

**MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY
COMMITTEE HELD ON FRIDAY 12 JULY 2019 AT COMMITTEE ROOM
A, WELLINGTON HOUSE, LEEDS**

Present:

Councillor Peter Harrand (Chair)	Leeds City Council
Councillor Stephen Baines MBE	Calderdale Council
Councillor James Baker	Calderdale Council
Councillor Stephen Fenton	City of York Council
Councillor Dot Foster	Calderdale Council
Councillor Patricia Garbutt	Wakefield Council
Councillor Jacob Goddard	Leeds City Council
Councillor Graham Isherwood	Wakefield Council
Councillor Paul Kane	Kirklees Council
Councillor Peter Kilbane	City of York Council
Councillor Christine Knight	Leeds City Council
Councillor Edward Pearson	City of York Council
Councillor Elizabeth Rhodes	Wakefield Council
Councillor Richard Smith	Kirklees Council
Councillor Rosie Watson	Bradford Council
Councillor Geoff Winnard	Bradford Council

In attendance:

Khaled Berroum	West Yorkshire Combined Authority
Emma Longbottom	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority

1. Apologies for absence

Apologies for absence were received from Councillor Fazila Loonat.

2. Declarations of Disclosable Pecuniary Interests

There were no declarations of disclosable pecuniary interests.

3. Possible exclusion of the press and public

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

4. Minutes of the meeting held on 22 March 2019

The Committee considered the minutes from the last quorate meeting on 22 March 2019 and reviewed outstanding issues and matters arising.

Resolved:

- i) That the minutes of the meeting held on 22 March 2019 be approved.
- ii) That information on the work and engagement the Combined Authority and Transport Committee have undertaken to date with train operators on the topic of accessibility and mobility be provided to the Overview and Scrutiny Committee.

5. Notes of the inquorate meeting held on 24 May 2019

The Committee noted the record of the discussion at the last (inquorate) meeting on 24 May 2019.

Members welcomed the committee asking the Chair of the Combined Authority whether the Combined Authority planned to join partner councils in declaring a climate emergency and noted that one month later the Combined Authority formally did so.

Resolved:

- i) That the notes of the inquorate meeting held on 24 May 2019 be noted.
- ii) That the Combined Authority's formal declaration of a climate emergency since the last scrutiny committee meeting and scrutiny's role be noted.

6. Governance arrangements for 2019/20

The Committee noted a report of the Scrutiny Officer outlining the governance arrangements agreed by the Combined Authority at its annual meeting on 27 June 2019 pertaining to the Overview and Scrutiny Committee, including changes to Scrutiny Standing Orders and the appointment of Councillor Peter Harrand as the new scrutiny chair.

Resolved:

- i) That the governance arrangements agreed by the Combined Authority at its annual meeting on 27 June 2019 and amendments to the Scrutiny Standing Orders be noted.
- ii) That new members be welcomed and parting members be thanked for their service and many contributions over the years.

7. Chair's update

The Committee heard comments from the newly appointed Chair of Overview and Scrutiny, Councillor Peter Harrand, who thanked his predecessors Robert Light and Liz Smaje for their stewardship and work in raising the profile of

scrutiny at the Combined Authority to date.

The Chair welcomed new members and emphasised the importance of strong scrutiny in an authority that spends over £1 million a day on average and covers a large territory.

The Chair suggested that a cross-party group of members act as leads for each of the Combined Authority/LEP's priority areas. These member leads will liaise closely with lead officers for their priority and report back periodically to the committee as appropriate. It was agreed that member leads may choose deputies and otherwise approach their role as they thought best.

Resolved:

- i) That the Chair's comments be noted.
- ii) That a cross-party group of members act as scrutiny leads (and deputies) for each of the Combined Authority/LEP priority areas with the following members nominated:
 - Cllr Stephen Baines: 'boosting productivity'
 - Cllr James Baker: 'supporting clean growth'
 - Cllr Peter Harrand: corporate, governance and devolution
 - Cllr Betty Rhodes: '21st century transport'

8. Scrutiny Work Programme 2019/20

The Committee considered a report of the Scrutiny Officer to approve a work programme for 2019/20 following the members' workshop held on 28 June 2019.

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

- Due to the large number of possible issues scrutiny is able to look into, there is a need to be selective when deciding which topics to scrutinise.
- Scrutiny should focus on issues that the Combined Authority/LEP has the power to directly impact or indirectly influence through 'soft power' actions.
- More external guests should be invited to give evidence this year on key issues, including local academics, businesses, service users and any other stakeholders/partners.
- There should be a greater effort to compare the West Yorkshire Combined Authority's activity and performance with other combined authority areas with a similar profile and size such as West Midlands, Manchester and Liverpool.
- With the current resources available to scrutiny, two working groups is likely the maximum number that can be supported at one time – leaving some flexibility for one-off workshops.
- Consequently, last year's transport and LEP working groups should not be reappointed and instead more topic-focused 'task and finish' groups concentrating on two issues of importance – climate change and outcomes from business grants – be appointed this year.
- Working groups should form their own focused terms of reference and

report back to the main committee.

- Members interested in being on a working group should inform the scrutiny officer after the meeting.

The Committee discussed the topics that scrutiny should focus on this year and **concluded** that:

- On **climate change**:

1. A working group dedicated to climate change should be established and determine its own terms of reference.
2. Scrutiny should investigate how the declaration of a 'climate emergency' will impact the work of the Combined Authority this year in real terms, outcomes and noticeable changes in policy.
3. There should be a focus on assessing possible transport-related, and internal corporate, actions that are within the Combined Authority's powers and likely to make an impact. It was suggested that actions on reducing carbon dioxide emissions could be particularly impactful.
4. Some of scrutiny's work last year on connecting environmental policy more closely with transport and planning policy could be expanded upon by the new working group.
5. There is a possible role for scrutiny to play in ensuring that regional partner councils are sufficiently coordinating environmental strategy and climate change related actions to ensure maximum benefit and avoid duplication.

- On **apprenticeships and skills**:

1. That apprenticeships and skills is a topic of increasing urgency and the bleak regional picture presented to the committee in its January and May 2019 meetings remains a cause for concern.
2. The conclusions of those meetings should be revisited. Particular concerns include:
 - Reports that some schools are not receptive to engagement on apprenticeships or have a stereotypical view of which students apprenticeships are for.
 - Reports of apprenticeships still being used as a box ticking exercise or a source of cheap temporary labour
 - The scope for potential programme of follow up with apprentices to ensure that apprenticeships are a pathway to long term meaningful employment
3. The committee must distinguish between the national/regional picture and what the Combined Authority can do to change it. It was acknowledged that realistically there are little funds available and the funds and programmes that are in place are

subject to many restrictions and limited to specific actions and targets.

4. One possible approach might be to determine what leverage and powers the Combined Authority currently has or could potentially develop. Particularly, with regards to internal and corporate policies and processes.
 5. Representatives from schools, local employers and current/past apprentices should be invited to participate in discussion on this topic this year.
- On **achieving targets** and **strategic performance**:
 1. Scrutiny has a responsibility to ensure that strategic goals are being achieved. There should be a particularly stronger focus on monitoring and scrutinising the Combined Authority's achievement against its key performance indicators (KPIs) with particular attention on those KPIs 'RAG' rated red.
 2. An evaluation of outcomes from business grants schemes due to come to an end would be a positive exercise in performance monitoring.
 - On the rest of the **list of suggested topics** (Appendix 1):
 1. Some of the topics that might otherwise not be scrutinised further as standalone items could be considered as part of wider topics – such as opportunities from Channel 4's relocation to Leeds and digital inclusion/exclusion being considered as part of a wider item on skills.
 2. Information on what measures the Combined Authority is taking to prepare for Brexit, as much as it can in the currently uncertain environment, be provided to the Committee.
 3. That the budget and business planning be on the agenda for the next meeting on 13 September 2019.

Resolved:

- i) That the scrutiny review terms of reference be approved and the Scrutiny Officer report back to a future meeting.
- ii) That the Scrutiny Officer circulate the new work programme based on the agreed topics following consultation with lead officers for each topic for advice on the most appropriate and opportune timescales.
- iii) That the two working groups ("Transport" and "LEP Review") from the previous year not be reappointed this year.
- iv) That two new task and finish groups focusing on *climate change* and

business grants evaluations be appointed for this municipal year, with the following provisional membership:

- Climate change: James Baker and Dot Foster
- Business grants evaluation: Stephen Baines, Stephen Fenton, Jacob Goddard and Geoff Winnard

v) That the appointed task and finish groups be led by the appropriate scrutiny lead, form their own terms of reference and report back to a future committee meeting.

9. Local industrial strategy development

The Committee considered a report of the Director of Policy, Strategy & Communications providing an update on the progress to develop a Local Industrial Strategy to be the central element of a new strategic policy framework intended to replace the LEP's current Strategic Economic Plan. The item was last considered by the Committee on 13 July 2018.

The following were in attendance for this item:

- Alan Reiss, Director of Policy, Strategy & Communications
- Emma Longbottom, Head of Policy and Strategy Coordination

Following questions from members and further discussion, the Committee **learned:**

- The LEP Board is leading the development of the Local Industrial Strategy and will make the ultimate decision.
- Each of the (thematic) advisory panels (that include both private sector and elected members) that report to the LEP are involved in developing the strategy.
- Although the government has been clear that the Local Industrial Strategy is not a bidding document and details of future funding mechanisms are not yet clear, it is estimated and hoped that around £120m a year will be made available to the LEP in the future via the future UK Shared Prosperity Fund.
- A successful outcome in three years timing would include the LEP having:
 1. Developed a clear strategy that is approved by the government
 2. Received new funds released by the government
 3. Begun investing in interventions to achieve the identified strategic goals
 4. Begun to see short term benefits from those interventions
- Although the Leeds City Region and York & North Yorkshire LEPs are currently each developing their own separate local industrial strategies, they have taken into account the ongoing intention to create a new LEP covering the whole of Leeds City Region and North Yorkshire by:
 1. collaborating on the development of the evidence base,

2. coordinating on mutual areas (such as rural issues)
 3. establishing a joint independent expert panel
 4. Keeping in close touch at officer level
 5. Collaborating on consultation in the overlapping areas.
- The LEP has not yet decided which of the four ‘grand challenges’ (artificial intelligence/data, future mobility, ageing society and clean growth) it will focus on. The government has asked each LEP to choose where to focus.
 - Whilst a strong case could be made for all of them, the LEP is currently leaning towards either ‘clean growth’ or ‘ageing society’ because:
 1. *Clean growth*: the region’s existing local energy assets and sector put it in a strong position to realistically achieve its zero carbon targets and position itself as a national leader.
 2. *Ageing society*: one of the biggest employers in the region is the health and social sector (est: 250,000 employees) and the region has emerged as a strong performer in the health technology industry which would put it in a strong position to supply the needs of an ageing population nationally.
 - Discussions are still ongoing about whether the strategy should be focused on certain sectors of the economy or take a broader approach. Feedback shows that businesses prefer the latter.
 - There will also be a strong ‘place’ based element to the strategy as a key ambition of the LEP is to ensure that the benefits of growth are felt across the region, not just in certain areas or districts.
 - Measuring productivity in certain sectors such as health and social care and other public sector areas, which happen to be the largest employers in the region, is more complex than in other sectors.
 - A key component of improving productivity is ensuring that businesses have access to the right people (skills) and tools (innovation) – which will be key priorities of the strategy.
 - The strategy could support this by ensuring that there is enough focus on fostering greater engagement between schools (skills), universities (innovation) and local businesses.
 - With regards to accessing current innovation, although there are nine respected universities in the region, greater work must be done to ensure that local businesses are able to access, and invest in, research and innovation.
 - Future innovations in automation will be beneficial to improving productivity and generate further innovation, it provides a great risk to existing workers if they are not sufficiently trained so they can transition to new careers.

- Although strategies and policies should take into account the needs of the present, there should be an equal focus on the needs of the future and determining what the LEP wants the economy to look like and endeavour to support only those businesses and policies that will help achieve that goal.
- Although financial services is a large, growing and key industry in the region, it does not feature heavily in the emerging strategy as the focus should be on sectors that need support. Financial services is doing well without intervention.

The Committee **requested** that:

- The research commission reports currently being reviewed by the independent expert panel – along with the draft policy proposals and, later, the draft strategy – be brought back to the next two committee meetings.
- Further information be provided on:
 1. how many schools the Enterprise Advisor programme has engaged with;
 2. a definition of what constitutes ‘going into schools’ and ‘meaningful contact’
 3. further evidence (or case studies) of examples and outcomes from previous engagement/contact with schools and students

Resolved:

- i) That the report be noted and the committee’s comments be considered further.
- ii) That the Local Industrial Strategy be brought back to the following committee meetings in September and November 2019 so that the committee can consider the final economic evidence report, draft policy proposals and the draft strategy prior to its submission in December 2019.

10. Overview and Monitoring Report

The Committee received a report of the Scrutiny Officer containing briefing notes requested by members at the inquorate committee meeting held on 24 May 2019:

1. Overview of low uptake in AGE grant programme PHASE 2 and which grant criteria was changed to increase uptake.
2. Explanation of current/planned work on procurement policy with regards to local supply chains in the region.
3. Background info on upcoming the ‘Climate Summit’ and Blue & Green Infrastructure Plan/Strategy.
4. Overview of Broadband rollout and the ‘ongoing challenges in contract 2’ mentioned in the report.
5. Further information on the Growing Places Fund and planned changes to its delivery.

Resolved: That the briefing notes be noted.

11. Date of the next meeting - 13 September 2019