexible procurement resource to fluctuating and rapid response requirements.
- Review team structure against future resource demands.
- Embed new improved processes including standard procurement document suite and procurement card usage and Improve systems to support efficient processes
- Inclusive Growth / Social Value: ensuring Inclusive growth principles embedded into Procurement Strategy; implementing agreed social value criteria; introduce minimum standards for suppliers and common standards for contract management to reflect Inclusive Growth principles and reviewing “Good Growth Procurement Policy”
- Implement foundations for Stakeholder Management: Including undertaking supplier training with partners; implementing supplier self-service; review current collaborations and amend where needed; update internet site with “doing business with” and “how to” guides with FAQs.
- Roll out new Contract Management toolkit

2019/20 Governance Service Team Priorities

Ongoing Governance services support:

- Overseeing the governance of the Authority and ensure effective, accountable and transparent decision making at both a political and officer level
- Undertaking the statutory role of Monitoring Officer
- Supporting members, all Boards and Committees and the development of new arrangements for the new LEP geography
- Overseeing and coordinating the production of agendas and reports ensuring papers are prepared in sufficient time and effectively considered
- Publishing agendas and minutes in accordance with the statutory and procedural requirements
- Supporting other key meetings outside the formal decision-making process and preparing minutes including Leaders, Chief Execs and Directors of Development
- Managing and administering the Authority's and the LEP's Codes of Conduct, maintaining registers of Interests and Gifts and Hospitality in accordance with statutory requirements and agreed procedures.
- Providing advice and guidance to members and co-opted members of procedure rules and legislation relating to the codes of conduct, declarations of interest and conduct of meetings
- Supporting Overview and Scrutiny including the role of statutory Scrutiny Officer

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Additional service transformation activities:

- Increasing information and self service for customers including guides, toolkits and online documents and templates
- Introduce a programme of training/workshops/drop ins to increase the number of reports that are right first time for both committees and officer groups
- Review transparency/publication requirements and opportunities for continuous improvement

2019/20 Legal Services Team Priorities

Ongoing Legal support services including:

- Support all areas of the business directly via a business partnering model
- Projects, procurement & contracts: providing advice and support to all schemes and projects, grant programmes and matters with a contractual element including state aid and commercial advice
- Property, planning & compulsory purchase: providing advice and support in relation to both the Authority's own asset portfolio and also in relation to projects and schemes
- Regulatory: providing advice and support in relation to all regulatory and compliance matters including health & safety, employment and litigation (including debt recovery and insurance claims)
- Governance: providing advice and support in relation to decision-making arrangements
- Devolution proposals – provide the lead legal advisor role across the WY districts

Additional service transformation activities:

- **Utilise the intranet** to improve the efficiency of L&GS with a focus on:-
 - Greater promotion of services/expertise available to improve customer understanding
 - Increasing the number of self service guides, toolkits and online documents and templates
 - **Information Governance** – embed further data protection measures across the organisation
 - Embed further integrated **legal/procurement processes**

2019/20 Human Resources Team Priorities

Ongoing HR support and strategic advice services including:

- Policy development and advice
- Supporting directorates in day to day staffing issues
- Learning and development activities
- Welfare support
- Absence management
- Health and safety advice

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- Embed year 1 of the 5 Year Health and Safety strategy & implement year 2

Additional service transformation activities:

- Embed the business partnering model
- Increase manager self service options
- Revise and refine HR policies and procedures – further embedding values and behaviours into HR policies
- Rollout updated training programme for managers based around the employee lifecycle
- Increase number of apprentice opportunities at WYCA

2019/20 Internal Audit Team Priorities

Provision of Internal Audit services:

- Providing independent assurance to and for the organisation
- Delivering the annual audit plan
- ↕ Providing assurance mapping
- ↕ Managing counter fraud processes and policies
- Provision and review of data analytics.
- To ensure compliance with grant conditions to promote Inclusive Growth principles

Additional service transformation activities:

- Identify areas where the internal audit service can be supplemented through the engagement of bought in specialisms.
- Explore options for secondments with Local Authority and Central Government Department stakeholders
- Develop communication and understanding of the role of internal audit through the completion of a stakeholder management strategy

2019/20 ICT Services Team Priorities

ICT support services including:

- Providing supporting ICT services and advice to the organisation including
- ICT service desk service and issue resolution
- Infrastructure support
- Hardware management
- Business systems management
- Cyber security services
- Software development

Additional service transformation activities:

- Delivering the Corporate Technology Programme including projects such as:
 - End user devices to support flexible working
 - Active directory re-design
 - Cyber security & PSN compliance
 - Enhanced disaster recovery & business continuity processes
 - Website harmonisation

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Resources budget summary: DRAFT FIGURES	£
Net revenue requirement	4,875,728
Gross revenue expenditure	5,760,728

DRAFT RESOURCES KPI's: TO BE UPDATED

Indicator	Target	Measure	Notes
General % of internal customers who are 'satisfied/very satisfied' with the overall service they receive from Resources Teams	90%	Bi-annually	Internal staff snapshot survey
Finance: Paying undisputed invoices within 30 days Achieving a balanced financial outturn. Achieving statutory compliance on financial matters. Debt recovery – 100% recovered and / or debtor invoices issued on time (100%) Payroll - paying staff accurately Implement plan for delivery of replacement/updated financial system (incl HR / Payroll) Embedding the new Finance OD: <ul style="list-style-type: none"> o Improved financial information to Directorates and cost savings / income generation 	100% 100% 100% 100% <2% error rate tbc tbc	Quarterly Monthly Monthly Monthly Monthly 	Consideration being given to specific target for SME/VCS Regular monitoring reports to Combined Authority meetings and quarterly to G and A Committee VAT, HMRC, Pension, Annual Accounts, government returns etc.

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Indicator	Target	Measure	Notes
Finance Process improvements (though linked to System and new OD): <ul style="list-style-type: none"> ○ Process improvements – capture efficiencies created (cashable / non cashable). 	tbc		
Procurement: No. of successful legal challenges on procurement Procurement savings as a % of addressable spend (5 to 10% TBC) Procurement return on investment the savings return (should be between 5 and 10 times the cost of the team). Project Delivery - ensuring delivery of the pipeline of projects Timeliness of delivery Delivery of social value in contracts	0 tbc tbc 40 major projects Apprenticeships		Through contract mgt
Human Resources: Average absence (as % of workforce) % Increase in women in management roles (grades D-K) % increase of BAME across organisation Delivery of People Strategy	2% tbc tbc tbc	Monthly Quarterly Quarterly tbc	average for public sector currently 2.9%

Indicator	Target	Measure	Notes
Launch of and training in application of new policies	tbc	tbc	
Increase in number of apprentices	tbc	tbc	
ICT Services <ul style="list-style-type: none"> - Real-Time, Yournextbus: Vehicles Being Tracked - Core Network Up Time - Microsoft Cloud availability - CoSA availability - Service Desk open tickets - Website (external and internal) availability Delivery of Corporate Technology Programme against agreed plan	78% 99% 99% 98% 100 or less Zero tbc	Monthly Monthly Monthly Quarterly Monthly Monthly Monthly	
Internal Audit Provide an independent opinion on the effectiveness of the Combined Authority's control, risk management and governance arrangements Improve delivery of IA services.	X% of audit programme 80% positive response	Quarterly Quarterly	 Via audit questionnaires
Legal and Governance Meeting FOI/EIR deadlines Compliance with statutory requirements re committee agenda publication	100% 100%	Quarterly Quarterly	

Indicator	Target	Measure	Notes
Toolkits for self-service across a minimum of 2 legal areas to be produced	tbc	tbc	
Information governance improvements/GDPR compliance	tbc	tbc	
Timeliness of delivery	tbc	tbc	
Compliance with governance elements of assurance framework: LCR LEP Merged LEP			

TRANSPORT SERVICES VISION

Connecting people to places

To transform, through strong relationships with local partners and transport providers, the services provided by the CA to be efficient, community led and customer focused.

2019/20 Transport Services Overview

In 2019/20 the Transport Services Directorate will be focussed on the following overarching priorities

- Reducing cost, improving efficiency and growing income
- Making it easier for people to use our services and products
- Ensuring our services support inclusive growth in communities
- Doing the best we can for our customers
- Delivering the Combined Authority's policies and looking after its assets
- Supporting our colleagues in District Councils
- Being part of the public/ private sector transport team

2019/20 Priorities

Service Activity

Support For Mobility

Core Activity

- Enabling 20 million passenger journeys per year (approx. 15% of all bus journeys) on services commissioned under contract by the Combined Authority and liaison with bus operators to ensure the delivery of commercial bus services meets the West Yorkshire Bus Strategy
- The AccessBus service enables 5,000 people with limited mobility to make independent journeys
- Enabling over 40,000 young people travel on school transport services commissioned under contract by the Combined Authority
- Arranging transport for SEN pupils for Wakefield Council
- Procurement and management of contracts of total value £27.5 m
- Delivery of education transport services under co-operation agreements with all five Councils

→ Priorities for 2019/20

- Develop and deliver voluntary partnership for bus services
- Reduce spend on support for mobility/ bus services in line with three year budget strategy
- Implement outcomes of bus network review programme in partnership with Councils
- Procure and implement a new Park & Ride service at Stourton
- Support delivery of Connecting Leeds bus transformation projects
- Apply new policy for home to school support
- Continue process of replacing MyBus services
- Adapt and expand range of Education Transport services provided to Councils
- Support the development of a Door to door transport Digital Hub in Leeds
- Develop and implement innovative transport services including East Leeds DRT
- Seek opportunities to further integrate AccessBus with health/ social care

Key Targets for 2019/20

- Reduce expenditure by 20% in line with budget strategy
- Reduce cost per mile of contracted bus services from £2 to £1.94
- Increase customer satisfaction with bus services in Transport Focus Bus Passenger Survey From 83% to 85% satisfied

Reducing the cost of travel

Core Activity

- Enabling over 155,000 under 19s to travel at half fare or less
- Enabling over 270,000 older and disabled people to travel on bus services free of charge under the national ENCTS free bus travel scheme.
- Providing reduced rail fares in West Yorkshire for older and disabled residents
- Issue and renewal of travel passes including eligibility checks
- Administration of £56m of payments to transport operators

Priorities for 2019/20

- Design and deliver new young people's concessionary fares scheme aimed at increasing bus use amongst under 25s at no increased cost to the Combined Authority

Key Targets for 2019/20

- Increase the number of bus journeys made by under 19s by 5%
- Increase percentage of concessionary passes ordered on line from 40% to 65%

Multi modal ticketing

Core Activity

- Providing the MCard range of multi modal smart travel tickets which enables customers to travel on bus and rail services around West Yorkshire. MCard has been identified as the largest smart ticketing scheme in the UK outside London
- 1.2 million MCard sales transactions per year retailed in local shops, on line, Travel Centres and business to business sales through the Travel Plan Network
- MCard is managed by a joint venture company co-owned by the Combined Authority and transport operators West Yorkshire Ticketing Company Ltd. The Combined Authority delivers the MCard under a Service Level Agreement with the ticketing company
- Administration and distribution of £32 million sales income per year

Priorities for 2019/20

- Deliver new MCard products and retail services with a focus on young people and mobile phone ticketing
- Develop services which enable digital payment for travel in line with a revised strategy to be presented to the Combined Authority Transport Committee in January 2019
- To innovate and extend the MCard product range and retail channels
- To move Combined Authority's yield on MCard from deficit to surplus

Key Targets for 2019/20

- Increase MCard sales of under 25s products (by volume and value) by 5%

Travel centres

Core Activity

- Operation of retail services at Castleford, Bradford, Halifax, Huddersfield, Leeds and Pontefract Bus Stations serving 400,000 customers per year
- Travel Centres sell ticketing products and coach holidays and provide bus station users with travel information and general enquiries
- The Combined Authority co funds the Arriva Travel Centre at Dewsbury Bus Station and provides a shop unit operated by Transdev at Keighley Bus Station
- All front line customer services (Travel Centres, Information and Bus Stations) are accredited annually by the Institute of Customer Services

Priorities for 2019/20

- Modernise the current counter sales offer to increase self service
- Devise and implement a plan to enable Travel Centres to be financially self-funding by 20/21

Key Targets for 2019/20

- Cost of Travel centre operation v income to be cost neutral by 2021
- Ensure mystery shopper scores consistently exceed 85%

Travel information

Core Activity

- Providing the Metroline contact centre 400k customer interactions pa – telephone enquiries, webchat and social media output and interaction
- Providing the wymetro.com travel information portal. Each month this site receives over 2.5 million page views, and 60% of those pages are accessed by customers using smartphones and tablets
- Providing the real time bus information (yournextbus) system with screens at 1050 bus stops and enabling over 1 million people a year to access real time bus information on line or by scanning a bar code at a bus stop
- Providing timetable information at 14,000 bus stops bespoke to the services using each stop and posters in bus stations and key interchanges
- Publishing bus timetables and maps on line and in paper form – 3 million timetable downloads from wymetro.com pa

Priorities for 2018/19

- Deliver modernised information services in line with a revised strategy to be presented to the Combined Authority Transport Committee in March 2019
- Reduce the net cost of travel information services by 10% through efficiencies and increased income

Key Targets for 2019/20

- Ensure at least 95% of travel information enquiries to be made online
- Increase satisfaction with travel information from 80% to 84%

Asset and Facilities

Core Activity

- Operation of staffed bus stations at Bradford Interchange, Castleford, Dewsbury, Halifax, Huddersfield, Keighley, Leeds and Pontefract
- Operation of a further 26 unstaffed bus stations and major interchanges
- Provision and maintenance of 14,000 bus stops and 5,000 bus shelters.
- Facilities management of the Combined Authority's office buildings.
- Landlord services for operational and non-operational properties

Priorities for 2019/20

- Develop an Asset Management strategy which maximises the commercial potential of the Combined Authority's portfolio

Key Targets for 2019/20

- Increase proportion of asset management costs met by income to 55%
- Ensure average annual expenditure per on street asset does not exceed £124
- Ensure average net cost of bus stations does not exceed £0.61 per bus departure

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Transport Services budget summary: DRAFT FIGURES	£
Net revenue requirement	79,924,772
Gross revenue expenditure	96,740,048

TRANSPORT SERVICES DRAFT KPI's: TO BE UPDATED

	Proposed Measure	Target	Measurement Frequency	Notes
Supporting Mobility	Bus Patronage West Yorkshire and Leeds Strategic Targets		Annual	Monitored by R&I and reported through Policy & Strategy and Connecting Leeds Programme Board
	Customer Satisfaction With Bus Services	To be set in bus alliance framework	Annual	Monitored through Transport Focus national survey
	Budget Savings Target		Monthly	
	Delivery against contract renewal and MyBus replacement programme		Quarterly	
	Cost and usage metrics for supported bus services contracts	Headline kpi - £ per mile	Annual with contract by contract vfm	Headline kpi - £ per mile
	AccessBus patronage		Monthly	
Reducing Cost of Travel	ENCTS pass usage		Quarterly	Monitored as part of smart transactions monitoring
	Young people's bus usage		Quarterly	Monitored as part of smart transactions monitoring
Multi Modal Ticketing	Cost of WYCA support to MCard in comparison to income	To be self funding in 19/20	Quarterly	

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	Proposed Measure	Target	Measurement Frequency	Notes
	Mcard sales by volume and value	5% increase	Monthly	Monitored as part of WYTCL management accounts
	Delivery against targets set in SLA with Ticketing Company		Monthly	Reported to WYTCL
Travel Centres	Cost of operation vs income	To be cost neutral by 20/21	Quarterly	
	Mystery Shopping	85% plus	Monthly	
Travel Information	% of information enquiries on line	95%	Monthly	
Assets & Facilities	proportion of asset management costs met by income	55%	Quarterly	

West Yorkshire Combined Authority - Summary 2019/20 Budget

Expenditure	Delivery £	Economic Services £	Strategy & Comms £	Resources £	Corporate £	Transport Services £	Total £
Salary & Pay Related Costs	4,300,561	3,335,913	5,448,432	3,309,380	529,184	6,204,343	23,127,813
Indirect Employee Related Costs	450	3,500		383,000			386,950
Premises Related Costs						6,221,276	6,221,276
Travel, Transport & Subsistence Related Costs	3,500	31,097	20,000	6,500	4,000	40,490	105,587
Member Related Costs				152,000	68,000	1,168	221,168
Office Supplies & Services				54,800		455,950	510,750
ICT & Telephony Costs	50,000		58,971	1,389,680		1,092,067	2,590,718
Professional & Consultancy Fees	200,000	1,124,068	260,000	148,600	66,610	370,600	2,169,878
Corporate Subscriptions				9,468	19,500	3,515	32,483
Marketing & PR Costs		474,931	610,500			244,891	1,330,322
Insurance				304,900			304,900
Operator Payments (Transport)						25,601,325	25,601,325
Concessions						56,422,000	56,422,000
Additional Pension Costs					2,301,600		2,301,600
Financing Charges					5,570,000		5,570,000
Grants		2,333,829					2,333,829
Other Miscellaneous Costs	500	5,781,804	646,250	2,400	405,500	82,424	6,918,878
Contribution to External / Related Parties					292,261		292,261
Staff Vacancy Savings Target			(535,000)		(600,000)		(1,135,000)
Total gross revenue expenditure	4,555,011	13,085,142	6,509,153	5,760,728	8,656,655	96,740,048	135,306,738
Direct cost contribution							
Govt grants and awards		(10,537,279)					(10,537,279)
Bus services operator grant						(2,063,592)	(2,063,592)
Education Contribution to Transport						(6,768,000)	(6,768,000)
Bus Station - Tenant Income						(1,585,431)	(1,585,431)
Bus Station / Services Income (PPT, Depart Chgs)						(2,828,798)	(2,828,798)
Admin Recovery (Staff Secondments)			(241,000)			(2,144,536)	(2,385,536)
Capital recovery	(4,733,566)	(882,664)	(1,158,233)	(885,000)		(375,000)	(8,034,463)
Other third party income		(484,997)	(350,000)		(20,000)	(1,049,920)	(1,904,917)
Net revenue requirement	(178,555)	1,180,203	4,759,920	4,875,728	8,636,655	79,924,772	99,198,723
Funding available							
Rail Income							(790,200)
LEP General Funding Income							(1,234,000)
Growing Places Fund Interest							(300,000)
Enterprise Zone Receipts							(1,858,320)
Transport Levy							(93,198,000)
Net Expenditure Total							1,818,203

Total approved by the Combined Authority (1/2/18)

1,198,646

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