

**MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY
COMMITTEE HELD ON FRIDAY 13 SEPTEMBER 2019 AT COMMITTEE
ROOM A, WELLINGTON HOUSE, LEEDS**

Present:

Councillor Peter Harrand (Chair)	Leeds City Council
Councillor Stephen Baines MBE	Calderdale Council
Councillor Harry Ellis (Substitute)	Wakefield Council
Councillor Ashley Evans (Substitute)	Calderdale Council
Councillor Stephen Fenton	City of York Council
Councillor Dot Foster	Calderdale Council
Councillor Jacob Goddard	Leeds City Council
Councillor Paul Kane	Kirklees Council
Councillor Peter Kilbane	City of York Council
Councillor Christine Knight	Leeds City Council
Councillor Sarfraz Nazir	Bradford Council
Councillor Edward Pearson	City of York Council
Councillor Betty Rhodes	Wakefield Council
Councillor Naveed Riaz (Substitute)	Bradford Council
Councillor Richard Smith	Kirklees Council
Councillor Rosie Watson	Bradford Council

In attendance:

Khaled Berroum	West Yorkshire Combined Authority
James Flanagan	West Yorkshire Combined Authority
James Hopton	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Aaliyah Younis	West Yorkshire Combined Authority

12. Apologies for absence

Apologies for absence were received from Councillors James Baker, Pat Garbutt, Geoff Winnard and Graham Isherwood.

It was reported that Councillors Pat Garbutt and Fazila Loonat had stepped down from the Committee and replacement nominations are expected shortly.

13. Declarations of Disclosable Pecuniary Interests

There were no declarations of disclosable pecuniary interests.

14. Possible exclusion of the press and public

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

15. Minutes of the meeting held on 12 July 2019

Resolved: That the minutes of the meeting held on 12 July be approved.

16. Appointment of a deputy chair

Resolved: That Councillor James Baker be appointed Deputy Chair of the Overview and Scrutiny Committee.

17. Chair's update

The Chair invited the Director of Policy, Strategy and Communications to provide a brief verbal update on the recently announced HS2 review. The Committee was informed that:

1. Due to increasing costs and delays to the HS2 project, the government announced an independent review chaired by Douglas Oakervee.
2. The review is expected to be quick and report back soon – possibly around the Autumn Budget.
3. West Yorkshire Leaders are due to meet Douglas Oakervee and submit evidence in the coming weeks.
4. HS2 is strategically vital to the region's future and the Combined Authority has raised concerns about the project being cancelled or the eastern leg not being completed.
5. The Combined Authority continues to work with partners Transport for the North (TfN) and Northern Powerhouse 11 (NP11) to promote the benefits of HS2, Northern Powerhouse Rail (NPR) and the TransPennine Route Upgrade (TRU).

Resolved:

- i) That the Chair's update be noted.
- ii) That further information on the TransPennine Route Upgrade (TRU) be provided.

18. Local Industrial Strategy and Policy Framework

The Committee considered a report of the Director of Policy, Strategy & Communications providing an update of progress in developing a Local Industrial Strategy and integrated Policy Framework.

Following questions and discussion, the Committee concluded that:

1. Previously, 'Ageing Society' and 'Clean Growth' appeared to be the two strongest focuses for the region but the research has revealed new opportunities and strengths in the other two Grand Challenges ('Artificial Intelligence / Data' and 'Future Mobility'). This provides more strategic

opportunities but makes the ultimate decision more difficult.

2. In practice, each Local Industrial Strategy is a local expression of national policy. The four 'Grand Challenges' were identified by central government as the biggest challenges facing the country. Each region is required to find out which challenge its local strengths and assets can help improve the most at a national level.
3. The two main concerns arising from a locally owned strategy that is co-developed with central government:
 - i) Certain local evidence or needs might be overlooked if they do not quite fit with national priorities – for instance, focusing on the region's weakest 'Grand Challenge' instead of the strongest one in order to improve it is not strategically possible.
 - ii) Certain areas might be preferred over others – for instance, 'Leeds-centric' interventions might provide a greater 'return on investment' and receive more investment ahead of other areas in greater need that might not provide immediate outcomes.
4. The research and strategy development process has been invaluable in identifying the region's strengths, weaknesses and opportunities. Regardless of the final Local Industrial Strategy, the new evidence can now be used to redevelop existing strategies and improve future service delivery in all areas – such as the 'transport connectivity plan' (in development) and future business support services (under review).
5. The findings from comparable LEP area's own local industrial strategies have provided useful information on how the Leeds City Region compares and can be used in future performance monitoring and benchmarking.
6. The focus on 'place' and 'people' in the research was welcome. The findings have helped better outline the economic profile of more places and skills profiles of more people. This will further support ambitions to ensure that:
 - *Places* are sufficiently connected so that development and investment in any place can be felt and benefited from in other places.
 - *People* are sufficiently skilled so that they can benefit from the opportunities presented by economic growth and improved productivity.
7. A more comprehensive picture of all the individual places within the wider region will put the Combined Authority in a better position to fulfil its fundamental strategic and partnership role at a regional level.
8. Much of the success and outcomes of the Local Industrial Strategy remain out of the Combined Authority's direct control and reliant on partner councils or other partners – such as transport operators, higher education institutions and central government agencies. In the absence of direct devolved powers, lines of local accountability to achieve 'people focused' outcomes remain unclear – for instance in bus services and skills provision.

- *Bus services*: In the past the Committee heard that 'quality contracts' with bus operators to strengthen 'customer focused' outcomes were under consideration. It is now understood that the recently formed 'Bus Alliance' aims to continue similar work with bus operators to improve the customer experience.
- *Skills*: Although local universities contributed greatly to the research, analysis and findings of the Local Industrial Strategy – and are well represented on advisory panels – it is not expected that the final strategy will alter or affect university courses and programmes. There is other work underway within the Combined Authority to strengthen partnership working with universities.

Resolved:

- i) That the report be noted.
- ii) That further information be provided to the Committee on:
 - West Yorkshire Bus Alliance
 - Whether other combined authority areas fund disabled passes at peak times

19. Major strategic developments and preparations

The Committee received reports of the Managing Director, Director of Policy, Strategy & Communications and Director of Corporate Services outlining any developments or progress towards:

- Securing meaningful devolution
- Implementing the LEP review and creating a new LEP covering West and North Yorkshire
- Budget, funding and business planning 2020/21
- Brexit preparations

Devolution

1. Announcements on devolution were expected at the Convention of the North event attended by the Prime Minister which was ongoing at time of the meeting.
2. A Downing Street press release earlier that morning said the Prime Minister was expected to say he was committed to delivering the Sheffield City Region deal and also minded to 'open up negotiations with Leeds and West Yorkshire'.

LEP review & merger

3. The Leeds City Region LEP is expected to be compliant with all new regulations arising from the LEP Review by the April 2020 deadline.
4. It has been suggested in some quarters that discussions about the LEP merger be 'paused' until devolution discussions have sufficiently progressed but there is a further joint LEP transition group meeting

scheduled in October 2019.

Budget, funding and business planning 2020/21

5. Other combined authority areas have an advantage due to extra revenue streams from historic publicly owned and managed mass transit systems. A large initial capital investment is needed for West Yorkshire to be able to develop a similar revenue generating transport system.
6. Most transport funding is allocated at a West Yorkshire area level rather than proportionally on a district by district basis.
7. Clarification was requested regarding figures projecting an increase in staffing costs and a decrease in consultancy fees and whether this meant that more expertise was being recruited for internal retention.

Brexit preparations

8. The Combined Authority is proceeding with preparations under the presumption that a non-negotiated exit from the EU will occur on 31 October 2019 as that is the most disruptive scenario.
9. The current intention is for the Combined Authority to support businesses in any way it can – from advice and information to limited grant offers – but businesses are primarily responsible for ensuring that they are prepared.
10. The onus is on businesses to ensure they are prepared. An issue may arise where businesses that did not prepare effectively at the time may be given assistance later which may put them at an advantage over businesses that took steps to ensure they were relatively prepared at their cost.

Resolved:

- i) That the strategic updates be noted.
- ii) That further updates following national political developments and conclusions from the 'Convention in the North' on these strategic issues be added to the agenda of the next meeting on 15 November 2019.
- iii) The further information be provided on the projected increase in staffing costs and lowering of consultancy fees.

20. Scrutiny Work Programme 2019/20

The Committee considered a report of the Scrutiny Officer outlining the 2019/20 Work Programme.

Resolved:

- i) That the Work Programme be noted.

- ii) That the next two committee meetings to be held on 15 November 2019 and 17 January 2020 aim to focus on skills and transport connectivity respectively.
- iii) That the start time of the next meeting to be held on 15 November 2019 be moved from 11.00 am to 2.00 pm to accommodate attendance from lead members.
- iv) That the Chair of the Transport Committee be invited to a future meeting to discuss emerging strategic issues in transport such as the connectivity strategy, Bus Alliance and upcoming sale of major bus operators in West Yorkshire and cycling & walking.

21. Date of the next meeting - 15 November 2019

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