

OVERVIEW AND SCRUTINY COMMITTEE

**MEETING TO BE HELD AT 11.00 AM ON FRIDAY 13 SEPTEMBER 2019
IN COMMITTEE ROOM A, WELLINGTON HOUSE, 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 12 JULY 2019**
(Pages 1 - 10)
- 5. APPOINTMENT OF A DEPUTY CHAIR**
(Pages 11 - 12)
- 6. CHAIR'S UPDATE**
To include updates on a letter to the Prime Minister, letter from the Managing Director and a brief update on the HS2 review
(Pages 13 - 20)
- 7. LOCAL INDUSTRIAL STRATEGY AND POLICY FRAMEWORK**
Second session:
 - to review the conclusions of the research commission reports completed since the last meeting and consider emerging thoughts and policy implications
 - to receive an update on progress in the development of the wider policy framework that the Local Industrial Strategy is a part of
(Pages 21 - 38)
- 8. MAJOR STRATEGIC DEVELOPMENTS AND PREPARATIONS**
To consider ongoing developments of issues of major strategic concern including devolution, LEP merger, Brexit preparations and provisional ideas and priorities in budget, future funding and business planning.
(Pages 39 - 40)

(a) **DEVOLUTION**

(Pages 41 - 48)

(b) **LEP REVIEW & MERGER**

(Pages 49 - 54)

(c) **BUDGET, FUNDING AND BUSINESS PLANNING 2020/21**

(Pages 55 - 64)

(d) **BREXIT**

(Pages 65 - 70)

9. SCRUTINY WORK PROGRAMME 2019/20

To consider the work programme following discussions with lead officers, receive any comments from Lead Members and monitor any live issues not on the agenda.

(Pages 71 - 90)

10. DATE OF THE NEXT MEETING - 15 NOVEMBER 2019

Signed:



**Director, Corporate Services
West Yorkshire Combined Authority**

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	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 Betty 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 (Minute 9)	West Yorkshire Combined Authority
Alan Reiss (Minute 9)	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

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Report to: Overview and Scrutiny Committee

Date: 13 September 2019

Subject: **Appointment of Deputy Chair**

Director: Angela Taylor, Corporate Services

Author(s): Khaled Berroum, Scrutiny Officer

1. Purpose of this report

1.1 To consider whether to appoint a Deputy Chair of the Overview and Scrutiny Committee.

2. Information

2.1 In the event that its appointing committee does not appoint a chair or deputy chair, a committee may appoint its own chair or deputy chair.

2.2 As the Combined Authority did not appoint a deputy chair for the Overview and Scrutiny Committee this municipal year, the Committee may nominate and appoint a deputy chair if it wishes to do so.

3. Financial Implications

3.1 There are no financial implications directly arising from this report as there is no additional allowance for the position of Deputy Chair.

4. Legal Implications

4.1 Existing legislation governing combined authority scrutiny requires scrutiny chairs to be from a different party than the mayor or the party with the largest majority on the Combined Authority. Therefore, any appointed deputy chair should also be from a different party than the mayor or the party with the largest majority on the Combined Authority.

4.2 With regards to the West Yorkshire Combined Authority's current political composition and balance, this means the deputy chair cannot be a member of the Labour Party.

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 To consider whether to appoint a Deputy Chair of the Overview and Scrutiny Committee.

8. Background Documents

None.

9. Appendices

None.



Report to: Overview and Scrutiny Committee

Date: 13 September 2019

Subject: **Chair's update**

Director: Angela Taylor, Corporate Services

Author(s): Khaled Berroum, Scrutiny Officer

1. Purpose

- 1.1 To receive any updates, comments or announcements from the Chair of the Overview and Scrutiny Committee regarding any activity or actions that have taken place in between meetings.

2. Information

Combined Authority Members' letter to the Prime Minister

- 2.1 On 17 July 2019, the Chair of Overview & Scrutiny signed a joint letter to the new Prime Minister (then candidate), Boris Johnson MP, along with West Yorkshire Leaders and Combined Authority Members drawing his attention to two issues that are critical to the region's future – meaningful devolution and investment in transport infrastructure. The letter is appended as **Appendix 1**.

Letter from the Managing Director to Scrutiny Chair

- 2.2 On 30 July 2019, the Chair also wrote to the Managing Director informing him that scrutiny had resolved to select a cross-party group of members to act as 'scrutiny leads' / spokespersons responsible for maintaining an overview for each of the Combined Authority and LEP's priorities and ambitions. The response is attached at **Appendix 2** for the Committee's information.

3. Recommendations

- 3.1 To note any updates, comments or announcements from the Chair of the Overview and Scrutiny Committee.

4. Background Documents

None.

5. Appendices

Appendix 1 – Combined Authority Members’ letter to Boris Johnson MP regarding devolution and transport (dated 17 July 2019)

Appendix 2 – Letter from Managing Director to the Chair of Overview & Scrutiny (dated 14 August 2019)

Boris.johnson.mp@parliament.uk

17 July 2019

Dear Mr Johnson,

A message from Leeds City Region – transport and devolution

As part of your campaign to be Prime Minister, we would like to draw to your attention two issues that are critical to future growth in our region – meaningful devolution and transport investment. These issues will be vital in unlocking the opportunities post-Brexit, rebalancing the economy and providing transformational benefits to the region.

Leeds City Region is one of the largest functional economic areas in the country – with economy of over £70bn GVA, a population of over 3.1m and a workforce of over 1.5m. It comprises the West Yorkshire authorities of Bradford, Calderdale, Kirklees, Leeds and Wakefield, plus surrounding authorities of Craven, Harrogate, Selby and York (see enclosed map for reference).

Devolution

It is clear from your recent visit to York, that the potential for devolution to act as a driver for the transformation of the North of England is central to your vision for an economically successful post-Brexit United Kingdom. In recent months we have had very constructive talks with Ministers and their officials to secure meaningful devolution in Yorkshire, including discussions about interim devolution arrangements in Leeds City Region.

Devolution is critical to deliver our shared economic objectives; these cross political divides and are about growth in a post-Brexit world. Devolution would allow us to secure more investment in desperately needed transport and digital infrastructure, increase inward investment and help our companies export, deliver more houses to meet the acute shortage across the county, quicken the progress we are making in sustainable energy generation and carbon capture to address the Climate Change Emergency, better address the skills shortages in our workforce, and critically, help tackle deprivation where it exists in our communities.

Our proposal is twofold.

First is for the new Government to commit to the necessary interim arrangements that would allow meaningful devolution within Leeds City Region between now and 2022. This would enable the Northern Powerhouse to realise fully its potential in the short term and have devolution deals in place across the major metropolitan areas of the North. These will be well placed to take advantage of post-Brexit opportunity.

Second is for the new Government to agree to joint work with ourselves and our partners that aims to have a Yorkshire deal in place in 2022. The pending

new Government's agreement to this would, in a stroke, unblock the impasse that has existed between many of our authorities and your predecessor Governments.

We have already worked through much of the detail of these propositions with officials in the Treasury and in the Ministry of Housing, Communities and Local Government. We welcome further dialogue with them, and should you be elected at the leader of the Conservative Party and become the new PM, your championing of this devolution proposal will be critical to make these plans a reality and make its delivery a priority in those Departments.

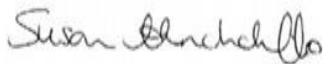
Transport

Transport is a critical enabler of more inclusive growth across Leeds City Region, and the following opportunities afforded by transformational devolution present themselves:

- Leeds City Region is the largest metropolitan area in Europe without a mass transit system, and without one our economic growth will be slowed. On top of that, your commitment to such a system would enable us to develop the next generation technology which is lighter, more cost effective and without intrusive overhead wires.
- Rail infrastructure across the region has reached its limit, and without strategic intervention, will inhibit sustainable growth in the Leeds City Region and the north. We need a holistic, long term solution that brings together HS2, Northern Powerhouse Rail (including, crucially, a city centre stop in Bradford), Transpennine Route Upgrade, the East Coast Mainline and local rail requirements, including addressing the capacity issues at Leeds station. We need all of these interventions – not to be asked to make trade-offs between them.
- A key part of the jigsaw will be the ability of the North to have greater control over the levers of decision-making, funding and accountability for its rail network. Transport for the North is a good start. The Williams Review of the rail industry is an opportunity to find a better solution that works for both the North and the UK as a whole – and enables decisions affecting local people to be taken by locally accountable politicians.
- Investment in clean energy, which we predict could be worth £11 billion in economic growth and create 100,000 extra skilled jobs, should run in parallel to investment in transport infrastructure. This will ensure more sustainable travel, lower emissions and cleaner air, and will allow us to respond effectively to the Climate Emergency. This investment will mean we can work towards our ambition of becoming a net zero-carbon City Region, whilst also delivering a modern, world-class and well-connected transport system.

We hope that you will consider our twin proposals favourably, and we would of course welcome the opportunity to discuss these matters with you at the earliest opportunity.

Yours sincerely,



Cllr Susan Hinchcliffe
Leader, Bradford Council
Chair, West Yorkshire Combined
Authority



Cllr Tim Swift MBE
Leader, Calderdale Council



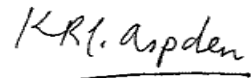
Cllr Shabir Pandor
Leader, Kirklees
Council



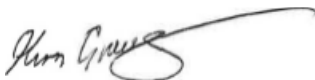
Cllr Judith Blake CBE
Leader, Leeds City Council



Cllr Peter Box CBE
Leader, Wakefield Council



Cllr Keith Aspden
Leader, City of York
Council



Cllr Kim Groves
Chair, West Yorkshire
Transport Committee



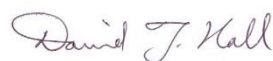
Roger Marsh OBE
Chair, Leeds City Region
LEP and Chair, NP11



Cllr Peter Harrand
Chair, Overview and
Scrutiny



Cllr John Pennington
Leader of the Conservatives,
Bradford Council



Cllr David Hall
Kirklees Council

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Councillor Peter Harrand
Chair, Overview & Scrutiny Committee
West Yorkshire Combined Authority
Wellington House
40-50 Wellington Street
Leeds
LS1 2DE

14 August 2019

Dear Councillor Harrand,

Thank you for bringing to my attention the changes instituted by the Overview and Scrutiny Committee this year.

Your approach to the committee and its priorities is welcome, and we will ensure each of the scrutiny leads you have identified are appropriately supported throughout their role.

With regard to the specific priority areas you highlighted, our officers will ensure a briefing note is provided ahead of every Overview and Scrutiny Committee meeting. This will cover all of the key ambitions and should ensure the members are made aware of any relevant developments or updates.

However, as per your letter, it may also be helpful to note who your specific contacts are for each scrutiny lead and their assigned priority area as follows;

- 'boosting productivity' - Jon Skinner, Public Sector Growth
- 'clean growth' – Jacqui Warren, Energy & Sustainability
- 'devolution and corporate matters' – Alan Reiss, Policy & Strategy
- '21st century transport' – Liz Hunter, Head of Transport Policy and Dave Pearson, Transport Services and Operations

I trust this approach will continue to support your members in their role on the committee. In the meantime, please do not hesitate to get in touch if you wish to discuss this further or if you require anything else.

Yours sincerely,



Ben Still

**Managing Director
West Yorkshire Combined Authority**

ben.still@westyorks-ca.gov.uk

0113 348 1916



Report to: Overview and Scrutiny Committee

Date: 13 September 2019

Subject: **Cover report: Local Industrial Strategy and Policy Framework**

Director: Angela Taylor, Corporate Services

Author(s): Khaled Berroum, Scrutiny Officer

1. Purpose of this cover report

- 1.1 To introduce and provide background to the report of the Director of Policy, Strategy & Communications entitled 'Local Industrial Strategy and Policy Framework'.

2. Information

- 2.1 This is the second session on the topic of the Local Industrial Strategy. This item will also serve as the first session on the wider Policy Framework which the Local Industrial Strategy – and other key strategies – will ultimately form a part of.

- 2.2 The objectives of this session are:

1. To consider findings of research and analysis conducted by the independent expert panel (chaired by Dr Peter O'Brien).
2. To consider emerging thoughts and policy implications from the research for the final Local Industrial Strategy (in Appendix 2).
3. To understand the place that the Local Industrial Strategy occupies in the wider strategic Policy Framework under development, including:
 - update on development of the policy framework since July 2018
 - a draft of the Policy Framework as it stands
4. To determine an approach to (pre-decision) scrutiny of the development of the Policy Framework following completion of Local Industrial Strategy development

- 2.3 The first session on this topic was held on the 12 July 2019 meeting when the Committee received an update on work undertaken since July 2018. Key highlights from the discussion at that session included:

1. **‘Grand challenge’ focus:** 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. An audit of research and business assets is currently underway to support the LEP Board’s decision. Whilst a strong case could be made for all of them, the LEP is currently leaning towards either ‘clean growth’ or ‘ageing society’ because:
 - *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.
 - *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.

2. **A successful outcome in three years** would include the LEP having:
 - Developed a clear strategy that is approved by the government
 - Received new funds released by the government (even though the government has been clear that the strategy is not a bidding document)
 - Begun investing in interventions to achieve the identified strategic goals
 - Begun to see short term benefits from those interventions

3. **Coordination with North Yorkshire LEP:** The Leeds City Region and York, North Yorkshire and East Riding LEPs are currently each developing their own separate local industrial strategies, but have taken into account the potential to create a new LEP covering the whole of Leeds City Region and North Yorkshire by:
 - collaborating on the development of the evidence base,
 - coordinating on mutual areas (such as rural issues)
 - establishing a joint independent expert panel with membership
 - keeping in close touch at officer level
 - collaborating on consultation in the overlapping areas.

4. **Next steps** were reported as:
 - Initial economic evidence report completed – June 2019
 - Stakeholder engagement / second call for evidence – July 2019
 - Draft economic evidence report complete – August 2019
 - Draft policy proposals – August 2019
 - Consultation and engagement on draft proposals – September 2019
 - Local Industrial Strategy drafted and tested – October/November 2019
 - Local Industrial Strategy finalised and submitted to Government – December 2019
 - Local Industrial Strategy published – March 2020

3. Background Documents

[Minute 9](#), Overview & Scrutiny Committee meeting (12 July 2019)

[Report \(item 9\): Local Industrial Strategy Development](#) – Overview & Scrutiny Committee, 12 July 2019

[Local Industrial Strategies policy prospectus](#): Best practice policy principles for developing a local Industrial Strategy (1 October 2018)

Report to: Overview and Scrutiny Committee

Date: 13 September 2019

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

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

Author(s): Emma Longbottom, Head of Policy and Strategy Coordination

1. Purpose of this report

- 1.1 To update the Overview and Scrutiny Committee on progress to develop an integrated policy framework and Local Industrial Strategy (LIS) for the Leeds City Region.

2. Information

Integrated Policy Framework

- 2.1 In January 2018 the LEP Board agreed¹ that the LEP's existing Strategic Economic Plan (SEP) would be replaced with an integrated policy framework, which includes the Local Industrial Strategy. The vision for the policy framework is that it will build on the SEP, and will be an 'agile, long-term strategic framework' aimed at driving growth, boosting productivity and earning power for a post 2030 economy.
- 2.2 In particular, it was agreed that the policy framework needs to provide room for 'bold, long-term planning'. The recommended core principles were:
- a different 'look and feel', providing an agile and 'live' strategic framework, with sections that might form mini strategies in their own right;
 - a focus on tackling the key challenges the City Region faces, such as:
 - Productivity Gap is increasing;
 - Innovation and R&D are very low;
 - Living standards have stalled; and
 - Stubborn deprivation persists

¹ Minutes – LEP Board, 16 January 2018:

<https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CIId=150&MIId=532&Ver=4>

- to reflect the City Region’s expanded policy remit, covering the direct and indirect determinants of citizen experience and inclusive growth, such as how culture and sport contribute to the status and identity of thriving places and prompt diversity of thought, stimulating innovation across communities;
 - to build on our core strengths e.g. our concentration of science, research and innovation assets and our globally-competitive manufacturing sector and vibrant digital-tech sectors, such as medical technologies, Fin-tech and Agri-tech;
 - to guide decision-making over a refocused programme of activity to more clearly drive inclusive growth outcomes; and
 - to place the City Region on the front-foot with an ambitious policy platform that improves competitiveness and ensures the benefits are shared fairly.
- 2.3 It should be noted that since this approval the LEP Board was notified by government that the Leeds City Region Local Industrial Strategy would not be part of an early development wave, therefore the timescales for development shifted.
- 2.4 The diagram in Appendix 1 presents the current draft policy framework for the City Region. It is envisaged that this diagram will become an interactive webpage, which brings to life the range of policies and strategies already in existence and development and shows how they inter-relate.
- 2.5 The development and implementation of the policy framework is in line with that of the Local Industrial Strategy, with the policy framework including the Local Industrial Strategy replacing the SEP from spring 2020.

Local Industrial Strategy Development

- 2.6 As previously reported, a Local Industrial Strategy is being developed for the LEP area which will focus on bold steps aimed at boosting productivity and driving inclusive and clean growth for a post-2030 economy. The Local Industrial Strategy will sit at the heart of the integrated policy framework. The Local Industrial Strategy development will be completed by December 2019, to be signed off by Government in March 2020.
- 2.7 Work has commenced to identify key priorities against the five foundations of productivity – People, Place, Infrastructure, Ideas and Business Environment, which are being further developed and tested over the autumn to ensure that the Local Industrial Strategy is reflective of all parts of the region, maximising the potential of key strategic assets and reflecting the diversity of place.
- 2.8 In addition, Government has set out four Grand Challenges – Clean Growth, Artificial Intelligence and Data, Future of Mobility and Ageing Society. Work is also being undertaken to identify local strengths, assets and opportunities, in order to demonstrate how and where Leeds City Region can contribute to one or more of these global challenges, but no decision has been made as yet.

- 2.9 The Local Industrial Strategy is being co-produced with Government. Its ultimate endorsement by Government will mean it is a local expression of Government policy, making it a particularly powerful and influential strategy which will have an impact on future decisions about the region, for instance with regards to funding.

Process

- 2.10 Government guidance is clear on the need for local industrial strategies to be underpinned by robust evidence which draws out relative strengths and weaknesses, with an emphasis on productivity. The draft economic analysis is now complete, which will be further developed to support the policy priorities and narrative over the autumn.
- 2.11 As previously reported, work was commissioned where a gap in the existing knowledge base and a more intensive examination of the issues was required to determine areas of distinctiveness across the LEP area. These commissions are now nearing completion and will be published as part of a suite of evidence on the LEP website during September and October. Headline findings from the commissions are provided at Appendix 2.
- 2.12 Over 700 people have attended and taken part in over 40 consultation and engagement activities to date. These meetings and events presented the headlines from the draft economic analysis and provided forums to discuss the implications for the Local Industrial Strategy and possible areas of focus. Consultees have included: LEP Board Panels, businesses, business representative groups such as the Chambers of Commerce and Federation of Small Businesses, universities, local authorities, District level economic and business partnerships sector groups and community and citizen groups.
- 2.13 In addition, two calls for evidence have been completed through the LEP website. A broad range of stakeholders responded to these and provided information to support and further inform the development. The responses to the initial call for evidence provided information regarding inclusive growth, construction skills, innovation and utilisation of work-place skills. The second, which was more focused around the foundations of productivity provided useful insight which has supported the development of the draft priorities.
- 2.14 In order to understand the priorities and needs of individuals within the region an online YourVoice consultation exercise has been undertaken, which closed on 30 August 2019.
- 2.15 Engagement with young people has also commenced to understand their ambitions for the region. To date 45 young people have taken part in two focus groups. Further workshops are taking place in September.
- 2.16 The initial economic analysis and associated commissions have been brought together with the consultation feedback to inform the draft priorities, which will be consulted on during the second phase over September and October.

- 2.17 To provide external rigour to the Local Industrial Strategy development process an independent panel was established to provide expert challenge and advice, and critical review of the evidence base and subsequent policy priorities. The panel met for the second time on 9 July and provided feedback regarding the findings of the external commissions. A final meeting is planned for October to consider the priorities for the Local Industrial Strategy and associated outcomes, along with the implications for policy development.
- 2.18 The process to develop the Local Industrial Strategy will be iterative and will therefore evolve. Engagement and co-production with Government will be undertaken throughout the development process to ensure that the Local Industrial Strategy is completed and submitted to Government in December 2019. Engagement with government has been ongoing throughout the development process. This includes:
- Monthly attendance at Project Board meetings
 - Workshop with Cities and Local Growth Unit (CLGU) and Business, Energy and Industrial Strategy (BEIS) analysts in March
 - Telekits from key departments on the foundations of productivity
 - Workshop with CLGU, BEIS and Yorkshire LEPs in June
 - Innovation workshop with BEIS, CLGU, Innovate UK, Institute for Manufacturing and northern LEPs in June
 - Infrastructure workshop with CLGU, DfT and Yorkshire LEPs in September.
 - Individual sessions with relevant departments will be arranged in September once draft priorities have been agreed.

Key Milestones

- 2.19 Key milestones for the development of the Local Industrial Strategy throughout 2019 are:
- Initial call for evidence completed May
 - Initial economic evidence report complete June
 - Initial stakeholder engagement completed August
 - Second call for evidence completed July
 - Initial economic evidence report published August
 - Draft policy proposals completed August
 - Consultation and engagement on draft proposals September/October
 - LIS drafted and tested October/November (including at the 15 November 2019 scrutiny committee meeting)
 - LIS finalised and submitted to Government December
 - LIS published March 2020

3. Financial Implications

- 3.1 In addition to core staff resource to support research and intelligence and policy development activity, a budget of approximately £200,000 is available from Combined Authority / LEP internal budgets across the financial years 2018-19 and 2019-20 to support development of the evidence base for the Local Industrial Strategy. In addition, funding identified in the 'Strengthened

Local Enterprise Partnerships' report has been allocated and approved by Government.

4. Legal Implications

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

5. Staffing Implications

5.1 The development of the integrated policy framework and Local Industrial Strategy forms a central component of the Combined Authority and LEP's programme of work to broaden its policy range. This will require capacity and expertise from the Combined Authority, local authorities and other partners. This can largely be provided within existing resources.

6. External Consultees

6.1 A programme of external engagement is being undertaken to inform the development of the Local Industrial Strategy as outlined in paragraphs 2.12 – 2.18.

7. Recommendations

7.1 That the Overview and Scrutiny Committee considers the report and provides any comments or recommendations.

8. Background Documents

None.

9. Appendices

Appendix 1 – Draft Policy Framework

Appendix 2 – Local Industrial Strategy Research Commissions – Headline Findings

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)

EDUCATION & SKILLS

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

HEALTHY & INCLUSIVE WORKFORCE

(Good work, welfare, health & Wellbeing)

LOCAL INDUSTRIAL STRATEGY

DEVELOPING BIG IDEAS TO:

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

COMMUNITIES & INFRASTRUCTURE

TRANSPORT, CONNECTIVITY & MOBILITY

(21st century transport)

STRATEGIC HOUSING & EMPLOYMENT SITES

(Affordable housing, stronger communities)

ENERGY, CLEAN GROWTH & THE ENVIRONMENT

(Green & sustainable city region)

QUALITY OF LIFE

(High quality culture and citizen experience)

PARTNER PLANS & STRATEGIES

INCLUSIVE GROWTH

IMPROVING PRODUCTIVITY

CARBON REDUCTION

PLACE LEADERSHIP

INTEGRATED INVESTMENT

GROWTH & PRODUCTIVITY

GOOD JOBS & EARNINGS

SKILLS UPLIFT

IMPROVING CONNECTIVITY

REDUCING DEPRIVATION

ENVIRONMENTAL SUSTAINABILITY

DIFFERENCE FOR WHOM (COHORTS/SEGMENTATION)

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**LEEDS CITY REGION
LOCAL INDUSTRIAL STRATEGY
EVIDENCE BASE DEVELOPMENT**

Key elements of the evidence base for the Local Industrial Strategy are:

- **Call for Evidence:** ensuring that we have a wide range of material and access to key research and intelligence
- **Economic Assessment:** updating and refreshing core economic indicators aligned to the Industrial Strategy’s Foundations of Productivity
- **External research commissions:** enhancing our understanding where there is currently a gap in the knowledge base with a focus on boosting productivity
- **BEIS analytical support:** enhancing our understanding of inclusive growth
- **Expert Panel:** to provide challenge and scrutiny of the evidence base as it develops.

Emerging findings from the development of the evidence base are set out below.

ECONOMIC ASSESSMENT

A refresh of the Leeds City Region Economic Assessment has been undertaken aligned to the Foundations of Productivity in the Industrial Strategy. Key headlines from the Economic Assessment are as follows:

Foundation	Key Findings
Place	<ul style="list-style-type: none"> • 69.6 billion economy – the biggest contributor to the Northern Powerhouse • 3.1 million people • 1.4 million workforce • 126,000 businesses - 99.6% of which are SMEs • 9 universities, 130,000 students and 40,000 graduates • UK’s largest regional finance centre • More manufacturing jobs than anywhere in the country • At the centre of the UK, within one hour’s drive of 7 million people • 4.4% of the UK’s land area, and 300,000 hectares of national parks.
Ideas	<ul style="list-style-type: none"> • The City Region has an internationally significant concentration of higher education institutions (HEIs). These HEIs help the area perform well on higher education innovation and R&D spend. • However, this does not seem to translate into similar R&D performance among the area’s business base. • Whilst surveys suggest the area’s businesses are engaged in innovation activity, data on investment suggests that this is not at levels seen in other regions.

	<ul style="list-style-type: none"> • This suggests there is potential to increase both the number of businesses innovating, and the level/intensity of innovation within businesses who are innovation active. • Similarly on exports, HMRC data suggests the number of exporting businesses in our area is not particularly low, but the value and volume of exports from our area is below that seen in other areas. • Our relatively low trade with key non-EU markets such as the US and China suggests there may be an opportunity to encourage new and existing exporters into markets further afield, which evidence suggests delivers a greater productivity gain.
Business Environment	<ul style="list-style-type: none"> • On most key indicators around employment, businesses, GVA and productivity, performance in Leeds City Region is below national levels. Whilst the area outperforms some core city LEPs on these measures, it lags behind others. • Both nationally and internationally, regions with similar industrial structures to Leeds City Region tend to have higher levels of productivity. • Whilst there is variation in productivity across the area, productivity is below the national average in all areas of our geography and the gap is not closing. • A range of factors contribute to the challenge on productivity – the area has lower levels of skills, innovation and infrastructure investment than more productive regions. The area also has a higher proportion of businesses who are less productive than similar companies elsewhere. • The area’s scale means that it has critical economic mass, and a highly diverse economy. This can however mask local specialisms. Subsectors of manufacturing, particularly textiles and food and drink, offers local specialism. Areas of professional services have seen strong employment growth in recent years, as have digital and creative sectors.
People	<ul style="list-style-type: none"> • The area faces a deficit of skills – particularly at a higher level, and this is closely associated with its performance on productivity and pay. This deficit is a function of low skills equilibrium – the deficit of skills supply is linked to a deficit of demand. • Nonetheless, higher level occupations are the main source of job growth – raising aspiration and connecting local people to high skilled openings represents a major opportunity. • The area has seen a strong recent improvement in its labour market performance but still has a significant number of people who are excluded from the labour market, with disadvantaged groups most at risk. • Apprenticeships represent a key opportunity to address employers’ specific skills needs but recent reforms have disrupted the supply of opportunities. • The area has a large HE sector but the extent to which it addresses local skills needs is limited, with graduate retention rates low relative to some comparable areas. • Employers continue to under-invest in workforce development and there is a need to improve skills utilisation. Many people are stuck in low-paid work and need support to enable them to progress their career.

Infrastructure	<ul style="list-style-type: none"> • Investment in transport infrastructure and public transport is critical to driving economic growth as transport networks allow people to access jobs, services and opportunities. The region, along with the rest of the north, has experienced historical under investment in the rail network, with particular need to improve east-west connections on the Calder Valley line / Leeds-Bradford-Halifax route, and unsustainable pressure on Leeds Station and the Transpennine line. • Housing is equally important to driving economic growth, and research reveals strong, positive productivity effects from investing in better housing outcomes, e.g. saved travel times and locating workers closer to a range of jobs that better match their skills. • In terms of modal share, the car continues to dominate, bus patronage is declining, rail use is growing (but accounts for 2% modal share of commuters) and rates of active travel are below national average (with the exception of York). • On average 69% of commuters within the districts of Leeds City Region live and work in their home district (including the 3% of commuters who work mainly work from home). However there is considerable spatial variation, ranging from 41% in Selby to 78% in Leeds. • 57% of commuters travel less than 10km to their place of work. • North Yorkshire districts also have higher rates of home working; in 2011, with Craven, Harrogate and Selby each having above average work from home rates.
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RESEARCH COMMISSIONS

The following research commissions have been completed or are in the process of being completed to support development of the Local Industrial Strategy. The research commissions have been undertaken on the basis of the North and West Yorkshire geography.

Productivity Audit	
Aims	<p>To gain a deeper understanding of:</p> <ul style="list-style-type: none"> • Existing key sector strengths and challenges • Emerging sector strengths • Potential opportunities for growth in productivity and good jobs in both emerging and established sectors of the region • Potential opportunities and challenges in both emerging and established sectors.
Key Findings	<ul style="list-style-type: none"> • At the broad industrial grouping, the economy is specialised in warehousing and logistics, transport, wholesale, manufacturing in both the number of businesses and employees. • The economy is in transition as it moves from an economy that relied on large-scale heavy industry, manufacturing, textiles and agriculture to a more diverse market. Despite this, manufacturing remains important for the area, more so than in other UK regions.

	<ul style="list-style-type: none"> • The most significant export location is the US - despite this, the level of trade with the US is lower than some comparator areas. The Netherlands is the most significant import location. The value of imports coming into the region is more than twice the value of exports and for both imports and exports the share of trade with the EU is above the English average. Given this, encouraging new and existing exporters into markets outside the EU, which evidence suggests delivers a greater productivity gain, is an opportunity for Leeds City Region post-Brexit. • As well as lower levels of productivity than average, business start-ups and growth are also lower than in comparator areas. • There is interdependence between sectors which broadly matches the comparator economies of Greater Manchester and England. This belies the notion that the North and West Yorkshire are laggards in recognising the potential of transformative techniques and cross-sector opportunities. • Several categories hint at greater degrees of digital integration and business connectivity in the West and North Yorkshire than in either Manchester or England. • There is compelling evidence to indicate that there is a greater disparity in productivity performance both within and between sectors. • There is compelling evidence to indicate that businesses in the region are older (based on year of incorporation), and that there are more family-run undertakings. There was no evidence to suggest that family owned firms are less productive, and in-fact find evidence to suggest that family run firms display greater signs of high productivity related behaviour than companies under other types of ownership.
<p>Policy Implications</p>	<ul style="list-style-type: none"> • Policies should be designed to reward current success and augment existing productivity building behaviour. This means designing interventions that target well performing companies in strategically important knowledge intensive activities. In such circumstances it is more important to focus on the technologies and types of intervention rather than pure sector definitions. • Because the area lacks the presence of leading Tier 1 manufacturers, the normal role and of larger groups in spreading innovation and good practise through their supply chain needs to be replicated. In this area the role of HEIs and other institutions could be crucial. • The diversity of facilities and education assets in the region presents an opportunity for cross-sector manufacturers to operate in niche areas at Tiers 2 & 3 in the supply chain. A number of regional facilities further bolster this cross-sector focus such as the Centre for Precision Engineering and the 3M Buckley Innovation Centre which can contribute to innovation and collaboration in energy transport, health, medicine manufacturing etc. BioVale in York has begun to accelerate the growth of a bio-based cluster which will also serve multiple industries. • Interventions should be designed to appeal to smaller family-based undertakings. This means making it as easy as possible for smaller

	<p>companies to benefit from support and upskilling Interventions should not dilute share capital, control or autonomy. This is because smaller, family controlled firms are often resistant to any interventions that threaten to erode financial independence.</p> <ul style="list-style-type: none"> • The top down analysis also suggest that the areas is unusually exposed to potential dis-location caused by a Hard Brexit. Of particular note is the fact that local manufacturers source large amount of imports and intermediate product from the EU (especially Holland and Belgium). Awareness raising is needed amongst smaller businesses to better inform them about the challenges that may lie ahead and the mitigations that may be needed. • Finally, understanding of trading addresses suggests a degree of specialisation that may favour locations where certain activities are focused. To ensure social inclusivity, the design of interventions should recognise the spatial filters through which a sector based policy may operate.
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Innovation Study	
Aims	<ul style="list-style-type: none"> • In-depth analysis to understand the region’s innovation culture • Understanding of how the business culture contributes to innovation performance and the role it plays in the participation in and diffusion of innovation through the region
Key Findings	<ul style="list-style-type: none"> • Business research and development (R&D) is very low despite slightly higher than average HEI spending on R&D • Low take-up of innovate UK opportunities (and other innovation support) by businesses; and, • Low interaction between HE institutions and businesses. <p>Stakeholders highlighted the following inefficiencies in the ecosystem:</p> <ul style="list-style-type: none"> • Composition of the business base i.e. predominance of SMEs and few large, Tier One businesses • A mismatch between the region’s main areas of research expertise and the local business base • Low levels of exporting • Low levels of collaboration with academia and inefficiencies in the collaboration process • Insufficient support for business to business collaboration • A need to better integrate innovation into business support services; • Lack of a major physical hub for innovation activity • Lack of a clear innovation offer to businesses which presents innovation in a way which is understandable and accessible • Lack of talent to drive innovation; and • Inadequate transport and digital infrastructure.
Policy Implications	<ul style="list-style-type: none"> • Targeted business support to raise innovation capacity: particularly developing leadership and management skills <p>Financial supports:</p> <ul style="list-style-type: none"> • fast-track assistance for businesses requiring quick turnaround;

	<ul style="list-style-type: none"> • exploring innovation grants (project viability, strategic thinking around disruptive technologies, engagement with partners outside of their own organisations for inspiration and for guidance, prototype development etc.) • Innovation vouchers to enable quick responses to technical challenges • A clear HEI offer: a clear, branded and consistent offer to businesses to access industry-focused research support and near to market solutions e.g. Technology/Innovation Gateway model • Collaboration and Networking: The region needs a process to encourage a more dynamic exchange of ideas, broker business to business solutions, and forums to extend and deepen multi-partner relationships • Identifying key opportunities to engage businesses in innovation in a meaningful way: e.g. exporting, the circular economy, digital adoption, design • A place-based approach to innovation: focused around the region's research and knowledge assets, a clear brand and investment in physical infrastructure - Innovation Gateway centres.
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Digital Health Sector Report	
Aims	<ul style="list-style-type: none"> • To understand health-tech, especially digital health in the region • Understand, beyond the top line facts and figures, genuine areas of distinctive strengths and opportunities • Focus on the unique strengths and assets of distinct places and connections between the eco-system.
Key Findings	<ul style="list-style-type: none"> • There are 590 health-tech businesses in the Yorkshire and Humber region, spanning biopharma, general health-tech, med-tech and digital health categories. Leeds City Region is a key location for health-tech eco-system businesses, and particularly for larger firms. • Med-tech firms in the region have enjoyed revenue growth of c.20% in the past three • In total, the region is home to more than 124 health sector assets, including: 27 NHS organisations; c.31 health-oriented research assets; 20 clinical commissioning groups; and 11 higher education institutions. • There is significant opportunity to leverage synergies between the health-tech eco-system and other high priority industrial sectors for further social and economic benefit.
Policy Implications	<ul style="list-style-type: none"> • To maximise the strength of the combined business and asset base for economic growth in the region, it is important that the region's health-tech eco-system benefits from strong leadership and a clear identity. • The region is particularly well placed to advocate for policy directives that will advance med-tech and digital health industries in the UK and internationally. • Consider opportunities to stimulate and / or encourage open and local procurement by taking a co-ordinated approach to market engagement events and prior information notices. • There may be scope to create a digital health innovation challenge fund, which could be targeted at development and / or expansion of less prominent solution categories e.g. system manager solutions (e.g.

	<p>Smartgate) and client / patient facing solutions (hampered by data access challenges).</p> <ul style="list-style-type: none"> Options for high quality CPD exist across the region, and findings from the business survey suggest scope to better promote the availability of med-tech and digital health oriented professional development.
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Further work is being carried out with a report on Clean Growth due for completion in September.

Clean Growth Audit	<ul style="list-style-type: none"> To understand the barriers, key issues and opportunities for Clean Growth development in the region To locate, quantify and gather evidence on energy and carbon intensive industries To map businesses working in the low carbon and sustainability services To develop a delivery and action plan to advance the development of clean growth in the energy and carbon intensive industries.
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BEIS ANALYTICAL SUPPORT – INCLUSIVE GROWTH

Key Aims	<ul style="list-style-type: none"> Consideration of the range of issues and priorities relating to inclusive growth Interviews / focus groups to understand the range of perspectives and formulate an appropriate indicator set to baseline and measure inclusive growth; Recommendations for a set of appropriate indicators to measure the current position on inclusive growth across the two LEP areas; Collect data and undertake an analysis to understand how different areas (counties/districts) within this geography currently perform against these indicators.
Policy Implications	<ul style="list-style-type: none"> A range of indicators have been developed which will be reviewed once emerging policy priorities for the Local Industrial Strategy have been agreed.

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Report to:	Overview and Scrutiny Committee
Date:	13 September 2019
Subject:	Cover report: Major strategic developments and preparations

Director:	Angela Taylor, Corporate Services
Author(s):	Khaled Berroum, Scrutiny Officer

1. Purpose of this cover report

- 1.1 To introduce and provide background to the appended reports (Items 8 a – d) covering the topic of ‘major strategic developments and preparations’ including:
- a) Devolution
 - b) LEP review and merger
 - c) Budget, future funding and business planning 2020/21
 - d) Brexit preparations

2. Information

- 2.1 This item acts as a session to update scrutiny on the latest developments, progress and challenges relating to major interlinked strategic issues:

a) Securing meaningful devolution

Scrutiny was last updated briefly in March 2019 after the government rejected the One Yorkshire proposal. Following the appointment of a new prime minister and government in July, discussions around interim deals have reportedly restarted. This will assist in securing vital money, powers and autonomy currently reserved for mayoral combined authorities.

b) Implementing the LEP review and creating a new LEP covering West and North Yorkshire

Scrutiny was last updated in January 2019. Initially, scrutiny was informed that both LEPs hoped to come to an agreement by Spring 2019, but discussions are still continuing. The resolution of geographical overlaps is not the only condition of the LEP review and

this item will also update scrutiny on work being undertaken to ensure the organisation is compliant with the other aspects of the LEP review.

c) Budget, funding and business planning for 2020/21:

Scrutiny will consider:

- provisional ideas and priorities in development for the 2020/21 budget (to be approved by February 2020).
- what preparations are in place regarding financial planning including the gateway review, medium term financial strategy, capital strategy, interim-funding plans and emerging thinking about future revenue funding (eg enterprise zones).

d) Preparations relating to the exit from the European Union (currently expected on 31 October 2019):

The situation regarding the terms of the country's exit from the European Union remain unclear. Scrutiny will consider how the Combined Authority is planning for all eventualities both in organisational terms and with respect to its economic support functions and business facing services under the LEP brand.

Report to: Overview & Scrutiny Committee

Date: 13 September 2019

Subject: **Devolution**

Director: Ben Still, Managing Director

Author(s): James Flanagan, Lead Policy Manager

1. Purpose of this report

- 1.1 To provide an update on progress towards securing devolution to Leeds City Region since the Committee was last briefed in March.

2. Information

Background

- 2.1 In March, the Committee noted that the One Yorkshire devolution proposals submitted last year by 18 Yorkshire Council Leaders and the Sheffield City Region Mayor had been rejected by the government.
- 2.2 Members expressed their frustration and disappointment with the reported developments and expressed concern that the continuing absence of a deal will mean that the region will continue to miss out on needed funding and fall further behind other regions with devolution in place.
- 2.3 In the Chair's Foreword to the 2019/20 Corporate Plan, Cllr Susan Hinchcliffe states that: "We remain steadfast in our belief that only further devolution will give us the powers and money we need to make the right, long-term decisions that will tackle inequalities within our economy. We will continue to be pragmatic and flexible with Government, and be prepared to work with colleagues across Yorkshire to advance a deal that will bring more investment into our interests of the people and communities we serve".

Recent developments

- 2.4 On 12 February 2019, the then Secretary of State, the Rt Hon James Brokenshire MP, wrote to One Yorkshire Leaders and Mayors in response to the One Yorkshire proposals. The Secretary of State offered to "begin

discussions about a different, localist approach to devolution in Yorkshire” whilst also stating the completion of the Sheffield City Region deal “is essential for talks to progress”. Following the letter from the Secretary of State, Hambleton District Council withdrew its support for pursuing a One Yorkshire deal.

- 2.5 The remaining 18 One Yorkshire Leaders and Mayors were subsequently invited to a meeting with the Secretary of State in Ripon on 1 March 2019 in order to discuss the following agenda items: devolution criteria, why One Yorkshire still has local support; interim arrangements; and next steps.
- 2.6 As a result of that discussion, One Yorkshire Leaders and Mayors issued a statement on 1 March 2019 which highlighted that they remained committed to the One Yorkshire approach to devolution. In recognition of the further work that is required to make progress, and the time that this would require, this should include discussions on interim funding arrangements. There was therefore agreement with the Secretary of State that Chief Executives from One Yorkshire authorities would begin work immediately with senior officials from the Ministry of Housing Communities and Local Government and HM Treasury on these interim arrangements and the points raised in the One Yorkshire submission; and an agreement to meet with the Secretary of State again later in the year.
- 2.7 On Friday 8 March 2019, the One Yorkshire Conference was held in Leeds bringing together leading national and regional figures including key note speeches by Cllr Judith Blake and the Northern Powerhouse Minister, Jake Berry MP, which both explored Yorkshire’s place in a post-Brexit economy and how devolution to the region can ensure it plays its full part in driving future prosperity for the North and the UK.
- 2.8 On 7 May 2019, the then Secretary of State responded to a 25 March 2019 letter from the Sheffield City Region (SCR) Mayor Dan Jarvis and the four South Yorkshire council Leaders and Mayor about how the SCR deal might be unlocked. In the reply, the Secretary of State proposed that he is “...prepared to implement the (SCR) deal with an understanding that after 2022, those Councils that do not see their future in the City Region should be free to join an alternative wider Yorkshire devolution group...”
- 2.9 At Prime Minister’s questions on 26 June 2019, in response to a question from Julian Sturdy MP, the then Prime Minister, Theresa May stated: “I absolutely recognise, as we do across the Government, Yorkshire’s enthusiasm for and dedication to devolution and the potential seen there for harnessing local people’s sense of identity with Yorkshire. We share the ambition of doing what is best for Yorkshire, its people and its businesses. My right Hon. Friend the Communities Secretary has now met with Yorkshire leaders. Discussions are continuing about a different localist approach to devolution, and officials are having initial meetings with councils, including York, and will be interested in hearing their ambitions for devolution”.

- 2.10 Following constructive talks including between West Yorkshire council Leaders and the then Exchequer Secretary to the Treasury, Robert Jenrick MP, on 17 July, One Yorkshire Leaders wrote to the new Prime Minister, Boris Johnson, on 24 July 2019, outlining new devolution proposals (see attached at **Appendix 1**). On 29 July 2019, this letter was published. The proposals contained in the letter include a series of interim devolution deals to be agreed across Yorkshire to run in parallel with the existing SCR agreement. Negotiations would then continue with Government to have a One Yorkshire devolution agreement completed by 2022, the end of the current SCR Mayor's term. At this point, any SCR authorities wishing to be part of the wider Yorkshire deal would be allowed to do so. The proposals outline how a One Yorkshire devolution deal could deliver economic benefits worth £30bn a year.
- 2.11 The letter from One Yorkshire Leaders to the Prime Minister highlights that in response to the decision by the Government to turn down previous proposals from 2018, the approach of One Yorkshire leaders has been revised accordingly, so that whilst keeping true to the ambition for a Yorkshire deal, it would secure interim arrangements to allow the benefits of devolution to be felt more immediately. The letter further states that proposals also outline how devolution in Yorkshire is critical to delivering shared objectives, which cross political divides and are about growth in a post-Brexit world. It aligns to the Government's priorities of more investment in much needed transport and full-fibre digital infrastructure; increased inward investment and help for our companies to export; the delivery of more houses to meet the national shortage; speed up the progress we are making in sustainable energy generation and carbon capture; better address the skills shortages in our workforce; and help tackle deprivation within communities.
- 2.12 There has been no response to the letter to date. However in one of his first actions as Prime Minister, Boris Johnson delivered a speech in Manchester on 27 July 2019 which included the following statements in support of further devolution:

“Places need power and a sense of responsibility, accountability. Taking back control doesn't just apply to Westminster regaining sovereignty from the EU. It means our cities and counties and towns becoming more self-governing. It means people taking more responsibility for their own communities. London and Manchester have boomed partly because they have had Mayors – some better than others, I would say, but all with the power to speak for their cities, to bang heads together, to get things done. These are the lessons from London and Manchester. Liveability. Connectivity. Culture. And power.”

and

“So we are going to give greater powers to council leaders and to communities. We are going to level up the powers offered to mayors so that more people can benefit from the kind of local government structures seen in London and here in Manchester. We are going to give more communities a greater say over changes to transport, housing, public services and infrastructure that will benefit their areas and drive local growth.”

3. Financial Implications

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

4. Legal Implications

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

5. Staffing Implications

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

6. External Consultees

6.1 No external consultations have been undertaken.

7. Recommendations

7.1 That the Overview and Scrutiny Committee considers the report and provides any comments or recommendations.

8. Background Documents

None.

9. Appendices

9.1 Appendix 1 - Letter from One Yorkshire Leaders and Mayors to Prime Minister

Rt Hon Boris Johnson
10 Downing Street
London
SW1A 2AA

24 July 2019

Dear Prime Minister

Securing Devolution Across Yorkshire

Many congratulations on your recent election, and we look forward to working with you and your Government to take forward our shared ambitions.

In recent months we have had very constructive talks with Ministers and their officials to secure meaningful devolution in Yorkshire. We hope that your arrival can allow devolution across Yorkshire to become a reality and complete the missing part of the jigsaw in the devolution map in England. The proposal, which provides the opportunity to add £30bn a year to the economy, demonstrates the commitment and cross party support to deliver transformational benefits across the region.

Devolution in Yorkshire is critical to deliver our shared objectives, which cross political divides and are about growth in a post-Brexit world. It aligns to your stated priorities of more investment in desperately needed transport and full fibre digital infrastructure, increase inward investment and help our companies export, deliver more houses to meet the acute shortage across the county, quicken the progress we are making in sustainable energy generation and carbon capture, better address the skills shortages in our workforce, and critically, help tackle deprivation, both urban and rural, wherever it exists in our communities.

Our previous proposal to Government in 2018 was turned down. We have listened to the reasons given for this Government decision, and have revised our approach so that it keeps true to our ambition for a Yorkshire deal, while securing interim arrangements to allow the benefits of devolution for our communities in cities, towns and rural areas to be felt more immediately.

Our proposal is twofold.

- For you to agree to joint work between your Government and ourselves that aims to have a Yorkshire deal in place in 2022. We are asking you to share a joint aim to achieve it, pursue meaningful negotiation and undertake the work necessary to make that a reality. Your agreement to this would, in a stroke, unblock the impasse that has existed between many of our authorities and your predecessor Governments and add up to £30 billion to the regional economy.
- For you to commit to the necessary interim arrangements within each sub region to allow meaningful devolution within Yorkshire between now and

2022. This would allow the Northern Powerhouse to fully realise its potential in the short term and for you therefore to have devolution deals in place across the major metropolitan areas of the north and the vital port and energy infrastructure in the east of the County, ensuring we are well placed to take advantage of the post-Brexit opportunity and ensure that no part of Yorkshire is left behind.

Your commitment would allow:

- The South Yorkshire Deal powers and funding unlocked, in place and used, in interim until the end of the current mayoral term in 2022, when those authorities who wish to do so would become part of the wider Yorkshire deal.
- An interim deal to be done in Leeds City Region (based on a model involving full and associate member councils) commensurate with those in other large metropolitan areas.
- Interim deals to be done across each sub region to maximise the post Brexit opportunity and the impact of the Local Industrial Strategies

We have already worked through much of the detail of these propositions with your officials in the Treasury and in the Ministry of Housing, Communities and Local Growth. We welcome further dialogue with them, and your championing of this devolution proposal is critical to make these plans a reality and make its delivery a priority in those Departments.

We hope that you will consider our proposal favourably, and we would of course welcome the opportunity to discuss these matters with you. It would send the clearest signal of intent to the people of Yorkshire to receive confirmation of your support for our proposal on or before Yorkshire day on 1 August. Together we can unlock the potential for Yorkshire!

Yours sincerely,



Cllr Sir Stephen Houghton
Leader, Barnsley
Metropolitan Borough
Council



Cllr Susan Hinchcliffe
Leader, City of Bradford
Metropolitan District
Council



Cllr Tim Swift MBE
Leader, Calderdale
Council

Cllr Richard Foster
Leader, Craven District
Council

Mayor Ros Jones CBE
Doncaster Council

Cllr Richard Burton
Leader, East Riding of
Yorkshire Council

Cllr Richard Cooper
Leader, Harrogate
Borough Council

Cllr Stephen Brady OBE
Leader, Hull City Council

Cllr Shabir Pandor
Leader, Kirklees Council

Cllr Judith Blake CBE
Leader, Leeds City
Council

Cllr Carl Les
Leader, North Yorkshire
County Council

Cllr Angie Dale
Leader, Richmondshire
District Council

Cllr Keane Duncan
Leader, Ryedale
District Council

Cllr Steve Siddons
Leader, Scarborough
Borough Council

Cllr Mark Crane
Leader, Selby District
Council

Mayor Dan Jarvis MP
Sheffield City Region

Cllr Peter Box CBE
Leader, Wakefield
Council

Cllr Keith Aspden
Leader, City of York
Council

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Report to: Overview and Scrutiny Committee

Date: 13 September 2019

Subject: **LEP Review & Merger**

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

Author(s): Katie McLean, Policy & Strategy Project Manager

1. Purpose of this report

- 1.1 To update 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.
- 1.2 To share with the Committee what preparations are in place to ensure compliance with all non-geography related regulations.

2. Information

Transition to a new LEP covering West and North Yorkshire

- 2.1 At its 18 January meeting, the Overview and Scrutiny Committee was informed of the steps being taken to meet the requirements of the Government's review of LEPs ("*Strengthened Local Enterprise Partnerships*"), which requires all LEPs to remove overlaps by March 2020 and strengthen private sector leadership and diversity of LEP Boards.
- 2.2 The Committee noted that following Ministerial discussions with LEP Chairs in late 2018, the settled policy position of both the Leeds City Region and York, North Yorkshire and East Riding (YNYER) LEPs is to create a new LEP covering all of West Yorkshire, North Yorkshire and York by March 2020. The proposed geography of a West and North Yorkshire LEP is as follows:



2.3 The Committee was advised that a Transition Subgroup had been created, comprising members of both LEPs, to oversee the transition by working collaboratively. The Subgroup’s work has been regularly fed back to both LEP Boards. In-principle agreement has been reached on many matters, with outstanding issues subject to further discussion.

Strengthening private sector leadership and diversity of LEP Board

2.4 Without prejudicing the outcome of those discussions, both LEP Boards are acting to ensure LEP governance complies with Government’s requirements, whether or not the merger goes ahead. For instance, by spring 2020, at least two-thirds of members should come from the private sector, at least a third of members should be women, and the Board should otherwise reflect the diversity of the City Region.

2.5 On 6 June 2019 the LEP Board agreed to:

- Procure search and selection recruitment services to help recruit representatives of the private sector that reflect the diversity of the City Region and allow the City Region’s LEP to meet gender balance requirements;
- Procure external expertise to inform a remuneration policy for the Chair and any other appropriate positions.

2.6 Work is underway to progress those activities, and it is anticipated that the work would be completed in the autumn. This will allow changes to be made in the new year, ahead of the Government’s March 2020 deadline.

- 2.7 Meanwhile, the Transition Subgroup discussed in February 2019 how Government's position on the size and composition of LEP Boards (maximum 20 members, with two-thirds private sector) results in challenges, given the size and diversity of local authorities across West Yorkshire, North Yorkshire and York. As a result the Subgroup agreed, on behalf of both LEPs, to submit a proposal for Board of the new LEP to comprise 27 permanent members, satisfying the equalities and diversity criteria and comprising two-thirds private sector representatives. It also emphasised that the new LEP should effectively receive two-times capacity funding, so there is no disbenefit from the two LEPs coming together. A copy of this letter is attached as **Appendix 1**.
- 2.8 The LEPs have now received Government's answer, after formal consideration by the Minister and Permanent Secretary in accordance with the process for exemption requests from the National/Local Growth Assurance Framework. Government has said that a new Board can be established by April 2020 with a maximum of 27 members, providing the Chair two years (to April 2022) to put in place a Board of no more than 20 members.
- 2.9 With regards to funding, the existing LEPs will be funded separately for 2019/20, including the additional funding that all LEPs receive to support the development of Local Industrial Strategies. No assurances have been given for funding beyond 2019-20.
- 2.10 The next meeting of the Transition Subgroup is expected to be held in October to reflect on progress and next steps.

3. Financial Implications

- 3.1 By meeting the requirements of the LEP Review, the Leeds City Region LEP is able to unlock £200,000 of capacity funding for 2019/20 to support any associated activity and strengthen the evidence base for a future local industrial strategy.
- 3.2 In future years, there is no guarantee that the new proposed LEP covering West Yorkshire, North Yorkshire and York will receive the same capacity funding as two separate LEPs.

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 Subgroup, 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 considers the report and provides any comments or recommendations.

8. Background Documents

The following background reports are referenced in this report:

- 18 January Overview and Scrutiny Committee – LEP Review
- 6 June 2019 LEP Board - Strengthened Local Enterprise Partnerships

9. Appendices

Appendix 1 - Letter to officials on LEP Board composition and funding



Andrew Battarbee
Area Director, Yorkshire and Humber
Cities and Local Growth Unit
By email

26 February 2019

Dear Andrew

As you are aware, the Leeds City Region and York, North Yorkshire and East Riding LEPs have each responded positively to meeting the requirements of Government's review of LEPs by agreeing to work together to establish a new LEP covering all of West and North Yorkshire.

Both LEPs are working together closely through a joint Transition Subgroup drawn from the respective LEP Boards to put in place arrangements for the new LEP. Launching formally in April 2020, the new LEP will set a bold Local Industrial Strategy that boosts productivity and inclusive growth across its diverse economies and places.

To continue the progress made so far, we wish to notify you of positions agreed by the Transition Subgroup. While these matters require some flexibility on the Government's part, the Transition Subgroup is clear they represent the best basis for a successful LEP, suited to the unique position of the new LEP - covering 8% of England and with different political governance structures, including partial coverage by a Combined Authority.

- a) In order to ensure strong private sector leadership, whilst simultaneously providing for public sector representation which reflects the interests of the whole geography, the new LEP Board will have a membership of 27¹. This will meet the requirements for two thirds private sector and one third public sector, and 50:50 gender balance. It will ensure that (i) all places have direct local political representation (ii) the diverse nature of local government is represented, including two non-metropolitan district authorities.
- b) The new LEP will have a single accountable body for all new activity from April 2020. In line with the National Assurance Framework², for pre-existing programmes the current accountable bodies will continue in those roles throughout the duration of the funding period and realisation of associated outputs.

¹ 18 private sector members (including Chair and Vice-Chair), and representatives of six unitary authorities, North Yorkshire County Council and two non-metropolitan district authorities. This conforms with the required two-thirds to one-third private / public sector ratio.

² p.35 confirms "pre-existing programmes such as Enterprise Zones can continue with multiple Accountable Bodies for the duration of their funding period"

- c) As discussed with the area lead, the draft Local Industrial Strategy will be submitted to Government for comments in December 2019, slightly later than what we understand to be Government's desired date.
- d) The LEPs will produce an implementation plan based on the position reached by both LEP Boards.

We have previously raised the issue of future resourcing, where you helpfully outlined that Government's objective is to reward rather than penalise LEPs who seek to merge. The Transition Subgroup and both LEP Boards are now at a stage where they require clear commitments that:

- While it may not be possible to set out future core funding models at this stage, it is vital that current LEPs have assurance that the new LEP will continue to receive at least the aggregate amount of core funding currently received by both LEPs – thereby being no worse-off than if they hadn't come together.
- Similarly, there are significant transitional costs associated with the successful creation of a new LEP, initiated by Government's review of LEPs. Therefore, the LEPs require assurance that, subject to agreement, they can access necessary transitional funding from Government to meet the costs resulting from delivering a new LEP - covering, for example, rebranding and legal transitional processes.
- The £200,000 per LEP for implementation of the LEP review (18/19) can be used throughout the implementation process to 2020. We understand this is in-line with the requirements in the capacity pro-forma that LEPs set out the key elements of their additional budgetary requirements by March 2019.

We thank you for your continued cooperation and assistance as we work intensively and proactively to deliver a new LEP that will drive productivity and bring significant benefits to diverse businesses and communities we serve. If you have any questions regarding these points reached by the Transition Subgroup thus far, we'd be happy to discuss further with you or broker a direct discussion with the Subgroup, which next meets on 5 March. Thereafter, we expect that the two LEP Boards will endorse the progress made in late March, with final decisions about the merger to follow later in the Spring.

Yours sincerely,



Ben Still
Managing Director
Leeds City Region Enterprise
Partnership



James Farrar
Chief Operating Officer
York, North Yorkshire and East Riding
Local Enterprise Partnership

Report to: Overview and Scrutiny Committee

Date: 13 September 2019

Subject: **Budget, Funding and Business planning 2020/21**

Director: Angela Taylor, Corporate Services

Author(s): Angela Taylor, Jon Sheard, Louise Porter

1. Purpose of this report

- 1.1 To update the Committee on the budget, funding and business planning for 2020/21, particularly with regard to the ideas and priorities in development for the 2020/21 budget and the financial planning work that will influence the medium term financial strategy, to include the gateway review, capital strategy, interim funding plans and emerging thinking about future revenue funding (eg enterprise zones).

2. Information

Budget and business planning process

- 2.1 The budget and business planning process for the 2020-21 financial year has now commenced with each Directorate currently in the early stages of compiling their key business priorities and outline budget requirements. This initial development work is being undertaken within the context of continued financial constraints, with the overall aim of achieving a balanced revenue budget from 2020/21 onwards and completing the capital programme with prescribed timescales and funding approvals.

- 1.1. As the Overview and Scrutiny Committee will be aware, the current 2019-20 Corporate Plan for the Combined Authority is built around four overarching strategic priorities of:
- Boosting productivity;
 - Delivering 21st Century transport;
 - Enabling inclusive growth; and
 - Supporting clean growth.

- 1.2. These four priorities will continue to form the basis of next year’s business plans and each Directorate has been tasked with clearly demonstrating how their own detailed business activities in 2020-21 will support these strategic aims.
- 1.3. In addition there are also a number of wider themes which are likely to have cross cutting implications on the content of business plans and budgets in 2020-21. These include both internal facing issues and external influences such as:
- Implications of Brexit;
 - Transforming Cities Fund;
 - ‘Strengthening LEPs’ agenda (LEP review & merger);
 - Local Industrial Strategy;
 - Public Transport Transformation programme & potential bus operator sales; and
 - High Speed Rail.
- 1.4. In terms of the timetable for the 2020-21 business and budget planning process, the proposed stages of activity leading up to the commencement of the next financial year are highlighted in the table below:

Date	Activity
Sep-Oct 2019	<ul style="list-style-type: none"> • Detailed directorate planning • Initial internal review and challenge
Nov 2019	<ul style="list-style-type: none"> • Detailed review and challenge • Public engagement
Dec 2019	<ul style="list-style-type: none"> • Draft budget/business plans to Combined Authority • Public engagement
Jan 2020	<ul style="list-style-type: none"> • Refining proposals to take account of feedback
Feb 2020	<ul style="list-style-type: none"> • Draft final budget and business plans to Combined Authority
Mar 2020	<ul style="list-style-type: none"> • Corporate Plan and LEP Delivery Plan development

- 1.5. With regard to the format of business plans, each Directorate is developing a detailed business plan document to include:
- Team by team business priorities;
 - Details of how directorate priorities link back to the four corporate priorities;
 - Summary of how staff resources will be mapped against priority areas of work; and
 - The performance measures which will be used to monitor success against achieving priorities.

- 1.6. One of the key learning points from the 2019-20 business planning process related to the challenges in quickly identifying key themes and cross cutting messages, within the detailed business plans. In order to address this issue, this year each Directorate will also be required to develop a 'business plan on a page'. The purpose of this will be to succinctly communicate the key business plan headlines for each area in an accessible user friendly format.

Revenue budget planning

- 1.7. The Combined Authority approved the 2019/20 budget at its meeting in February 2019. The revenue budget was set in the context of the previously agreed three year financial strategy that included a commitment to reduce the transport levy by £1 million in each of the three years and to reduce the use of reserves to provide a balanced position by 2020/21 and subsequent years. The challenges of achieving this were set out in the report and a number of supporting actions were agreed.
- 1.8. The need to achieve and demonstrate efficiency and effectiveness and demonstrate value for money from the organisation's activities is core to the approach being taken. A number of savings and reductions were built into the agreed 2019/20 budget and the budget setting process for 2020/21 will again seek to demonstrate how expenditure delivers against the objectives and priorities of the Combined Authority and its partners. This information will be provided to members and partners for their scrutiny and input at different stages of the process, in line with the approach taken last year. It is proposed that the budget working group will continue to meet to consider these matters in more detail with regular reports being provided to the Combined Authority.
- 1.9. The final budget for 2020/21 will need to be approved at the Combined Authority meeting of 6 February 2020 to enable the transport levy to be set in accordance with legislative requirements. It is intended to undertake public engagement and consultation specifically as part of its budget setting process.
- 1.10. The agreed three year strategy to 2020/21 is intended to take the Combined Authority to a point where further use of reserves to balance the budget is not required, recognising that some significant savings and reductions built into the budget must be achieved to deliver this.
- 1.11. At the time of approving the budget in February the gap to close in 2020/21 was £2.952 million. Draft projections to 2021/22 increase this gap to £4.2 million, with this further increasing to £8.1 million in 2022/23. **Table 1** overleaf summarises the position. One of the significant factors affecting this position is the 'cliff edge' funding ie the loss of short term funding streams predominantly to deliver skills and business initiatives that end over the coming years. The budget is presented on a prudent basis; as this funding ends the interventions it funds also come to an end, which would mean the loss of some critical work programmes. Adding these costs back in, to ensure this work continues, takes the budget gap to the totals shown in the table.

Table 1
West Yorkshire Combined Authority -Draft Medium Term Financial Strategy

	2019/20	2020/21	2021/22	2022/23
Expenditure	Total £m	Total £m	Total £m	Total £m
Salary & Pay Related Costs	23.575	24.194	24.698	25.192
Indirect Employee Related Costs	0.389	0.378	0.368	0.368
Premises Related Costs	6.238	5.982	5.950	5.950
Travel, Transport & Subsistence Related Costs	0.112	0.094	0.089	0.089
Member Related Costs	0.221	0.221	0.221	0.221
Office Supplies & Services	0.511	0.542	0.512	0.512
ICT & Telephony Costs	2.614	2.458	2.350	2.350
Professional & Consultancy Fees	2.814	1.951	1.832	1.832
Marketing & PR Costs	2.078	1.136	1.140	1.140
Insurance	0.305	0.305	0.305	0.305
Operator Payments (Transport)	25.601	24.655	24.656	24.656
Concessions	56.447	55.778	55.778	55.778
Additional Pension Costs	2.302	2.282	2.266	2.266
Financing Charges	5.465	5.570	5.570	5.570
Grants	2.654	1.863	1.677	1.677
Third Party Delivery / Miscellaneous Costs	4.164	3.382	2.074	2.074
Contribution to External / Related Parties	0.325	0.324	0.333	0.333
Staff Vacancy Savings Target	(1.047)	(1.050)	(1.048)	(1.069)
Total gross revenue expenditure	134.766	130.063	128.770	129.243
Direct cost contribution				
Govt grants and awards	(10.696)	(7.782)	(6.462)	(6.462)
Bus services operator grant	(2.064)	(2.064)	(2.064)	(2.064)
Education Contribution to Transport	(6.768)	(6.768)	(6.768)	(6.768)
Bus Station - Tenant Income	(1.583)	(1.575)	(1.575)	(1.575)
Bus Station / Services Income (PPT, Depart Chgs)	(2.849)	(2.882)	(2.905)	(2.905)
Admin Recovery (Staff Secondments)	(2.406)	(2.384)	(2.391)	(2.391)
Capital recovery	(7.795)	(8.037)	(8.178)	(8.342)
Other third party income	(1.839)	(1.673)	(1.704)	(1.704)
Net revenue requirement	98.767	96.900	96.724	97.033
Funding available				
Rail Income	(0.878)	(0.439)		
LEP General Funding Income	(1.234)	(1.234)	(1.234)	(1.234)
Growing Places Fund Interest	(0.300)	(0.200)	(0.200)	(0.200)
Enterprise Zone Receipts	(1.958)	(2.126)	(2.162)	(2.162)
Transport Levy	(93.198)	(92.198)	(92.198)	(92.198)
Net Expenditure Total/budget shortfall	1.199	0.703	0.930	1.239
Further 'cliff edge' funding gap	0.626	2.249	3.230	6.830
Revised budget shortfall	1.825	2.952	4.159	8.069

- 1.12. The next phases of work, to be overseen by the budget working group, will consider the actions already taken, the assumptions underpinning the budget/MTFS and the options available to increase income, reduce expenditure and seek to balance the budget. The following paragraphs set out the key challenges, issues and changes that need to be considered in setting the 2020/21 budget and establishing a viable MTFS beyond that date. The actions required and impact on the business plan and financial strategy of the climate change emergency declaration will also need to be considered. The Committee is asked to put forward any other further matters to be considered.
- 1.13. **Bus strategy** – the Transport Committee has 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. The 20% savings target set for all bus service procurement over the period 2018/19 to 2020/21 has been achieved to date but there are further challenges to deliver the full savings by 2020/21.
- 1.14. The recent announcements by First Group and Deutsche Bahn that are likely to result in the sale of their UK bus companies are likely to have some significant impacts on the local bus market and service provision and will be closely monitored.
- 1.15. **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 2019/20 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. The assumption in the 2019/20 budget is £46 million with a small reduction forecast for 2020/21 and beyond. In the absence of any further agreements payments will be made based on actual patronage and the calculated reimbursement rate.
- 1.16. 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 nineteen. 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. A further £650k is spent on discretionary concessions for seniors on rail and work is now being undertaken to ensure how this is best aligned with policy outcomes.
- 1.17. **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 a budgeted increase in income to the Combined Authority in 2019/20 and subsequent years to reflect the current full costs of administering the MCard scheme.

- 1.18. **Transport services** – as well as the position set out above with regard to bus tendered services and concessionary travel other areas of spend have been examined within the transport services directorate. A number of savings have already been included in the 2019/20 budget with some of the plans, such as those relating to travel centre operations, delivering the full impact of savings in 2020/21.
- 1.19. **Rail** –Current work on supporting the rail franchise is funded from government via the rail administration grant arrangements which are under review and may result in a loss of income in future years. The Combined Authority is pressing for retention of this funding. The impact of the findings from the national rail reviews will also need to be considered, along with any changes to the franchising model that may emerge.
- 1.20. **Trade and Investment** – external funding is continually being sought to continue the Key Account Manager posts currently provided through external funding – this is dependent on annual bidding rounds and should these be unsuccessful the 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 and that the team is able to respond on behalf of the region to opportunities. Again short term funding has been secured for this but its continuation is dependent on the success of further bidding.
- 1.21. **Other income streams / projects** - the Combined Authority continues to seek and be awarded further funding, much of which is short term and only confirmed on an annual basis. All of this confirmed funding has been built into the 2019/20 budget and future years where confirmed. At this point the continuation of this funding beyond the current contracts is unclear and gives rise to an immediate budget gap of up to £3 million should the Combined Authority and LEP wish to continue providing the services funded in this way. This 'cliff edge' scenario of short term funding coming to an end for business support programmes in particular continues to cause ongoing challenges in planning the delivery of these key programmes. Many of these programmes also include European funding and there is still no clarity over the shape and size of the Shared Prosperity Fund that is expected to replace these funds.
- 1.22. **Pay and pension** – the triennial pension valuation will be undertaken during 2019 and will have an impact on ongoing employer contributions from 2020/21. At this stage it has been assumed that employer contributions will remain unchanged.
- 1.23. The pay award has been agreed for 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.

- 1.24. The agreed budget includes a savings target of £1.05 million per annum against staffing costs. This is based on savings against budget that will arise as a result of the timing gap between employees leaving and their replacements starting work, as well as the savings secured by purposefully not filling the full establishment of the policy and strategy teams.
- 1.25. **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 is being undertaken to establish the potential financial costs of doing this, alongside the wider inclusive growth benefits of doing so.
- 1.26. **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. The agreed revenue budget for 2019/20 includes increased targets for tenant income at the main premises, as well as income from toilet charging which has been introduced at the larger bus stations
- 1.27. **Enterprise Zones** – the income stream from the Enterprise Zones (EZ) that accrues to the LEP and is received by the Combined Authority is one of the key income streams that has the capacity to grow. At present there is income from the business rates on some of the EZ sites in Leeds, Wakefield and Kirklees but with potential for significantly more, with business cases having been considered by Investment Committee for some of the locations. Actions to increase this income are underway, including a capital programme to remediate some of the sites to enable new business to invest and prudent forecasts will be built into the financial strategy. However it should be noted that the Growth Deal funding available to develop these sites is time-limited and must be spent by 2021 and it is unlikely that all sites can be developed in this timeframe.
- 1.28. **Capitalisation** – the level of capitalisation, ie charging eligible revenue costs to capital schemes, was estimated at £2 million from 2019/20, 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.
- 1.29. **Borrowing costs** – please see further information in the capital section below.

Capital budget planning

- 1.30. The Combined Authority and LEP have been successful in securing significant levels of capital funding and the programmes and projects funded by these awards are subject to approval through the assurance process. The table below sets out the capital programme established as part of the budget setting process in February 2019.

Expenditure per programme	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Local Transport Plan	9,335	20,000	19,093	13,104
Highways Maintenance Plan	34,630	32,320	31,550	31,550
Major scheme Expenditure	1,905	6,971	712	119
Non LTP Funding (transport)	20,412	76,005	81,725	17,614
Growth Deal (WY+ TF)	84,878	121,603	159,275	200,696
Other economic growth funding	12,124	6,386	3,172	4,072
Total Expenditure	163,284	263,285	295,527	267,155
Financing				
LTP Grant	13,104	13,104	13,104	13,104
LTP Grant carry forward	9,116	12,885	5,989	
Highways Maintenance Plan	31,550	31,550	31,550	31,550
Non LTP Funding (Excluding Majors)	2,810	63,773	81,725	17,775
Growth Deal, Economy & WY+ TF	74,349	73,510	100,340	40,000
Other economic growth funding	11,458	6,826	3,024	1,306
Carry forward	107,494	75,933	18,873	18,725
Borrowing requirement	2,221	10,566	59,647	160,815
Total Funding Available	252,102	288,147	314,252	283,275

- 1.31. A significant number of new schemes have achieved decision point two of the assurance framework and have therefore passed the eligibility threshold for inclusion in the capital programme. Much of the current Growth Deal funding which makes up the largest element of the capital funding available concludes in March 2021 and there is yet no clarity on funding that may be available to replace it. There is an ongoing income stream beyond this date of £40 million per annum for the West Yorkshire plus York Transport Fund (WY+TF), to be supplemented by borrowing in accordance with the original City Deal agreed in 2012, but it is expected there will still be a requirement beyond 2021 for a broader capital programme that would need to be supported by significant borrowing or other yet to be identified funding streams. The continuation of the WY+TF funding is subject to the government's gateway review process at regular intervals, the first of which is due to report later in 2019. The Combined Authority has submitted a bid for the region for the Transforming Cities fund and should this be successful then this will be a further significant funding stream to add to the above table.
- 1.32. It is intended to utilise the Transport Fund reserve to support borrowing 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. Ongoing review of the capital programme and related borrowing requirements will continue and the

scale of contributions to the reserve will be reconsidered each year as part of the annual budget discussions.

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 Budget proposals will include information on staffing levels and the impact on these of any decisions presented.

6. External Consultees

6.1 No external consultations have been undertaken.

7. Recommendations

7.1 That the Overview and Scrutiny Committee notes the work underway on budget and business planning and the medium term financial strategy and provide any comments.

7.2 That the Overview and Scrutiny Committee considers any further work to be undertaken as part of the work on budget and business planning, or any further matters to be considered.

8. Background Documents

None.

9. Appendices

None.

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Report to: Overview & Scrutiny Committee

Date: 13 September 2019

Subject: **Brexit preparations**

Director: Alan Reiss, Director Policy, Strategy & Communications

Author(s): Alex Clarke, Policy Officer

1. Purpose of this report

- 1.1 To provide an update to the Overview and Scrutiny Committee on the organisational preparation being undertaken by the West Yorkshire Combined Authority (the Combined Authority) and Leeds City Region Local Enterprise Partnership (LEP) as the UK prepares to leave the European Union, in particular the stepping up of activity ahead of 31 October.

2. Information

- 2.1 In preparing for Brexit over the last 12 months or more, the Combined Authority has undertaken a significant number of activities:
- Gathering intelligence, providing updates to BEIS, DIT and MHCLG either directly or through local authority networks, as well as monitoring the local economic performance through a tailored Brexit monitor report
 - Produced web content for the LEP website to signpost businesses to various sources of information and support related to Brexit
 - Received LEP Board approval in principle to a number of potential business support products that could be enacted should there be a non-negotiated exit from the EU (Brexit Transition Grant Scheme, Capital Grants Programme, Advice Service, Exporting for Growth Scheme extension), which would require further funding
 - New skills (re:boot and employment hub) and business support (investor readiness and business resilience) programmes launched (total value £16.8million) with particular consideration given to responding to Brexit issues
 - Direct engagement with businesses on trade and investment issues, through in particular the investor development team and Exports for Growth programme, and individual workshops in cooperation with HMRC and others

- Requested to BEIS for flexibility (if required) to Growth deal funding to support Brexit interventions.
 - Engaging with Government to influence the design, structure and quantum of the Shared Prosperity Fund (UKSPF), and preparing to respond to the Green Paper consultation once published
 - Monitoring key schemes in the Combined Authority’s programme delivery to identify any risks and mitigate as needed
 - Engaging with transport providers in the region to understand their planning and areas of concern regarding Brexit.
 - Exploring how procurement may operate in the future, outside of OJEU processes, and the requirements on state aid.
 - Communicating with staff who may be affected by the European Settlement Scheme and offering proactive support
- 2.2 Following the Brexit update provided to the Combined Authority in April, preparatory work of the Combined Authority and partners has continued to take place, albeit until recently against a backdrop of increased national political uncertainty following the resignation of the Prime Minister. With 31 October the next substantive deadline for UK-EU negotiations to be concluded, it is recognised across all stakeholders that a stepping up of activity is required, and at the moment this should continue to include necessary preparations for a non-negotiated exit.
- 2.3 This collective stepping up of activity includes close cooperation with the work of individual and collective West Yorkshire local authorities and at the Yorkshire and Humber level, including contributing to resilience forums, talking to transport providers and meeting as business support providers to align activity aimed at the city region’s business base. The Combined Authority also continues to seek further clarity and details through ongoing discussions with central government departments across a range of issues, including potential business support funding and/or the flexibility to use Growth Deal funding.
- 2.4 As well as these collaborations, the Combined Authority continues to prepare all internal services for the potential opportunities and impacts of the UK leaving the European Union, utilising intelligence to determine the best response, and has established a working group to implement an action plan for immediate and medium term activity depending on the trajectory to 31 October. The group meets on a fortnightly basis, with the Combined Authority’s Senior Leadership Team providing strategic oversight. The next two sections of this report detail the two central elements of this work, the Brexit impact assessment and the Brexit action plan.

Brexit impact assessment work

- 2.5 As part of stepping up preparations for Brexit, the Combined Authority has been undertaking assessment work of the impact of Brexit in the region. This is not intended to duplicate work that has taken place at the national level or individual local authority work, but to complement and add value by utilising sources such as the Leeds City Region business survey. There is strong evidence to say that the economy is already showing signs of the implications

of Brexit (as reported previously in regular economic updates to the Combined Authority and LEP Board), but in attempting to look forward it is accepted by most commentators that the impact will be significantly different depending on whether there is a negotiated deal and transition period or a non-negotiated exit. Therefore conclusions of the assessment work have looked as far as possible to consider both scenarios, drawing out a number of recommendations to guide further work:

Conclusion	Recommendation
That we are already experiencing the effects of Brexit on the economy, even while the final conclusion remains uncertain	To make sure that we are responding to those effects appropriately, through our ongoing inclusive growth, business support and trade and investment activity, exploring opportunities where they are presented.
We have a comprehensive intelligence picture of Brexit preparations across businesses and the economy more widely. There are some specific gaps in our knowledge and interactions in relation to large indigenous businesses and more widely on the impact on households	To explore options for how intelligence gaps can be addressed, and decide which to fill; noting that there is variation across the region in the approach of local authorities in engaging with large local employers.
That although there are significant opportunities and challenges for businesses in the Leeds City Region, there are no major implications that are not also true for businesses across the UK	Continue to direct businesses to national advice and support, and not duplicate that support locally; noting we have already launched an online resource to provide advice to businesses, which is based on national advice
That in the current economic climate (and depending on the outcome of Brexit) it is more challenging to achieve the further investment across the city region that is required to drive productivity	Strengthen our strategic narrative for the Spending Review, devolution and Local Industrial Strategy, in order to make a more compelling case for investment to Government. To influence the Shared Prosperity Fund to ensure the region can support programmes once European funding finishes. To redouble our efforts to increase inward investment in areas of the city region beyond Leeds.
That while short term sterling depreciation has supported exporters,	To continue to develop trade policy (including through the extended export

(depending on the outcome of Brexit) there are implications for the future of trade for city region businesses that will be particularly felt in supply chains	for growth programme) that supports businesses to succeed, and assist businesses to have the right systems and permissions for trading in the future
That while the labour market has proven to be resilient to date, there are challenges in particular sectors to the supply of skilled workers	To focus on the supply of skilled workers into good jobs, looking at training and re-training in particular as routes to meeting demand (as well as potential new migration policies)
That the LEP has already begun to put in place support that can assist businesses looking to succeed in the current environment, and is ready to implement further programmes as necessary in a no deal scenario	That preparatory work is done so that the organisation is ready to deliver further programmes as necessary in a no deal scenario

Brexit action plan

- 2.6 Utilising the impact assessment as a guide, the Combined Authority is building on the preparation work already done by the various teams within the organisation to develop a single focussed action plan for the period up to 31 October (and potentially beyond depending on developments). This planning needs to remain flexible to adapt to either a negotiated Brexit deal or a non-negotiated exit; as the support, particularly that businesses require, will differ.
- 2.7 The action plan is also being used to prioritise spending of the £182,000 of funding that has been received from the Ministry of Housing, Communities and Local Government to assist in Combined Authority Brexit preparations, with an internal group recommending to the Combined Authority's senior leadership team how to utilise this funding, taking a conscious view that there may be further developments in the Brexit process which should be supported by this funding and that other programmes and assistance are needed at a national level.
- 2.8 The high level priorities of the action plan are:
- Ensuring that the organisation coordinates Brexit planning across directorates
 - To continue to liaise with our local authority partners and others on understanding risk and sharing plans
 - Supporting businesses to be resilient and to exploit new opportunities
 - Ensuring that delivery of projects and services is not adversely affected, including investment into key schemes
 - Preparing the organisation for changes effecting how we operate (in a no deal or transition arrangement) in terms of GDPR, procurement, HR etc.
 - Monitoring and modelling the potential impacts of Brexit and collecting qualitative evidence to influence policy and decisions

- Ensuring maximum benefit from remaining EU funding, influencing the ESIF national reserve funds and leading the region's input to the shaping of the UK Shared Prosperity Fund
- Providing appropriate communications as required in relation to Brexit matters

Next steps

2.9 It is important that the action of the Combined Authority and LEP aligns and complements both local authority and Government activity, as well as pushes Government departments to put in place necessary interventions and funding at the national level. In accelerating the work of the Combined Authority's Brexit action plan we will be looking in particular to:

- Get clear understanding of the Brexit business support interventions and funding that will be provided by central Government in a no-deal scenario – in particular on cashflow (i.e. through HMRC's Time to Pay and Business Payment Support Service (BPSS)), expert trade, regulation and employment advice, business support hotline and any emergency assistance grants;
- Continue the dialogue with BEIS about what role it sees LEPs having in a no deal scenario in respect of business support, and what funding will be available (including clarity on the £108m announced by Government for promoting and supporting businesses "to ensure they are ready for Brexit")
- Make sure any local no deal Brexit support programmes (that complement national interventions) are ready to be operational as soon as they are required and, should additional funding not be provided directly by government, confirm with BEIS the flexibility to utilise Growth Deal funding;
- Build further intelligence on the impact of Brexit on the region's large indigenous employers and what a support programme might look like (subject to national interventions including "operation kingfisher" – which is reportedly looking to identify which businesses are most likely to need state support in the event of no deal);
- Work closely with local authority business support leads to align engagement and activity with businesses – which has begun with a meeting of business support leads on 7 August (next meeting 6 September);
- Identifying a small group of staff who could be mobilised quickly in the event that we need a surge of resource to support on the impact of Brexit on businesses and individuals, and determining some potential areas of work (including synthesising data)
- Scenario plan for communications depending on developments, ensuring to provide clear and consistent messages to businesses and the public, including where to go for support and assistance.
- Continue to support as required the work of the West Yorkshire Resilience Forum on Brexit matters in collaboration with local authorities, including joining weekly teleconferences and future exercises as required.

3. Financial Implications

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

4. Legal Implications

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

5. Staffing Implications

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

6. External Consultees

6.1 No external consultations have been undertaken.

7. Recommendations

7.1 That the Overview and Scrutiny Committee considers the report and provides any comments for further activity.

8. Background Documents

None.

9. Appendices

None.



Report to: Overview and Scrutiny Committee

Date: 13 September 2019

Subject: **Scrutiny Work Programme 2019/20**

Director: Angela Taylor, Corporate Services

Author(s): Khaled Berroum, Scrutiny Officer

1. Purpose of this report

- 1.1 To note or amend the work programme for 2019/20 – including agenda items, formal referrals, reviews, key decisions, matters to raise at the next Combined Authority meeting and any other issues.

2. Information

- 2.1 The scrutiny work programme details the issues the Overview and Scrutiny Committee plans to undertake, investigate further and focus on in the current municipal year (June 2019 – June 2020) within the resources, remit and powers available to it.
- 2.2 The work programme is set at the beginning of the year and considered at each meeting where it can be amended and changed as the year progresses.

Referrals to scrutiny

- 2.3 Under Scrutiny Standing Order 10, any Member of the Combined Authority Member or any elected Member of a West Yorkshire (or City of York) council may formally refer a matter to scrutiny for consideration. The referral must be in writing to the Scrutiny Officer. The Committee must consider and discuss the referral and respond to the referrer explaining whether or not it will consider the matter further and why.
- 2.4 No referrals were made in writing to the scrutiny officer since the last meeting.

Reviews

- 2.5 A review of current scrutiny arrangements following the publication of new statutory scrutiny guidance by the government, and accompanying 'Good Scrutiny Guide' by the Centre for Public Scrutiny, is currently underway.
- 2.6 It is proposed that a workshop for scrutiny members to consider conclusions and recommendations be arranged at an appropriate time as the review progresses.
- 2.7 No other formal reviews are ongoing or have been proposed at this time.

Agenda forward plan 2019/20

- 2.8 The agenda forward plan as it stands is outlined in the work programme in **Appendix 1**.
- 2.9 The planned agenda for the 15 November 2019 meeting, pending availability of the Combined Authority Chair and Employment and Skills Panel Chair, is currently:
1. Local Industrial Strategy:
 - 3rd and final session – consideration of final draft strategy
 2. Employment & Skills, apprenticeships and Skills Commission – consideration of:
 - What powers and remit the Combined Authority / LEP have, in the absence of devolution, with regards to skills
 - The work and aims of the ongoing Skills Commission led by the Combined Authority Chair, Cllr Susan Hinchcliffe
 - How the Skills Commission is tackling the issues and concerns regarding apprenticeships and jobs raised by scrutiny at the January 2019 meeting
 - How the Skills Commission aims to make the case for more local accountability of skills and devolution of skills policy and funding to regions.
 - Ongoing work regarding apprenticeships, opportunities from channel 4 HQ and digital skills
- 2.10 A shortlist of topics added to the work programme at the last meeting but not yet assigned meeting dates is included in **Appendix 1**.

Working groups

- 2.11 Under Scrutiny Standing Order 7, the Overview and Scrutiny Committee may appoint working groups to consider matters more closely, fulfil 'tasks', make recommendations and otherwise inform the scrutiny process.
- 2.12 At the last meeting on 12 July 2019, the committee proposed appointing two task and finish groups; one focusing on **climate change** and another focusing on **business grants evaluation**. These will replace the two working groups focusing on transport and the LEP review which were in place last year.

- 2.13 The current membership of the working groups are:
- *Climate change*: James Baker, Kayleigh Brooks, Dot Foster, David Jenkins.
 - *Business grants*: Stephen Baines, Stephen Fenton, Jacob Goddard, Geoff Winnard, Rosie Watson.
- 2.14 At their first sessions, working groups will formalise their terms of reference and a scope for their work and report back these back to the Committee. The first sessions of both working groups are expected to be in late October / early November 2019.
- 2.15 The Committee will be kept up to date on the work of each working group periodically throughout the year.

Scrutiny Member Leads / Spokespersons

- 2.16 At the last meeting, the Committee agreed that a cross-party group of members could act as 'leads' or 'spokespersons' for each of the Combined Authority/LEP's priority policy areas.
- 2.17 These leads/spokespersons would have a primary responsibility to remain briefed and abreast of developments, liaise with lead officers and periodically advise the Committee on any matter arising within their assigned policy area.
- 2.18 A number of members were nominated at the last meeting and since then there has been one change in nominees. The current member leads/spokespersons are as follows:
- Cllr Stephen Baines: 'boosting productivity' (economic growth)
 - Cllr James Baker: 'supporting clean growth' (environment)
 - Cllr Peter Harrand: devolution, governance and corporate issues
 - Cllr Dot Foster: '21st century transport' (transport)
- 2.19 Since the last committee meeting:
- The Scrutiny Chair informed the Managing Director of the appointment of scrutiny leads/spokespersons and the Combined Authority has assigned lead officers to support each lead/spokesperson in remaining briefed on developments in their area. A response to this letter is appended to the "Chair's update" item on this meeting's agenda.
 - Scrutiny leads/spokespersons for economic growth and the environment have held discussions with the Scrutiny Officer in preparation for the first sessions of respective working groups (outlined in paragraphs 2.11 – 2.15).

Key decisions and call in

- 2.20 Members of the Overview and Scrutiny Committee may call in any decision of the Combined Authority, a decision-making 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.

- 2.21 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. Scrutiny members are notified by email of decisions.
- 2.22 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.
- 2.23 The latest key decisions and forward plans of key decisions are published on the [key decisions section of the Combined Authority's website](#).
- 2.24 On 24 July 2019, the Chair of Overview & Scrutiny was notified, under 'general exception' rules (outlined in Section 7C of the Access to Information Annex), of the late publication of a key decision notice for a decision to be taken by the Combined Authority on 1 August 2019 to spend £3 million relating to the Transforming Cities Fund bid. The decision was approved and the call-in period for scrutiny lapsed on 9 August 2019 at 12.00 pm.

Matters to raise at the Combined Authority meeting on 1 August 2019

- 2.25 The Chair (and Deputy Chair) of the Overview and Scrutiny Committee has a standing invitation 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.
- 2.26 The next Combined Authority meeting will take place on 10 October 2019.
- 2.27 A summary of the Combined Authority's draft agenda forward plan is outlined within the wider organisational forward plan attached in **Appendix 2**.
- 2.28 [Minutes and agendas from past meetings](#)¹ of the Combined Authority can be accessed on the Combined Authority's website. Agendas and reports for future meetings will also be published there.

Changes in membership

- 2.29 Kirklees Council have informed the Combined Authority's governance services that Cllr Fazila Loonat has stepped down from the Committee and a replacement nomination is expected soon.

¹ <https://westyorkshire.moderngov.co.uk/ieListMeetings.aspx?Committeeld=133>

Actions for the Scrutiny Officer

- 2.29 As outlined in Scrutiny Standing Order 16, the statutory scrutiny officer provides support to the Overview and Scrutiny Committee and all of its members in exercising their duties and fulfilling their objectives.

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 work programme be noted or amended.
- 7.2 That a workshop for members to consider conclusions and recommendations of the review into scrutiny be arranged at an appropriate time as the review progresses.

8. Background Documents

[Scrutiny Standing Orders](#)

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

[Forward plan of key decisions from 1 September 2019](#)

['Overview and scrutiny: statutory guidance for councils and combined authorities'](#) (7 May 2019, Ministry of Housing, Communities and Local Government) and ['The Good Scrutiny Guide'](#) (June 2019, Centre for Public Scrutiny)

9. Appendices

Appendix 1 – Scrutiny Work Programme 2019/20

Appendix 2 – Combined Authority / LEP central forward plan

Appendix 3 – Forward plan of key decisions from 1 September 2019

Scrutiny Work Programme 2019/20

Agenda forward plan 2019/20

Date	Topic	Objective and focus	Possible attendees
All meetings	Scrutiny Work Programme update	To receive updates on scrutiny work taking place between meetings including: progress on reviews, working group updates, follow up actions, scrutiny chair/deputy chair/leads actions, and review updates.	None
12 July 2019 – 1 st item	Scrutiny work programme 2019/20	2 nd session following member workshop on 28 June 2019 to select topics for scrutiny in 2019/20 municipal year and appoint any working groups.	None
12 July 2019 – 2 nd item	Local industrial strategy	1 st session: <ul style="list-style-type: none"> – To receive an update on the development of the local industrial strategy since the last update in July 2018 – To determine approach to pre-decision scrutiny ahead of the final submission of the local industrial strategy in December 2019. 	Officers: <ol style="list-style-type: none"> 1. Alan Reiss, Director of Policy, Strategy & Communications 2. Emma Longbottom, Head of Policy & Strategy Co-ord
13 Sept 2019 – 1 st item	Local industrial strategy and policy framework	Local industrial strategy – 2 nd session: <ul style="list-style-type: none"> – To consider findings of research and analysis conducted by independent expert panel over summer 2019 – To consider emerging thoughts and policy implications from the research for final strategy – To understand the place that the Local industrial strategy occupies in the wider strategic policy framework also under development Policy framework – 1 st session: <ul style="list-style-type: none"> – To receive an update on the development of policy framework since July 2018 meeting – To determine approach to pre-decision scrutiny of policy framework development following completion of local industrial strategy work 	Officers: <ol style="list-style-type: none"> 1. Alan Reiss, Director of Policy, Strategy & Communications 2. Jonathan Skinner, Lead Policy Manager (Private Sector Growth) 3. James Hopton, Research & Intelligence

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<p>13 Sept 2019 – 2nd item</p>	<p>Major strategic developments and preparations</p> <ul style="list-style-type: none"> • Devolution • LEP review & merger • Budget, funding and business planning • Brexit 	<p>To consider developments and preparations related to a number of interlinked strategic issues – devolution, LEP review/merger, funding/budget and ‘Brexit’.</p> <p>Devolution (1st session):</p> <ul style="list-style-type: none"> – To receive an update on devolution since March 2019 following government rejection of ‘One Yorkshire’ proposal and following the appointment of a new prime minister and government. <p>LEP review & merger (1st session):</p> <ul style="list-style-type: none"> – To understand the current position with regards to ongoing ambition to create a new LEP covering west and north yorkshire – To consider the preparations in place to ensure the current LEP is compliant with new requirements in any eventuality and the potential impact on the organisation (eg Assurance Framework) <p>Budget, funding and business planning (1st session):</p> <ul style="list-style-type: none"> – To consider the current provisional ideas and priorities in development for the 2020/21 budget, due for approval in February 2020 and scrutiny’s role in budget development this year – To understand preparations in place regarding finances including the gateway review, medium term financial strategy, capital strategy, interim-funding plans and emerging thinking about future revenue funding (eg enterprise zones). <p>Exiting the European Union (1st session):</p> <ul style="list-style-type: none"> – To consider the latest developments relating to country’s exit from the European Union – if any – To consider the preparations in place to mitigate the impact that leaving the European Union will have on the organisation, funding and achievement. 	<p>Officers:</p> <ol style="list-style-type: none"> 1. Angela Taylor, Director of Corporate Services 2. Alan Reiss, Director of Policy, Strategy & Communications
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15 Nov 2019 – 1 st item	Local industrial strategy – final proposals	Local industrial strategy – 3rd session: – To consider the final draft strategy prior to submission in Dec 2019	Members: <i>to be confirmed</i> 1. Andrew Wright, Chair of BIG panel / LEP board member 2. Cllr Susan Hinchcliffe (Chair of Combined Authority) Officers: 1. Alan Reiss, Director of Policy, Strategy & Communications 2. Emma Longbottom, Head of Policy & Strategy Co-ord
15 Nov 2019 – 2 nd item	Employment & skills, apprenticeships and the Skills Commission	1 st session: – To understand the combined authority / LEP’s powers and remit, in the absence of devolution, with regards to skills – To understand the work and aims of the ongoing Skills Commission led by the Combined Authority Chair – To determine how the Skills Commission is tackling the issues and concerns regarding apprenticeships raised by scrutiny at the January 2019 meeting – To determine how the Skills Commission aims to make the case for more local accountability of skills and devolution of skills policy and funding to regions. – To receive an update on ongoing work regarding apprenticeships, opportunities from channel 4 HQ and digital skills	Members: <i>to be confirmed, pending availability</i> 1. Cllr Susan Hinchcliffe, Chair of Combined Authority (and Skills Commission) 2. Rashik Parmar, Chair of Employment and skills panel Officers: 1. Henry Rigg, Interim Executive Head of Economic Services 2. Michelle Burton, Head of Employment & Skills
17 Jan 2020 – 1 st item	To be confirmed		Members: tbc Officers: tbc
17 Jan 2020 – 2 nd item	To be confirmed		Members: tbc Officers: tbc
20 March 2020 – 1 st item	To be confirmed		Members: tbc Officers: tbc
20 March 2020 – 2 nd item	To be confirmed		Members: tbc Officers: tbc

23 May 2020 – 1 st item	To be confirmed		Members: tbc Officers: tbc
23 May 2020 – 2 nd item	To be confirmed		Members: tbc Officers: tbc

Task and Finish groups

Focus	Members	Objective and focus	Sessions
Business grants	Stephen Baines* Stephen Fenton Jacob Goddard Rosie Watson Geoff Winnard	To evaluate the performance and outcomes achieved from the business support/grants schemes due to come to an end in the 2019/20 municipal year with a view to making new (or amending existing) recommendations to help shape future business support programmes. <i>Terms of reference and scope to be confirmed at 1st session.</i>	<i>To be confirmed:</i> <ul style="list-style-type: none"> 1st session: late Oct / early Nov 2019 2nd session: Dec 2019
Climate change	James Baker* Kayleigh Brooks Dot Foster David Jenkins	To scrutinise the action the combined authority with regards to climate change. <i>Terms of reference and scope to be confirmed at 1st session.</i>	1 st session: 4 Nov 2019

*Lead Member / spokesperson

Reviews

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Topic	Objective	Outcomes so far / next steps
Review of scrutiny	To review the effectiveness of the Combined Authority's current scrutiny arrangements with a view to making recommendations on how they can be improved and strengthened in the present and meet any future challenges that may arise as a result of changes in governance, geography or devolution.	Current position: Initial research and evaluation stage in progress. Next steps: upon completion of research and evaluation stage, testimony from officers, members and other relevant partners and stakeholders will be gathered. Initial findings, emerging headlines and prospective recommendations drafted based on evidence to date for members to evaluate.

Topic shortlist

Topic	Information	Sessions
Climate change	Consider how the declaration of a 'climate emergency' has impacted the organisation's work and how it plans to tackle the climate change and support its ambition for 'clean growth'.	By a scrutiny working group – Climate change working group
Business grants	Monitor recommendations made by the committee to the LEP regarding application criteria for business grants schemes and review the evaluations being conducted on the impact of business grants schemes due to end in 2019/20.	By a scrutiny working group – Business grants working group
Local Industrial Strategy (LIS)	Consider work being undertaken to develop a local industrial strategy which will be approved by the government as part of its national industrial strategy.	1 st session: 12 July 2019 2 nd session: 13 Sept 2019 3 rd session: 15 Nov 2019
Policy Framework	Consider the new expanded, overarching policy framework currently under development to replace the existing 'Strategic Economic Plan' which scrutiny helped shape in the past.	1 st session: 13 Sept 2019 Other sessions: to be determined
Devolution	Consider progress on securing meaningful devolution for the region since the government rejected the One Yorkshire proposal in March 2019	1 st session: 13 Sept 2019 Other sessions: to be determined
LEP merger/review	Consider progress on the LEP merger talks, implementation of LEP review recommendations and implications on governance, assurance, funding and strategy/delivery in any scenario.	1 st session: 13 Sept 2019 Other sessions: to be determined
Preparations for Brexit	Consider the organisation's plans to navigate the country's exit from the European Union – currently expected in October 2019.	1 st session: 13 Sept 2019
Channel 4 opportunities and inward investment	Consider work being done to seize the opportunities presented in skills and inward investment by the successful bid to bring the C4 HQ to Leeds.	To be determined – could be considered as part of wider skills item on 15 Nov 2019
Skills Commission and Apprenticeships	Understand the aims of the ongoing Combined Authority led Skills Commission and how it aims to address the concerns raised by scrutiny with regards to the challenges in the apprenticeship sector amongst other things.	Currently planned for 15 Nov 2019 – depending on availability
Budget, finances and business planning	Consider annual budget/funding and business planning – including gateway review, medium term financial strategy, capital strategy and Growing Places Fund is also expected this year	1 st session: 13 Sept 2019
Transport connectivity	Monitor progress on improving transport connectivity across the region – including the Connectivity Plan, Inclusive Growth Corridors, Transforming Cities Fund, Bus Alliance and Rail Forum.	To be determined
Procurement Strategy	Monitor revision to procurement strategy as a good opportunity to support strategic policy goals through a more selective approach in procurement.	To be determined

Key Performance Indicators (KPIs), corporate plan and performance	Consider the annually refreshed Corporate Plan focusing on areas and KPIs 'RAG-rated' Red and flagged as underperforming.	To be determined – usually considered annually each March or May
Assurance Framework	Consider annual refresh of assurance framework – depending on the outcome of the LEP merger which would determine the level of alterations to the current framework.	To be determined – based on outcome of LEP merger
Flood Review	Revisit progress on flood review recommendations and the outcomes from the conclusions made at the previous session in November 2018.	To be determined – last considered in Nov 2018
Digital inclusion / exclusion	Consider transport working group's conclusions last year with regards to 'digital by default' approach that might leave some communities excluded from services.	To be determined – could be considered as part of wider skills item on 15 Nov 2019
Enterprise Zones (EZs)	Consider Enterprise Zones programme and its place in the organisation's future revenue strategy	To be determined – briefly included in budget/funding item (8c) on 13 Sept 2019 agenda

Other actions and requests

Action / request	Objective	Outcomes so far / next steps
Mobility and accessibility in transport	Overview of the work currently being undertaken by Transport Committee and Transport Services directorate on improving accessibility and mobility in transport	In progress
Brexit preparations	Briefing note	Included in 'strategic preparations' item on 13 September 2019 meeting agenda
Opportunities from Channel 4 HQ move	Briefing note	Planned for inclusion in skills item currently scheduled for the 15 November 2019 meeting
Enterprise Advisor programme	Scrutiny requested further information on	Planned for inclusion in skills item currently scheduled for the 15 November 2019 meeting

Combined Authority / LEP Central Forward Plan – summary of key highlights

Work area	Schedule of decisions/updates		Key Decision?
83 Budget and business planning	Jun 2019	Publication of the 2018/19 draft statutory accounts for the organisation	N
	Jul 2019	Publication of final 2018/19 statutory accounts for the organisation	N
		Senior Leadership Team to consider an update on the Medium Term Financial Strategy	N
	Aug 2019	Combined Authority to consider an update on the Medium Term Financial Strategy	N
		Senior Leadership Team to set strategic parameters for 2020/21 budget and business planning	N
		Combined Authority to consider spending review submission	N
	Sep 2019	Senior Leadership Team to consider an update on the Capital Strategy	N
	Oct 2019	Combined Authority to consider to consider Capital Strategy update	N
		Senior Leadership Team to consider initial draft 2020/21 business planning/budget proposals	N
	Nov 2019	Senior Leadership Team to agree draft business plans and budgets for 2020/21	N
	Dec 2019	Combined Authority to consider draft budget and business plans	N
	Feb 2020	Combined Authority to consider final 2020/21 budgets and business plans for approval	Y
Feb 2020	Combined Authority to consider draft content for 2020/21 Corporate Plan	N	
Mar 2020	LEP Board to consider draft content for LEP 2020/21 Annual Delivery Plan	N	


Work area	Schedule of decisions/updates		Key Decision?
Key policy areas	Jul 2019	Low carbon launch/press call	N
	Aug 2019	Combined Authority to consider paper on reinvestment of grants and loans	N
	Sep 2019	Senior Leadership Team to consider GPF/Commercialisation update	N
	Sep 2019	Senior Leadership Team to consider Growth Deal Review update	N
		Senior Leadership Team to consider Local Industrial Strategy update	N
	Oct 2019	Combined Authority to consider paper on procurement strategy and inclusive growth	N
	Nov 2019	LEP Board to consider 6 month review of inclusive growth for business grants	N
		Senior Leadership Team to consider proposals for 'beyond Leeds' trade and investment initiative	N
		Senior Leadership Team to consider Local Industrial Strategy update	N
	Nov 2019	Senior Leadership Team to consider report on living wage accreditation	N

	Dec 2019	Combined Authority to consider Local Industrial Strategy update	N
		Combined Authority to consider 6 month review of inclusive growth for business grants	N
	Jan 2020	LEP Board to consider review of inclusive growth for business grants	N
	Feb 2020	Senior Leadership Team to consider Local Industrial Strategy update	N

Work area	Schedule of decisions/updates		Key Decision?
Transforming transport services	Jun 2019	Submission of the draft Transforming Cities Fund bid	N
	Jul 2019	Transport Committee to consider signing the Voluntary Partnership Agreement developed as part of the Bus Alliance	N
	Sep 2019	Transport Committee to consider draft bus information strategy	N
		Senior Leadership Team to consider initial findings from the review of property/assets and opportunities for commercialisation	N
	Oct 2019	Transport Committee to consider new young persons concessionary fare scheme	N
	Nov 2019	Senior Leadership Team to consider bus transformation update	N
	Dec 2019	Transforming Cities Fund bid announcement expected	N
		Transport Committee to consider revised digital payment strategy	N
Nov 2019	Submission of final Transforming Cities Fund bid	N	

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Work area	Schedule of decisions/updates		Key Decision?
Governance	Jun 2019	Combined Authority to consider updated governance arrangements as part of annual meeting	N
		LEP Board to consider updated governance arrangements as part of their annual meeting	N
	Oct 2019	Senior Leadership Team to consider a review of the new internal governance procedures to assess effectiveness to date	N
	Dec 2019	Senior Leadership Team to consider Assurance Framework update	N
	Jan 2020	LEP Board to consider Assurance Framework review	N
	Feb 2020	Combined Authority to consider Local Assurance Framework updates for approval	N
		Senior Leadership Team to consider internal audit plan	N

Work area	Schedule of decisions/updates		Key Decision?
	Aug 2019	Combined Authority to consider the strategic case for the Kirklees cycling and walking station access project (Activity 2 in the assurance process)	Y
	Sep 2019	Combined Authority to consider outline business case (Activity 3 in the assurance process) for the following projects: <ul style="list-style-type: none"> - Leeds City Region Enterprise Zones: Clifton site, Calderdale - A65-Leeds Bradford International Airport Link Road - New station site at White Rose, Leeds 	N
		Investment Committee to consider full business case + finalised costs for the Leeds flood alleviation scheme (Activity 5 in the assurance process)	Y
	Oct 2019	Combined Authority to consider the strategic case (Activity 2 in the assurance process) for: <ul style="list-style-type: none"> - Ultra-low emissions bus project - South Featherstone Link Road, Wakefield 	Y
		Combined Authority to consider the outline business case (Activity 3 in the assurance process): <ul style="list-style-type: none"> - Leeds Public Transport Investment Programme schemes (A65 signals, Alwoodley gates park and ride, A58 bus priority, Temple Green park and ride phase 3) - Castleford growth corridor scheme 	N
	Nov 2019	Investment Committee to consider full business case + finalised costs for York central access scheme (Activity 5 in the assurance process)	Y
		Investment Committee to consider outline business case (Activity 3 in the assurance process) for Wakefield city centre package – phase 2 Ings Road	N
	Dec 2019	Combined Authority to consider Strategic Case (Activity 2 in the assurance process) for ERDF connecting innovation scheme	Y
		Combined Authority to consider the outline business case (Activity 3 in the assurance process) for Leeds Public Transport Investment Programme schemes (Corn Exchange gateway and A660 corridor)	N
		Investment Committee to consider outline business case (Activity 3 in the assurance process) for: <ul style="list-style-type: none"> - Bradford –Shipley transport corridor project - Bradford Interchange Phase 1 	N
	Dec 2019	Senior Leadership Team to consider to consider Leeds City College update	N

Work area	Schedule of decisions/updates		Key Decision?
	Jan 2019	Investment Committee to consider full business case + finalised costs for the York central station frontage scheme (Activity 5 in the assurance process)	Y

Work area	Schedule of decisions/updates		Key Decision?
Consultation & engagement	Jul 2019	Possible start of public consultation on: - West Bradford junctions improvement scheme phase 2a (Bradford) - Southern Gateways /Cross Church St scheme (Kirklees)	N
	Sep 2019	Possible start of consultation on Elland rail station and wider access scheme (Calderdale)	N
	Nov 2019	Possible start of consultation on: - Leeds-Bradford Airport Link Road phase 1b (Leeds) - New Pudsey rail station extension	N
	Dec 2019	Possible start of consultation on A62/A644 Wakefield Link Road phase 2 (Kirklees)	N
	Jan 2020	Possible start of consultation on White Rose rail station (Leeds)	N

Forward Plan of Key Decisions from 1 September 2019

Title	Description	Decision Maker	Decision Due Date	Lead Director	Officer Contact
West Yorkshire Combined Authority					
Castleford Growth Corridor	Approval for the Castleford Growth Corridor scheme to proceed through Decision Point 3 (Outline Business Case) and work commence on Activity 4 (Full Business Case).	West Yorkshire Combined Authority	10 Oct 2019	Director of Delivery	Andrew Norman andrew.norman@westyorks-ca.gov.uk
Clifton Business Park Enterprise Zone	Approval for the Clifton Business Park Enterprise Zone scheme to proceed through Decision Point 3 (Outline Business Case) and work commence on Activity 4 (Full Business Case).	West Yorkshire Combined Authority	10 Oct 2019	Director of Delivery	Jess McNeill jessica.mcneill@leeds.gov.uk
European Structural and Investment Funds (ESIF) – Sustainable Urban Development (SUD)	To consider and subsequently approve applications for Sustainable Urban Development, to support the delivery of European Structural and Investment Funds Strategy and the Strategic Economic Plan.	West Yorkshire Combined Authority	Between 10 Oct 2019 and 25 Jun 2020	Director of Policy, Strategy & Communication	Heather Waddington heather.waddington@westyorks-ca.gov.uk

Title	Description	Decision Maker	Decision Due Date	Lead Director	Officer Contact
East Leeds Orbital Route (ELOR)	Approval for the East Leeds Orbital Route (ELOR) scheme to proceed through Decision Point 5 (Full Business Case with Finalised Costs) and work commence on Activity 6 (Delivery).	West Yorkshire Combined Authority	10 Oct 2019	Director of Delivery	Lisa Childs lisa.childs@westyorks-ca.gov.uk
Halifax Bus Station	Approval for the Halifax Bus Station scheme to proceed through Decision Point 3 (Outline Business Case) and work commence on Activity 4 (Full Business Case).	West Yorkshire Combined Authority	10 Oct 2019	Director of Delivery	Mark Auger Mark.Auger@westyorks-ca.gov.uk
Rail Parking Package - Steeton and Silsden	Approval for the Rail Parking Package - Steeton and Silsden scheme to proceed through Decision Point 5 (Full Business Case with Finalised Costs) and work commence on Activity 6 (Delivery).	West Yorkshire Combined Authority	10 Oct 2019	Director of Delivery	Sara Brook sara.brook@westyorks-ca.gov.uk
South Kirkby Enterprise Zone	Approval for the South Kirkby Enterprise Zone scheme to proceed through Decision Point 3 (Outline Business Case) and work commence on Activity 5 (Full Business Case with Finalised Costs).	West Yorkshire Combined Authority	10 Oct 2019	Director of Delivery	Jess McNeill jessica.mcneill@leeds.gov.uk

Title	Description	Decision Maker	Decision Due Date	Lead Director	Officer Contact
Temple Green Park and Ride Extension	Approval for the Temple Green Park and Ride Extension scheme to proceed through Decision Point 3 (Outline Business Case) and work commence on Activity 4 (Full Business Case)	West Yorkshire Combined Authority	10 Oct 2019	Director of Delivery	Lisa Childs lisa.childs@westyorks-ca.gov.uk
White Rose Station	Approval for the White Rose Station scheme to proceed through Decision Point 3 (Outline Business Case) and work commence on Activity 4 (Full Business Case).	West Yorkshire Combined Authority	10 Oct 2019	Director of Delivery	Lisa Childs lisa.childs@westyorks-ca.gov.uk
West Yorkshire & York Investment Committee					
A629 (Phase 2)	Approval for the A629 (Phase 2) scheme to proceed through Decision Point 4 (Full Business Case) and work commence on Activity 5 (Full Business Case with Finalised Costs). The scheme reference code is WYTF-PA4-012.	West Yorkshire and York Investment Committee	3 Sep 2019	Director of Delivery	Fiona Limb Fiona.Limb@westyorks-ca.gov.uk
Bradford City Centre Heritage Properties - Conditioning House	Approval for the Bradford City Centre Heritage Properties - Conditioning	West Yorkshire and York Investment	3 Sep 2019	Director of Delivery	Polly Hutton polly.hutton@westyorks-ca.gov.uk

Title	Description	Decision Maker	Decision Due Date	Lead Director	Officer Contact
(Regeneration Scheme)	House scheme to proceed through Decision Point 3 (Outline Business Case) and work commence on Activity 5 (Full Business Case with Finalised Costs).	Committee			
CityConnect Phase 3 Cooper Bridge	Approval for the CityConnect Phase 3 Cooper Bridge scheme to proceed through Decision Point 3 (Outline Business Case) and work commence on Activity 4 (Full Business Case).	West Yorkshire and York Investment Committee	1 Oct 2019	Director of Delivery	Fiona Limb Fiona.Limb@westyorks-ca.gov.uk
Transport Committee					
Officer delegated decisions					
Castleford Station Gateway	Approval for the Castleford Station Gateway scheme to proceed through Decision Point 5 (Full Business Case with Finalised Costs) and work commence on Activity 6 (Delivery).	Managing Director	26 Sep 2019	Director of Delivery	Stephen Butcher stephen.butcher@westyorks-ca.gov.uk