

LEEDS CITY REGION ENTERPRISE PARTNERSHIP BOARD

MEETING TO BE HELD AT 2.00 PM ON TUESDAY, 17 NOVEMBER
2020

DUE TO COVID-19, THIS MEETING WILL BE HELD REMOTELY AND
WILL BE LIVESTREAMED HERE:

[HTTPS://WWW.YOUTUBE.COM/CHANNEL/UCAZJNSGPQZZT41VIBN2
ZK9A/LIVE](https://www.youtube.com/channel/UCAZJNSGPQZZT41VIBN2ZK9A/LIVE) (COPY AND PASTE THE LINK IN YOUR BROWSER)

A G E N D A

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

In accordance with the requirements of the LEP Board Members' Code of Conduct, members have an obligation to review their register of interests before each meeting and to declare any interests.

If an interest has not been entered onto the LEP's register, then members must disclose the interest at any meeting at which they are present and where they have a disclosable interest in any matter being considered and where the matter is not a sensitive interest.

3. EXCLUSION OF THE PRESS AND PUBLIC

4. MINUTES OF THE MEETING HELD ON 3 SEPTEMBER 2020

(Pages 1 - 10)

5. ECONOMIC REPORTING

(Led by: Alan Reiss, Author: James Hopton)

(Pages 11 - 40)

6. COVID-19

(Led by: Brian Archer, Author: Brian Archer)

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7. PANEL AND COMMITTEE REPORTS

- (a) BUSINESS INNOVATION AND GROWTH PANEL**
(Led by: Andrew Wright)
(Pages 49 - 54)
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(Led by: Rashik Parmar)
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(Led by: Cllr Tim Swift)
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8. FUTURE-READY SKILLS COMMISSION

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(Led by: Melanie Corcoran, Author: Craig Taylor)
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10. CONVENTION OF THE NORTH & NP11 SPENDING REVIEW SUBMISSION AND COVID-19 STATEMENT

(Led by: Alan Reiss, Author: James Flanagan)
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11. GOVERNANCE ARRANGEMENTS

(Led by: Caroline Allen, Author: Julie Haigh)
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For Information

13. DRAFT MINUTES OF THE MEETING OF THE COMBINED AUTHORITY HELD ON 4 SEPTEMBER 2020

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14. DATE OF NEXT MEETING

The next meeting will be held at 2pm on Wednesday 20 January 2021.

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MINUTES OF THE MEETING OF THE LEEDS CITY REGION ENTERPRISE PARTNERSHIP BOARD HELD REMOTELY ON THURSDAY, 3 SEPTEMBER 2020

Present:

Roger Marsh OBE DL (Chair)	Private sector member & LEP Chair
Prof Shirley Congdon	FE and HE representative
Kate Hainsworth	Private sector member & LEP Diversity Champion
Amir Hussain	Private sector member
Rashik Parmar MBE	Private sector member & Chair, Employment & Skills Panel
Professor Simon Pringle	Private sector member & Chair, Green Economy Panel
Kamran Rashid	Private sector member
Mandy Ridyard	Private sector member
Mark Roberts (Deputy Chair)	Private sector member
Kully Thiarai	Private sector member
Andrew Wright	Private sector member & Chair, Business Innovation & Growth Panel
Councillor Susan Hinchcliffe	Bradford Council
Councillor Tim Swift MBE	Calderdale Council
Councillor James Lewis (Substitute)	Leeds City Council
Councillor Peter McBride (Substitute)	Kirklees Council

In attendance:

Tom Riordan	Leeds City Council
Peter Mucklow	LEP Senior Sponsor
Ben Still	LEP/West Yorkshire Combined Authority
Caroline Allen	LEP/West Yorkshire Combined Authority
Angela Taylor	LEP/West Yorkshire Combined Authority
Brian Archer	LEP/West Yorkshire Combined Authority
Alan Reiss	LEP/West Yorkshire Combined Authority
Henry Rigg	LEP/West Yorkshire Combined Authority
Ian Smyth	LEP/West Yorkshire Combined Authority
Patrick Bowes	LEP/West Yorkshire Combined Authority
Lynn Cooper	LEP/West Yorkshire Combined Authority
James Flanagan	LEP/West Yorkshire Combined Authority
Emma Longbottom	LEP/West Yorkshire Combined Authority
Julie Haigh	LEP/West Yorkshire Combined Authority
Ruth Chaplin	LEP/West Yorkshire Combined Authority

28. Apologies for Absence

Apologies for absence were received from Helen Featherstone, Joanna Robinson and Councillors Judith Blake, Denise Jeffery and Shabir Pandor.

29. Declarations of Interest

In accordance with the requirements of the LEP Board Members' Code of Conduct, Members were reminded of their obligations to review their individual register of interests before each LEP Board meeting and to declare any interests.

30. Exclusion of the Press and Public

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

31. Minutes of the meeting held on 14 July 2020

Resolved: That the minutes of the meeting held on 14 July 2020 be approved.

32. LEP Governance Arrangements

The Board considered a report of the Director, Corporate Services on LEP governance arrangements which:

- Set out the LEP's governance arrangements, further to the postponement of the scheduled annual meeting in June 2020, due to the COVID-19 pandemic.
- Provided the annual summary of remuneration and expenses paid to members of the LEP.
- Provided recommendations in respect of private sector representations on the West Yorkshire Combined Authority's advisory panels which report to the LEP.

The Board was advised that the Secretary of State for International Trade has approached the LEP Chair to join a senior group of experts focussed on advising on the investment chapters of the Free Trade Agreements (FTAs). The Trade Advisory Group for Investment will work alongside the Government to achieve the best possible outcomes as part of these negotiations. Members welcomed the opportunity for the City Region to be represented at the meetings and endorsed the Chair's appointment to the Department for International Trade (DIT) Trade Advisory Group for Investment.

Resolved:

- (i) That the LEP Board notes and confirms the governance arrangements for the LEP as set out in the submitted report and appendices 1 and 2.

- (ii) That the annual summary of remuneration and expenses, attached as appendix 3 to the submitted report be noted.
- (iii) That private sector LEP Board members Kamran Rashid and Kully Thiarai be nominated to the Inclusive Growth & Public Policy Panel and Helen Featherstone to the Place Panel and that these proposals be considered by the Combined Authority at their next meeting.
- (iv) That the LEP Board endorses the LEP Chair's appointment as a member of the DIT Trade Advisory Group for Investment.

33. Annual Accountability Report

The Board considered a report of the Director, Corporate Services which:

- Provided annual reports in respect of complaints and concerns raised about the LEP and/or members of the LEP Board this year.
- Provided a summary of applications for grants considered during the last financial year under arrangements to address conflicts of interest.

It was reported that no complaints had been received either in this year or preceding ones and this was welcomed by the Board.

Members noted the summary of grant applications considered during 2019/20 which were attached at Appendix 1.

Resolved:

- (i) That the LEP Board notes that no complaints or concerns have been raised this year about the LEP (or about any member of the LEP Board) under the LEP's complaints procedures, the Combined Authority's complaints policy and the LEP's whistleblowing policy.
- (ii) That the LEP Board notes the summary set out in Appendix 1 to the submitted report relating to grant applications considered under conflict of interest arrangements in place during 2019/20.

34. Annual Scrutiny Report

The Board considered a report of the Director, Corporate Services on the scrutiny annual report 2019/20.

The annual report was attached at Appendix 1 and Members noted the summary of the work undertaken by the Overview and Scrutiny Committee during the 2019/20 municipal year.

Resolved: That the annual report summarising the work undertaken by the Overview and Scrutiny Committee in 2019/20 be noted.

35. Annual Report - Equality & Diversity Policy and Statement

The Board considered a report of the Director, Policy Strategy and Communications on the Equality and Diversity Policy Statement.

The Equality and Diversity Statement, which forms part of the LEP's Assurance Framework, was attached at Appendix 1 to the submitted report. It was noted that this requires the Board to identify at its annual meeting a member to act as the LEP's Diversity Champion and it was therefore agreed that Kate Hainsworth continue in the role.

Kate Hainsworth welcomed the challenges and the ambition to eradicate poverty and deprivation and looked forward to working closely with the Panel Chairs and officers. Members discussed the importance of promoting diversity and inclusion, eliminating discrimination and ensuring that everyone can realise their full potential through the skills/education agenda. Members wished to see equality and diversity indicators imbedded in all programmes of the LEP.

Tables outlining the composition of the LEP Board and the private sector representatives on the Combined Authority's advisory committees were attached at Appendices 2 and 3.

Resolved:

- (i) That the report be noted.
- (ii) That the Equality & Diversity Policy and Diversity Statement which forms part of the LEP's Assurance Framework be approved.
- (iii) That Kate Hainsworth continues in the position of LEP Diversity Champion.

36. Annual Review

The Board considered a report of the Director of Economic Services on the annual review 2019/20.

The achievements and work undertaken by the LEP during 2019/20 were summarised in the annual Delivery Plan together with the priorities for 2020/21. The latest version of the Delivery Plan was attached at Appendix 3 to the corporate performance report at agenda item 15.

The positive impact the LEP's work had achieved across the Leeds City Region was highlighted which included the support given to businesses, the success of the Growth Deal, strengthening skills and investment including attracting new businesses to the region.

Over the next 12 months the focus will be on supporting the region to successfully recover from both the short and long-term impacts of the COVID-

19 pandemic and the £1.8 billion West Yorkshire devolution deal in order to achieve the priorities of boosting productivity, enabling inclusive growth, tackling the climate emergency and delivering 21st century transport.

Thanks were given to officers and partners for their tireless work in helping the region's businesses and communities and particularly the challenges faced during the pandemic.

Resolved: That the successes achieved by the LEP in 2019/20 be noted.

37. Public Question Time

The Board considered a report of the Director, Policy Strategy and Communications which provided an overview of the LEP Question Time session which took place as part of the remote meeting.

Members of the public and business community had been invited to submit questions to the LEP Board via social media or email. A selection of questions covering a number of topics were covered at the meeting. Written answers will be published on the LEP website by 5 October 2020, together with answers to all the questions received which could not be discussed at the meeting due to time constraints.

The LEP Board thanked the public for their submissions and encouraged them to continue to contact the LEP with any further questions.

Resolved: That the report be noted.

38. Economic Reporting

The Board considered a report of the Director, Policy Strategy and Communications which provided an update on the latest activity and intelligence around understanding the impact of COVID-19 since the last meeting.

Members discussed the most recent developments and information which was outlined in the report and the latest Leeds City Region COVID-19 monitor was attached at Appendix 1.

It was reported that the Research & Intelligence Team have launched an online business survey to gain more structured intelligence and this will be used to support the LEP's recovery response work.

Resolved: That the report be noted.

39. Covid-19

The Board considered a report of the Director, Economic Services on COVID-19.

Members noted and discussed the progress on the delivery and development of products and services in response to the crisis.

The first version of the West Yorkshire Economic Recovery Plan had been endorsed by the Combined Authority on 27 July 2020. Further work had been undertaken to include more on culture and the role of place and it will continue to be kept under review as the implications of the pandemic continue to develop. The five local authority Leaders and Chair of the LEP have written to the Chancellor and asked for a meeting to discuss how the plan can be taken forward. Copies of the plan, summary and the letter had all been published on the Combined Authority's website.

Resolved:

- (i) That the progress on the delivery and development of the response to the COVID-19 crisis be noted.
- (ii) That the first version of the West Yorkshire COVID-19 Economic Recovery Plan be endorsed.

40. Panel and Committee Reports

The Board discussed and noted the Panel reports which were presented for information.

Members noted the update of the Place Panel meeting which had been held on 28 July 2020 and Councillor Swift outlined their ongoing activities.

In respect of the LEP Capital Programme (Investment Committee) update, the Board noted the overview of recent funding awarded through the Getting Building Fund which was outlined in the submitted report. A summary of the activity currently underway to review the Assurance Framework in readiness for becoming a Mayoral Combined Authority was also provided in the report together with an update on the progress of the LEP capital programme for 2020/21.

It was reported that although the Green Economy Panel had not met since the last LEP Board meeting, Simon Pringle had held an online session for Members regarding the ongoing work and challenges being faced in tackling the climate emergency. A number of workshops had also been arranged to look at how the LEP's commitments and aspirations can be put into practical action and all Members were welcome to attend.

Andrew Wright provided an update on the activities of the University of Leeds led MIT REAP (Massachusetts Institute of Technology Regional Entrepreneurship Acceleration) programme. He advised the two key platforms, Leap and Build, had recently been launched and further information on these initiatives would be circulated to Members.

Resolved: That the reports be noted.

41. Strategic Economic Framework

The Board considered a report of the Director, Policy Strategy and Communications on the development of the Strategic Economic Framework (SEF).

It was noted that since 2016, the Strategic Economic Plan (SEP) has set out the Authority's priorities for growth and development and will continue to be used for Growth Deal programmes until it ends in March 2021. Members were advised that the Strategic Economic Framework (SEF) has now been developed to reflect the growing range of policy areas that the Combined Authority operates in, changing national political and economic circumstances and the need to incorporate the future mayor's manifesto commitments.

Members discussed the SEF which will form the new overarching economic strategy for the region setting out the vision and priorities for achieving this. The document will have five sections: Our Vision, Our Priorities, Our Policies and Strategies, Our Partnerships, and Monitoring and Impact and these were outlined in the submitted report. Members welcomed this approach and wanted to see inclusive growth and equality measures incorporated into the monitoring and impact indicators.

The SEF will inform the production of the Single Investment Fund strategy and the updated Assurance Framework. The SEF would be considered by the Combined Authority at their meeting on 4 September 2020 and, once adopted, it was proposed that it be formally reviewed every six months. Any new policies, strategies or major amendments will be considered by the Combined Authority following consideration by the appropriate advisory panel.

Resolved:

- (i) That the LEP Board notes that the Strategic Economic Plan will continue to be used for Growth Deal programmes until it ends in March 2021.
- (ii) That the LEP Board endorse the concept and content of the Strategic Economic Framework (SEF).
- (iii) That the intention for future policies, strategies and changes to the SEF be brought to the LEP Board and advisory panels for consideration as appropriate be noted.

42. Corporate Performance

The Board considered a report of the Director, Corporate Services which provided an update on a range of corporate matters.

Members noted the final (unaudited) revenue budget position for 2019/20 which was attached at Appendix 1 and a summary of the 2020/21 current

revenue spend to original budget as at June 2020 was attached at Appendix 2.

It was reported that further work had been undertaken on the 2020/21 LEP Annual Delivery Plan, which was attached at Appendix 3, to ensure that this now reflects the key areas of priority to aid the COVID-19 recovery. In noting the updated version, the Board agreed that final approval of the content be delegated to the Managing Director in consultation with the LEP Chair.

Summaries of the performance and strategic organisational risks were provided in Appendix 4 and it was noted that these had been updated to include strategic risks related to the ongoing COVID-19 pandemic.

Resolved:

- (i) That the report be noted.
- (ii) That final approval of the content of the 2020/21 LEP Annual Delivery Plan be delegated to the Managing Director in consultation with the LEP Chair.

43. Devolution and Single Investment Fund

The Board noted a report of the Managing Director on Devolution and the Single Investment Fund which:

- Provided an update on the work underway to become a Mayoral Combined Authority (MCA) and to implement the 'minded' to devolution deal.
- Provided an update on the timeline for implementing the statutory process to enact the deal.
- Provided further information on the principles and design of a Single Investment Fund (SIF) as the transition to an MCA is made.

In respect of the public consultation on the Scheme, it was reported that despite the challenges of consulting during the pandemic, over 4,000 responses had been received and the support received was encouraging.

Resolved: That the progress made to date be noted.

44. Minutes of the Meeting of the Combined Authority held on 25 June 2020

Resolved: That the minutes of the West Yorkshire Combined Authority held on 25 June 2020 be noted.

45. Draft Minutes of the meeting of the Combined Authority held on 27 July 2020

Resolved: That the draft minutes of the West Yorkshire Combined Authority held on 27 July 2020 be noted.

46. Date of Next Meeting

The next meeting will be held on Tuesday 17 November 2020.

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Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **Economic Reporting**

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

Author: James Hopton, Economic & Transport Analysis Manager

1. Purpose of this report

- 1.1 To provide an update on the latest economic and business intelligence for the Board, and to update the Board on the latest activity and intelligence around understanding the impact of COVID-19 since the Board's September meeting.

2. Information

Recent local developments

- 2.1 There has been a third consecutive small monthly increase in people claiming out of work benefits both locally and nationally through to September, according to data from the Department for Work and Pensions. West Yorkshire's count increased by 1,435 (+1.3%) whilst nationally there was growth of 24,600 (1.1%). For districts the increase ranged from 1.9% for Bradford (+585 claimants); 1.4% for Leeds (+490); and 1.2% for both Kirklees (+230) and Wakefield (+165).
- 2.2 Comparing September 2020 with the pre-lockdown period in March 2020 the number of claimants has increased by 52,400 (92%) across West Yorkshire. The England average increase is 117%. This means there are now 109,500 claimants in West Yorkshire, compared with 57,100 in March.
- 2.3 UK GDP growth slowed to 2.1% in August, down from 6.4% in July. The national economy remains 9.6% smaller than in February. The accommodation & food sector was the main driver of growth, increasing by 36%, propelled by the Eat Out to Help Out Scheme. The sector was responsible for over half of all growth in the UK in August, despite being a relatively small share of overall economic output. The sector accounts for 2.2% of West Yorkshire GVA, though it is a significant employer with 70,000 jobs. Most other areas of the service sector saw little change month on month.
- 2.4 The UK economy is officially in recession, with UK GDP falling by a record 20.4% in Q2 2020, with falls of around 20% in the service sector and manufacturing, and by 35% in construction. More positively, June monthly

GDP figures showed stronger growth than many expected with output up 8.7%.

- 2.5 There have been 2,800 business dissolutions / liquidations so far in October. This is up from almost 2,100 in September. The number of business dissolutions / liquidations in West Yorkshire appears to have been tailing off in late October though data may still be subject to revision. As of November 4th, 576 businesses had been liquidated in the week ending October 20th, compared to 908 a week earlier. However this is still higher than the weekly average of 330 liquidations in the first quarter of 2020. In sector terms, transport & storage, and information & communications have higher levels of business failures than their share of the business base would suggest. The wholesale & retail and professional services sectors also account for significant numbers though this largely reflects their significant scale.
- 2.6 Data on transport activity suggests that the introduction of further local restrictions, as well as national measures such as the rule of six, prior to the national lockdown introduced on November 5th, have halted the increases in activity seen whilst restrictions were easing. Although activity on the bus network increased with the return of schools in early September, this has since levelled off. Use of the bus network is still about half of 2019 levels, with footfall in Leeds rail station around two thirds down on last year.
- 2.7 Early anecdotal evidence from businesses suggests the return to national lockdown measures in November will lead many to return staff to furlough, with some suggesting that this will help them to avoid redundancies. However, some have expressed concerns that the financial support currently available may not be sufficient to support them through the disruption.
- 2.8 Survey data from the Office for National Statistics also suggest recent trends in returning to normal working patterns had stalled prior to the return to lockdown. Although in recent months the proportion of people working in their normal place has increased from 50% to 60%, this has tailed off and is closely aligned with the return of people from furlough. Around 28% of people continue to work from home, and whilst furlough use decreased throughout August and early September, the proportion of people on furlough was unchanged at just over 9% in the fortnight to 4 October, compared with the preceding fortnight, according to the ONS Business Impacts of Coronavirus Survey.
- 2.9 1,125 new business bank accounts were opened in West Yorkshire in September, up 0.9% on August. This is lower than the 13.8% increase seen nationally, and the 2.2% across the wider City Region. This is a proxy measure for business start up activity. Compared to September 2019, the number of new accounts opened was 6% lower in West Yorkshire, but 6% higher in England.
- 2.10 Looking at the year to date, the number of new accounts is down 1,240 (13%) compared to 2019. However, declines are around 20% in accommodation & food, professional services & real estate, transport & communications and

recreational & other services. Construction and wholesale & retail have seen small increases compared to 2019.

- 2.11 Scaled Insights, a Behavioural AI start-up based in Nexus, Leeds, has been conducting a longitudinal survey on Adults' Thoughts and Behaviours Relating to COVID-19. The first survey ran in April and May. Over 1000 people in UK responded. The 3-month follow-up online survey was conducted in August and September. Most respondents said that their employment status was largely unchanged, and a majority reported no significant impact on their income. Most respondents reported having slightly more spare cash than usual though around 1 in 10 reported having less spare cash. Despite having more spare cash than usual, most people said they were cutting back spending due to COVID-19. This could reflect fewer opportunities to spend on consumer and leisure activities, or it could reflect a desire to increase saving in an uncertain economic environment.

3. Clean Growth Implications

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

4. Financial Implications

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

5. Legal Implications

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

6. Staffing Implications

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

7. External Consultees

- 7.1 No external consultations have been undertaken.

8. Recommendations

- 8.1 The Board are asked to note the latest intelligence around the economic impacts of COVID-19 and consider how this relates to their work and future work plans.

9. Background Documents

- 9.1 None.

10. Appendices

- 10.1 Appendix 1: Leeds City Region COVID-19 monitor – 14 August 2020

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COVID-19
¹⁵ **Fortnightly**
Insights Report

Research & Intelligence
30th October 2020

Executive Summary – social and economic

- The rate of COVID-19 infections is increasing in West Yorkshire, and in most other Mayoral Combined Authority areas.
- Business liquidations increased so far in October compared to September, with 2,400 businesses liquidated this month to date compared to just over 2,000 in September (though restrictions on liquidating businesses were only eased on 10th September so this may to some extent reflect the system catching up).
- Business liquidations are most prevalent in transport & storage, wholesale & retail and professional services. The information & communications sector is also overrepresented.
- ¹⁹ 2 in 5 businesses in the accommodation & food sector said they were at a moderate or severe risk of insolvency according to an ONS survey, with 3 in 10 saying they faced this level of risk in arts & entertainment and manufacturing.
- Although around 60% of people are now working from their usual place, the increase in return to normal working conditions has been driven by falling use of furlough, both of which appear to have stalled. Around 9% of people remain on furlough, and just under 30% are still working from home.
- The number of job vacancies fell in 4 of 5 West Yorkshire council areas and overall the number of vacancies declined for most occupations.

Executive Summary – transport







- National transport monitoring data reveals that levels of motor vehicle, bus and rail travel plateaued over the summer months and in recent weeks rail use has declined.
- In West Yorkshire, proxy measures of rail and bus use indicate slight reversals in recovery over recent weeks, with bus recovery remaining stronger. Bus patronage from operators electronic ticket machine data also shows a marginal downward trend in recent weeks.
- After footfall in Leeds City Centre rose to its highest post-lockdown level in September, with total footfall reaching 88% of the 2019 total, October has seen it decrease to 48% of the previous year's total following the introduction of tiered local lockdowns. This decrease is more pronounced at weekdays, where footfall is at 44% of 2019 levels, while weekend footfall is at 59%.
- Cycle counters on canal towpaths across West Yorkshire have recorded reducing numbers of average daily trips across the region as winter sets in and hourly daylight reduces. This decrease is more apparent at weekends indicating that the reduction is principally driven by decreases in leisure cycling rather than cycle commuting.
- Local longitudinal COVID-19 behaviour survey results indicate continued avoidance of public transport and visits to city centres for work or leisure in the next 6 months.

Introduction

- This report presents the latest developments with regards to COVID-19 for West Yorkshire and Leeds City Region. It draws on a number of official and unofficial data sources to present the latest intelligence and is primarily focused on the **economic and transport** impacts.
- It includes analysis of anecdotal evidence from interactions with businesses, and it is recognised that this analysis is based upon subjective views from those businesses which may or may not reflect the views of the wider business community.
- In some cases, data is presented for a single authority or area. In those instances, further data is being sought to enable more comprehensive analysis of other areas. Please send any data to contribute for analysis or any comments on this report to Research@westyorks-ca.gov.uk.

Virus prevalence – West Yorkshire

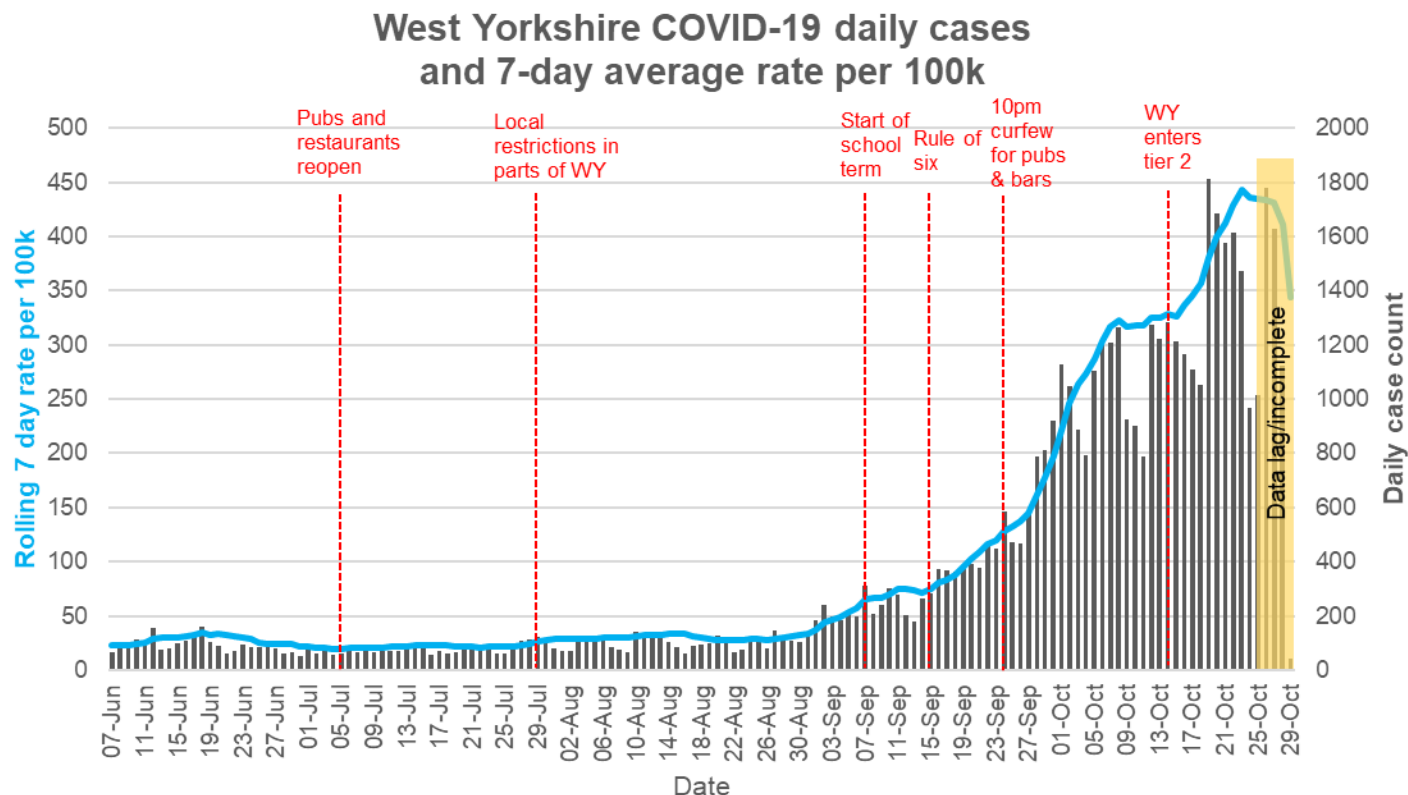
Table shows the most recent COVID-19 case data from Public Health England's (PHE) secure data portal. Note due to reporting delays for comparison between Local Authorities the most recent 4 days are excluded from the calculations of rates and moving averages.

Area	Total cases per 100k people (18 - 24 Oct)	Total cases per 100k people (11 - 17 Oct)	Absolute Difference
	Most recent data week	Previous week	
Bradford	490.2	386.6	103.6 
Calderdale	446	288.5	157.5 
Kirklees	405	292.4	112.6 
Leeds	416.7	383.3	33.4 
Wakefield	428.1	294.9	133.2 
West Yorkshire	433.9	345.4	88.4 

As of the 23th October, the 7-day moving average **West Yorkshire COVID-19 rate was 433.9 cases per 100k**. The weekly proportion of positive COVID-19 cases is currently between 14-16%, slightly higher than the Yorkshire and the Humber average (13.2%).

Virus prevalence – West Yorkshire trend

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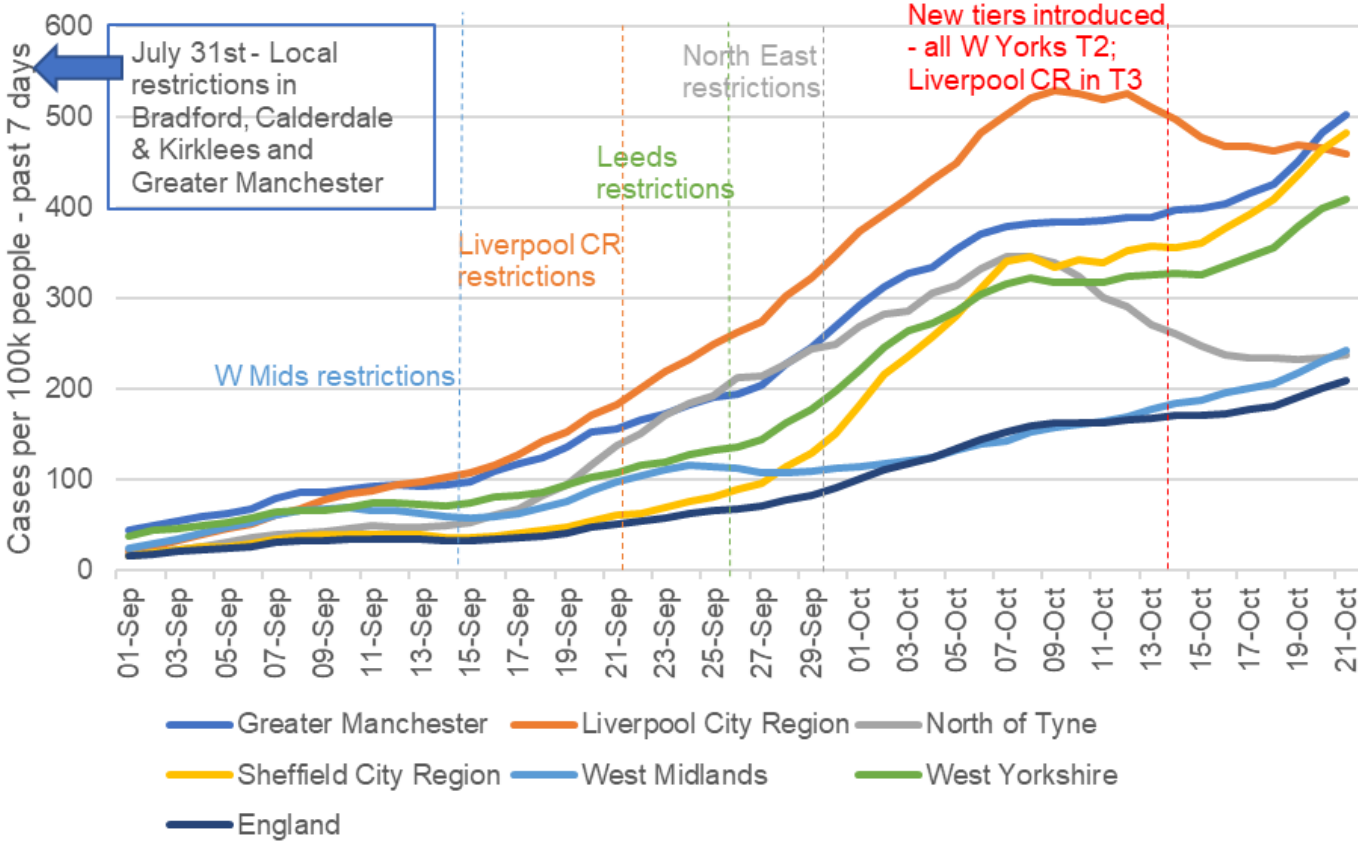


The chart above reveals the trend in the number of daily COVID-19 cases in West Yorkshire and the 7-day rolling rate per 100k population. Following a short period where rates levelled off, COVID-19 infection rates have risen sharply again. Note there is a lag in the very latest data PHE COVID-19 data to account for all test results to be processed and recorded.

COVID-19 infection rates still increasing in some MCA areas

COVID-19 infection rates are increasing again in 4 of the 6 Mayoral Combined Authorities analysed here, following a brief levelling off in rates in earlier October. Liverpool City Region and the North of Tyne MCA area have seen steady declines in infections, though this appears to predate the introduction of the new tiers.

COVID-19 Cases (rate per 100k) - selected MCAs



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Source: HMG / PHE Coronavirus in the UK data

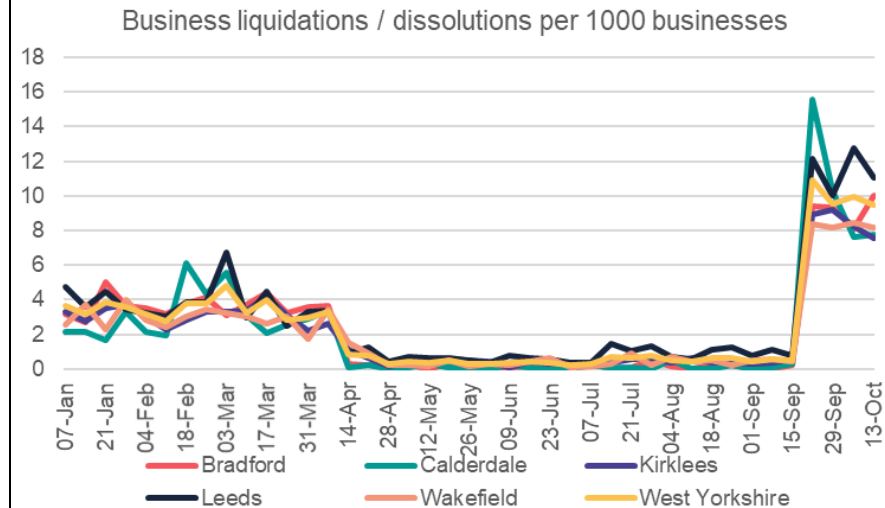
Economic Insights



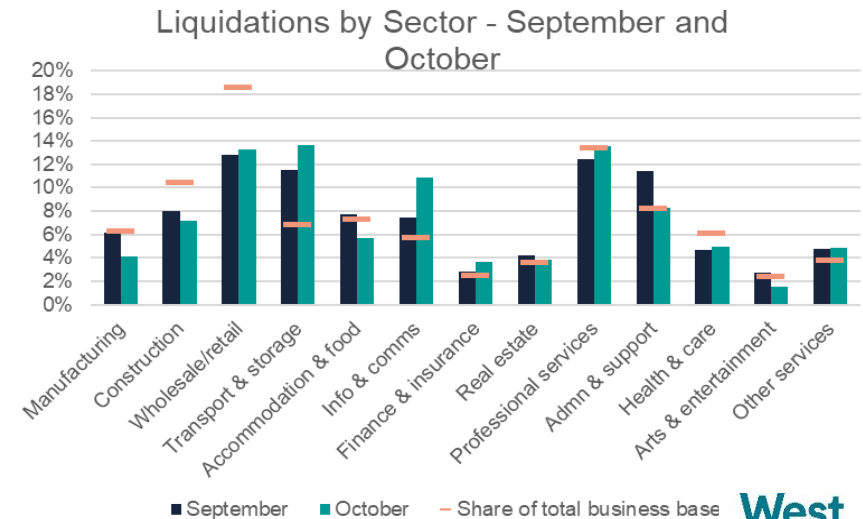
Business failures increase further in October, but weekly totals stable

There have been 2,400 business dissolutions / liquidations so far in October (as of October 26th, though data is subject to lag so is likely to increase further). This is up from almost 2,100 in September. The latest week for which complete data is available (7-13th October) shows 900 business closures that week, down slightly on the previous week but broadly consistent with recent weeks since the removal of protections to prevent liquidations during the pandemic on September 10th. The recent upturn in business liquidations is likely a mixture of genuine recent business failures and some activity catching up from the easing of those protections.

9.5 businesses per 1,000 were liquidated in the week to October 13th, though this ranges from 7.6 in Kirklees to 11 in Leeds, which may reflect a higher proportion of businesses with head offices in Leeds. In sector terms, transport & storage, wholesale & retail and professional services each accounted for around 13.5% of liquidations in October. This is double the business base share for transport & storage, but wholesale/retail is below its 18% share of the business base. The information & communications sector also has a greater share of business failures than its business base would suggest.



Source: FAME. Bureau van Dijk. 2020



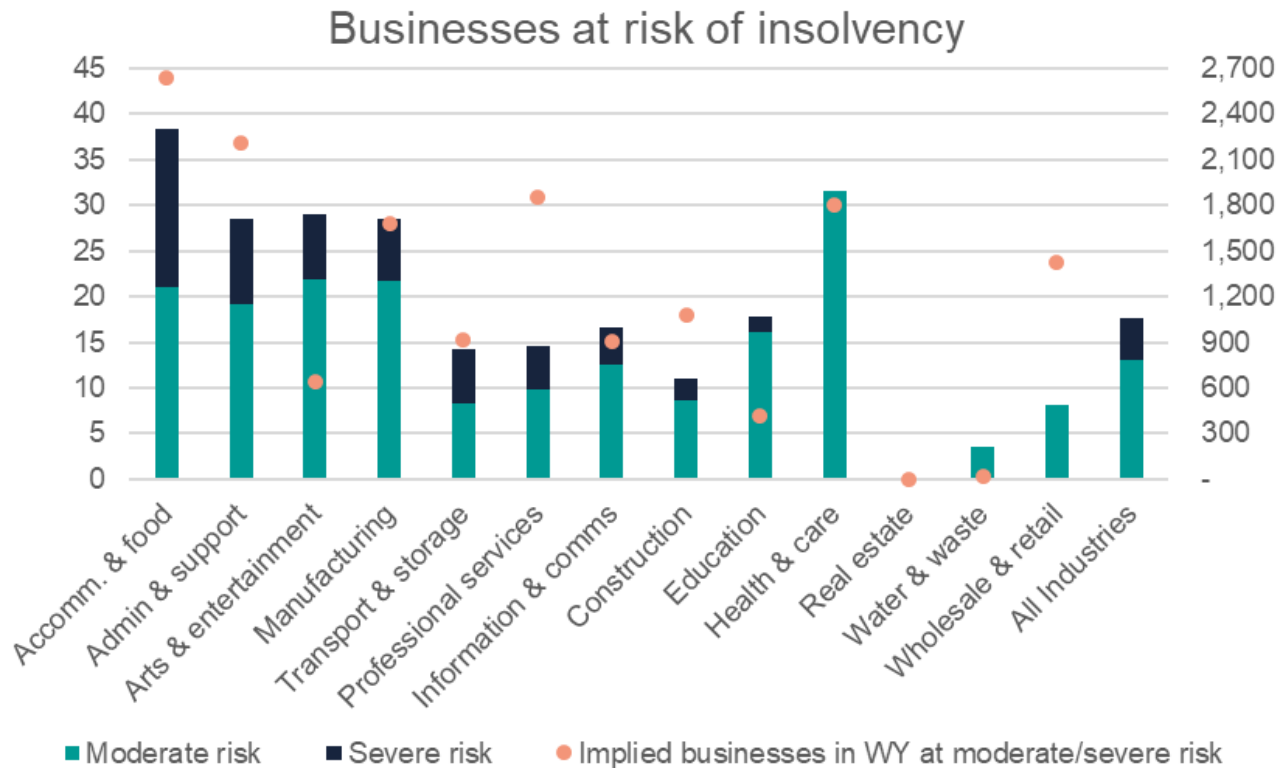
*Data includes companies whose registered office is in West Yorkshire, but whose physical location may be elsewhere

Source: FAME, Bureau van Dijk, 2020

Almost 2 in 5 businesses at risk of insolvency in some sectors

17% of businesses in the accommodation & food sector are at severe risk of insolvency, with a further 21% at moderate risk, according to the latest ONS Business Impacts of Coronavirus Survey (21 Sept – 4 Oct). If replicated in West Yorkshire, this would mean 2,600 businesses in the sector at severe risk of insolvency – almost 2 in 5 businesses in the sector. 29% of businesses in business administration, manufacturing and arts & entertainment said they were at severe or moderate risk, translating to 2,200, 1,700 and 640 businesses at risk locally respectively. Although the proportion considering themselves at risk was lower in the professional services sector at 15%, this would still translate to 1,800 businesses in West Yorkshire given the sector's scale.

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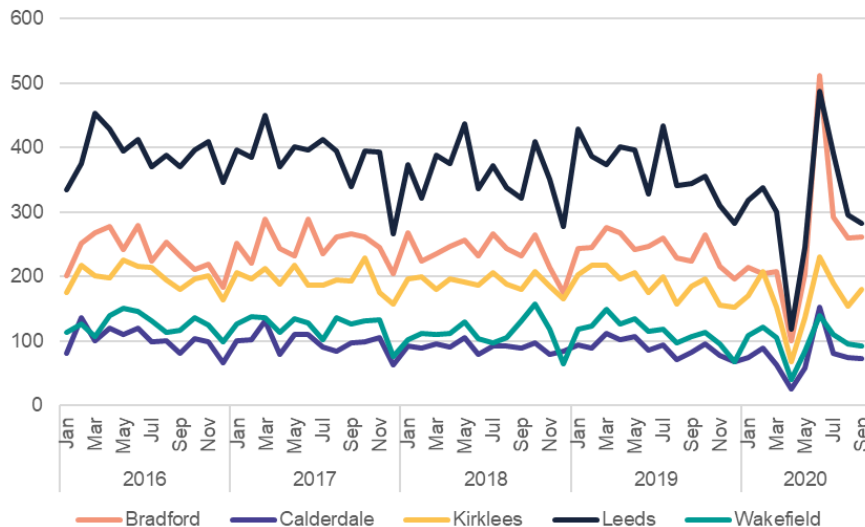


New business bank accounts stabilise, but sharper declines in at risk sectors

1,125 new business bank accounts were opened in West Yorkshire in September, up 0.9% on August. This is lower than the 13.8% increase seen nationally, and the 2.2% across the wider City Region. This is a proxy measure for business start up activity. Compared to September 2019, the number of new accounts opened was 6% lower in West Yorkshire, but 6% higher in England.

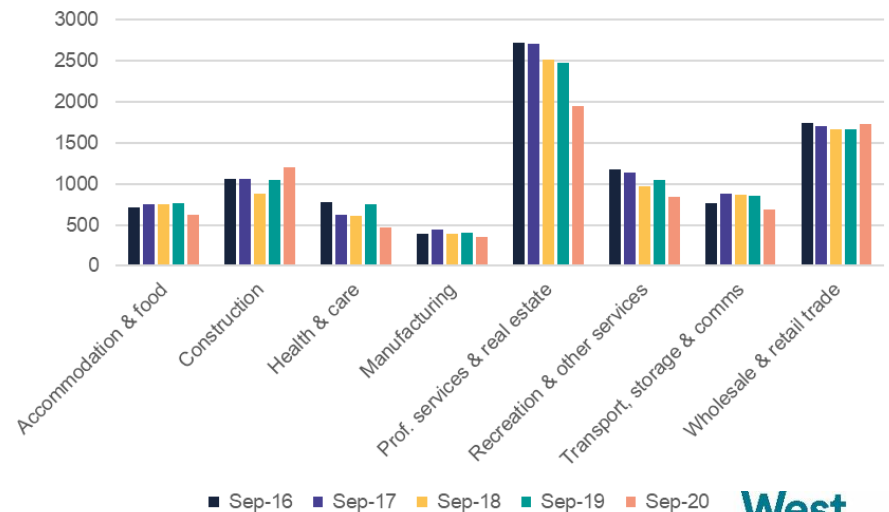
Kirklees saw a 16% increase between August and September, though other West Yorkshire districts saw little change or small declines. Looking at the year to date, the number of new accounts is down 1,240 (13%) compared to 2019. However, declines are around 20% in accommodation & food, professional services & real estate, transport & communications and recreational & other services. Construction and wholesale & retail have seen small increases compared to 2019.

New business bank accounts, 2016 - Sept 2020



Source: Banksearch, 2020

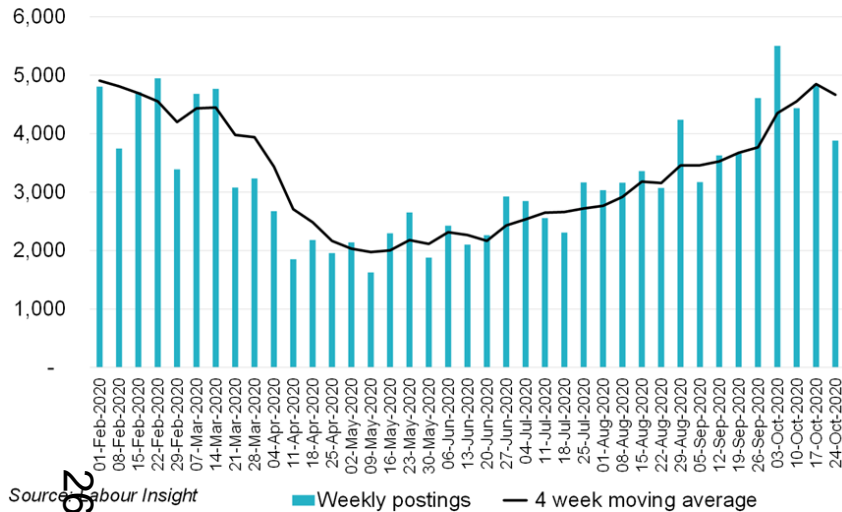
New business bank accounts - West Yorks by sector - year to September



■ Sep-16 ■ Sep-17 ■ Sep-18 ■ Sep-19 ■ Sep-20

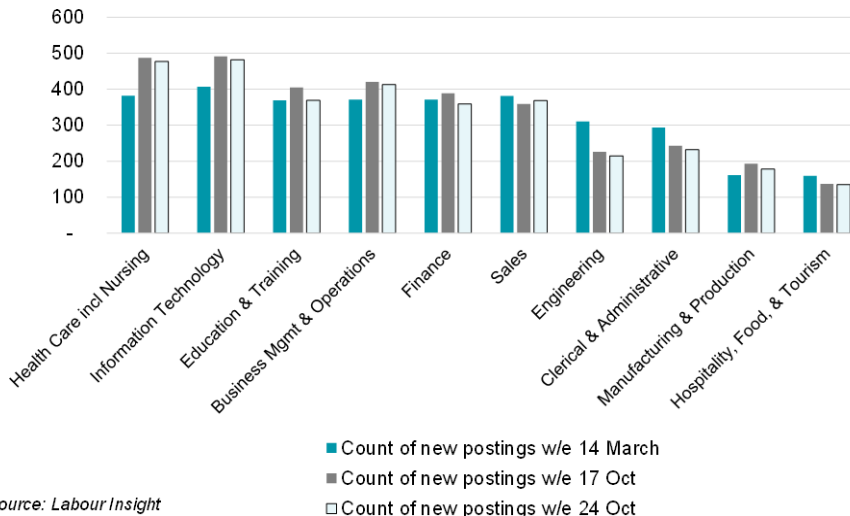
Job vacancies fell in 4 of 5 WY council areas & the number of vacancies declined for most occupations

Trend in weekly job postings - West Yorkshire



The number of vacancies for jobs in West Yorkshire posted online during week ending 24 October was 4% lower than in the previous week (based on a 4-week moving average). Nationally, the number of vacancies posted fell by 3%. Looking at unadjusted figures the number of West Yorkshire postings fell by 20%, which may reflect recruiters' concerns about the area moving into Tier-3 restrictions, although the weekly figures are highly volatile.

Weekly count of new online job postings in West Yorkshire by occupational category - 4 week moving average



All occupational categories saw a decline in the number of vacancies notified in week ending 24 October, except *Sales* which saw a slight increase. *Engineering, Clerical & administrative* and *Hospitality, food and tourism* have the greatest ground to make up on pre-crisis vacancy levels.

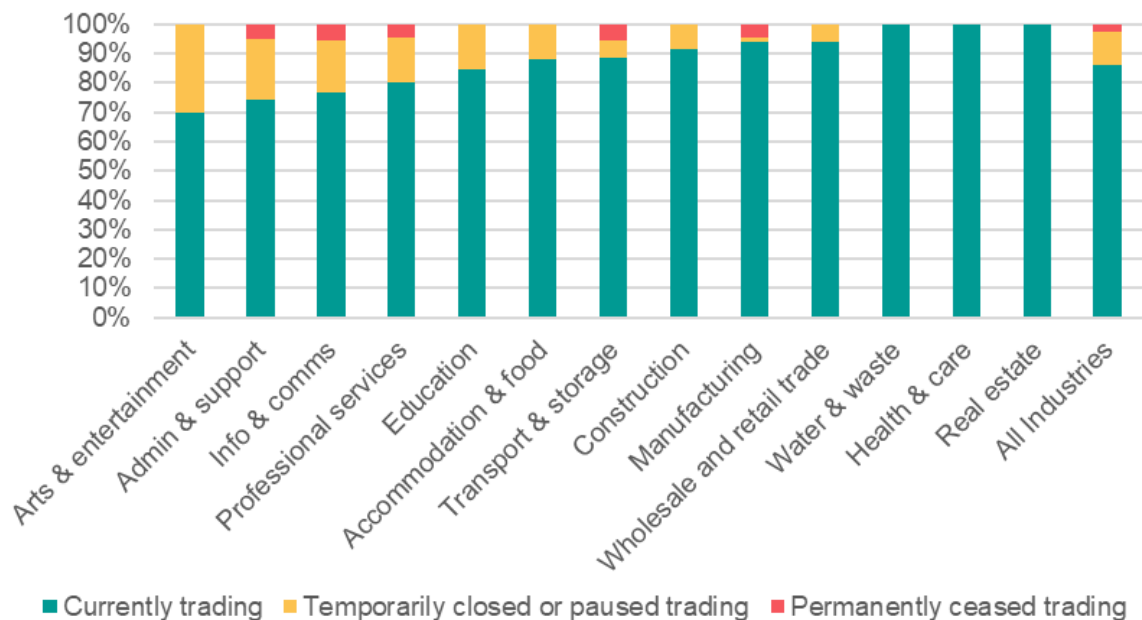
ONS analysis suggests 30% of businesses not trading in some sectors

86% of businesses nationally were trading in the fortnight to October 4th, according to the ONS Business Impacts of Coronavirus Survey. However, this falls to 70% in arts & entertainment, 74% in business administration & support, and 77% in information & communications.

The survey suggests around 2.6% of businesses have stopped trading permanently. This is highest in information and comms (5.8%) and transport & storage (5.6%). However, these numbers are subject to sampling error and can vary across waves of this survey.

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Current business trading status - 21 Sep - 4 Oct



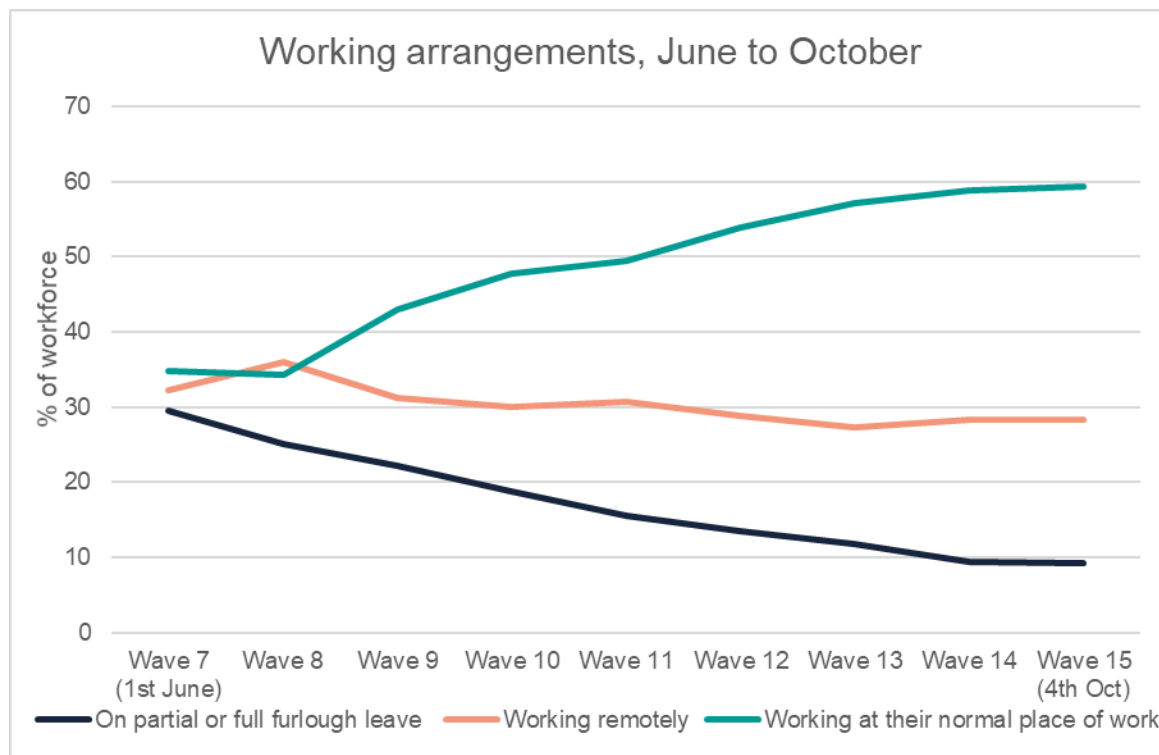
Source: ONS Business Impacts of Coronavirus Survey wave 15

Source: Office for National Statistics, 2020

Little change in working patterns, despite return to school and changing advice

The proportion of people on furlough was unchanged at just over 9% in the fortnight to October 4th, compared with the preceding fortnight, according to the ONS Business Impacts of Coronavirus Survey. Although in recent months the proportion of people working in their normal place has increased from 50% to 60%, this too has tailed off and is closely aligned with the return of people from furlough. Around 28% of people continue to work from home. Some sectors have seen some change recently, with a significant return to normal working in the education sector in September and early October. However, use of the furlough scheme remains extensive in the arts & entertainment and accommodation & food sectors, where 28% and 24% of jobs remain furloughed respectively.

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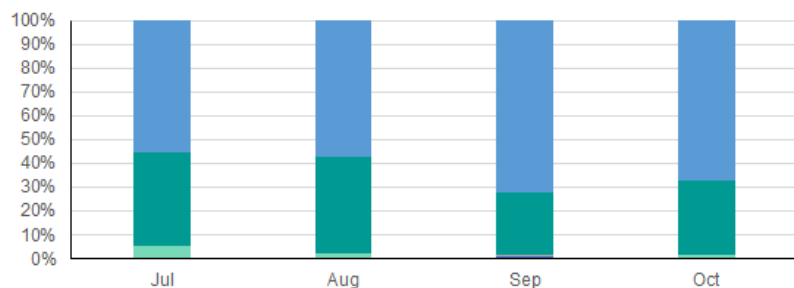
Growth manager interactions

This week several businesses have provided feedback stating that they are going to make redundancies. Leeds Bradford airport is making the largest number of redundancies. Due to COVID-19 they are looking to lose around 107 jobs.

Other businesses reporting smaller numbers of redundancies are in manufacturing, but the redundancies are caused by a sharp drop demand from the hospitality, food, and leisure sectors. Other companies that rely on demand from the hospitality, food and leisure sectors have continued to report that they are worried over the future even if they have not started considering making redundancies.

A few businesses have reported that they are seeing strong growth and are planning to invest in expanding their company. These companies are mostly in the IT sector. These companies have been able to shift to a remote/home working style very easily and have continued to recruit throughout the lockdown. Which has allowed them to keep up with the demand that has been generated through other businesses seeking digital tools and services.

Business trading status



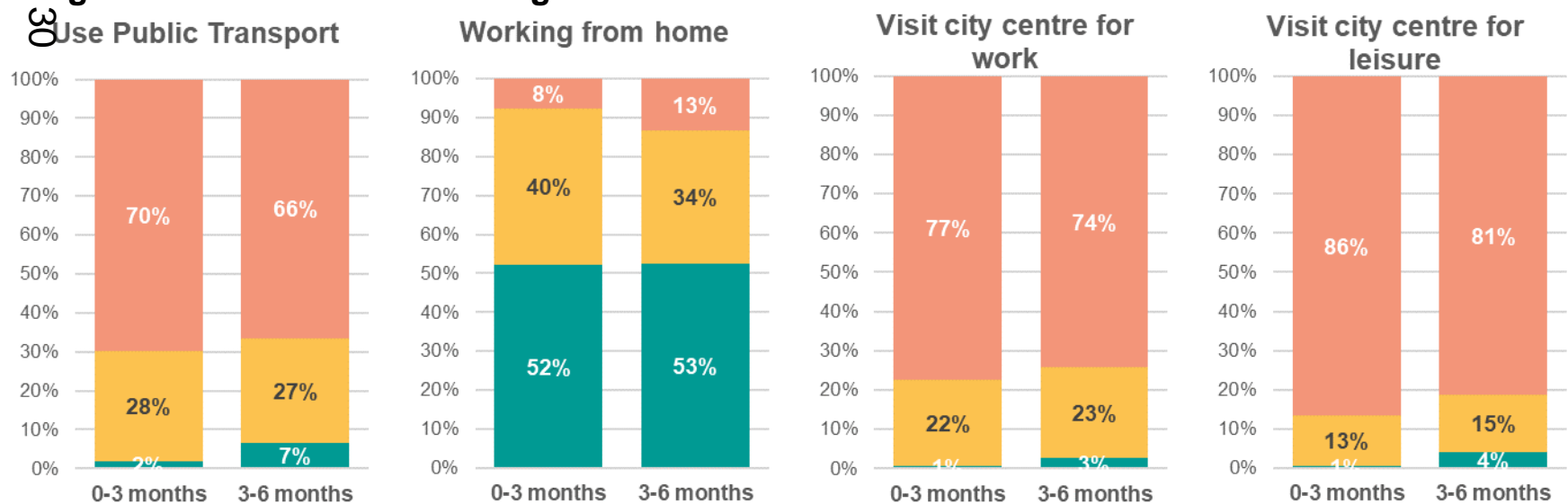
- Open but significantly reduced operations
- Closed temporarily - reopening in more than two weeks
- Closed permanently

Over the 3 weeks of October 31% of businesses that provided feedback stated that they were open but have significantly reduced operations. This is 5% up from September figures but down considerably from August/July

COVID-19 behavioural survey – short term vs long term intentions (I)

Scaled Insights, a Behavioural AI start-up based in Nexus, Leeds, has been conducting a longitudinal survey on Adults' Thoughts and Behaviours Relating to COVID-19. The first survey ran in April and May. Over 1000 people in UK responded. The 3-month follow-up online survey was conducted in August and September. People who had consented and provided a valid email address in the first survey were contacted to participate. 403 people in the UK responded to the follow up survey with almost half (194) in West Yorkshire. The survey included questions on peoples' employment situation, finances and how the pandemic had affected their outlook and intentions.

Q. Compared to before the coronavirus lockdown, do you expect to change the amount of the following in the future?

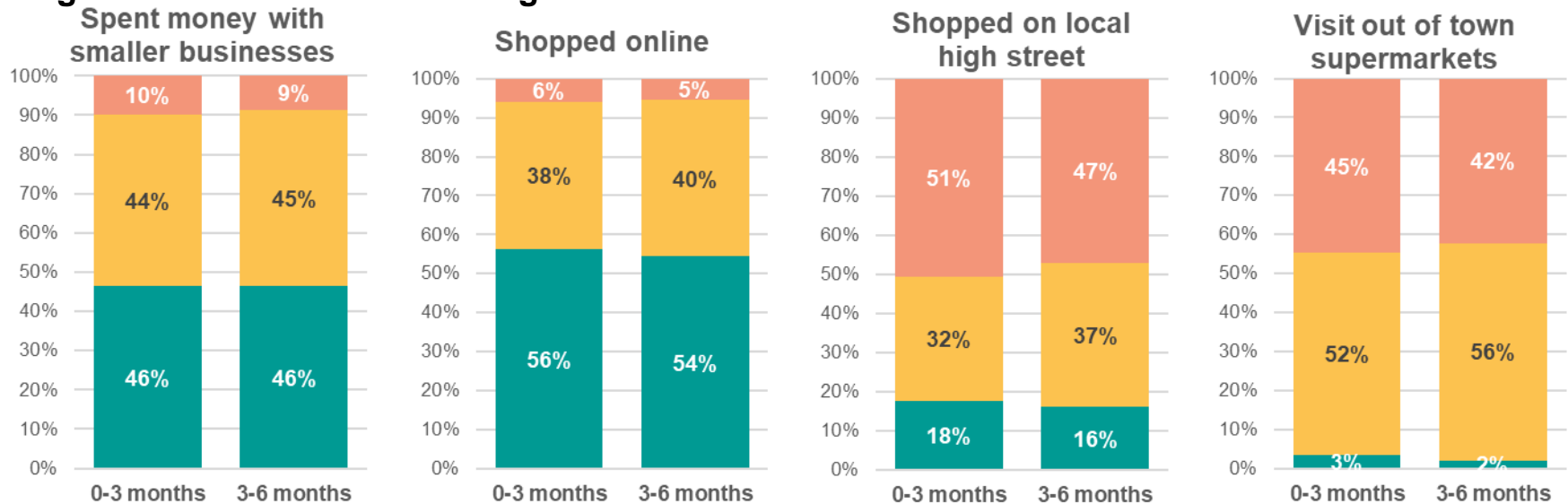


COVID-19 behavioural survey – short term vs long term intentions (II)

The survey results reveal that, compared to pre-COVID-19, over the next 3 and 3-6 months, respondents intend to:

- Use public transport less and continue to work from home, with a slight shift in intentions in 3-6 months
- Visit city centres less for work or leisure
- Continue to spend more money with smaller businesses
- Continue to shop online more than pre-COVID-19
- Generally shop less on the local high street less in the short term
- Visit out of town supermarkets the same or less in the short term

Q. Compared to before the coronavirus lockdown, do you expect to change the amount of the following in the future?



Transport Insights

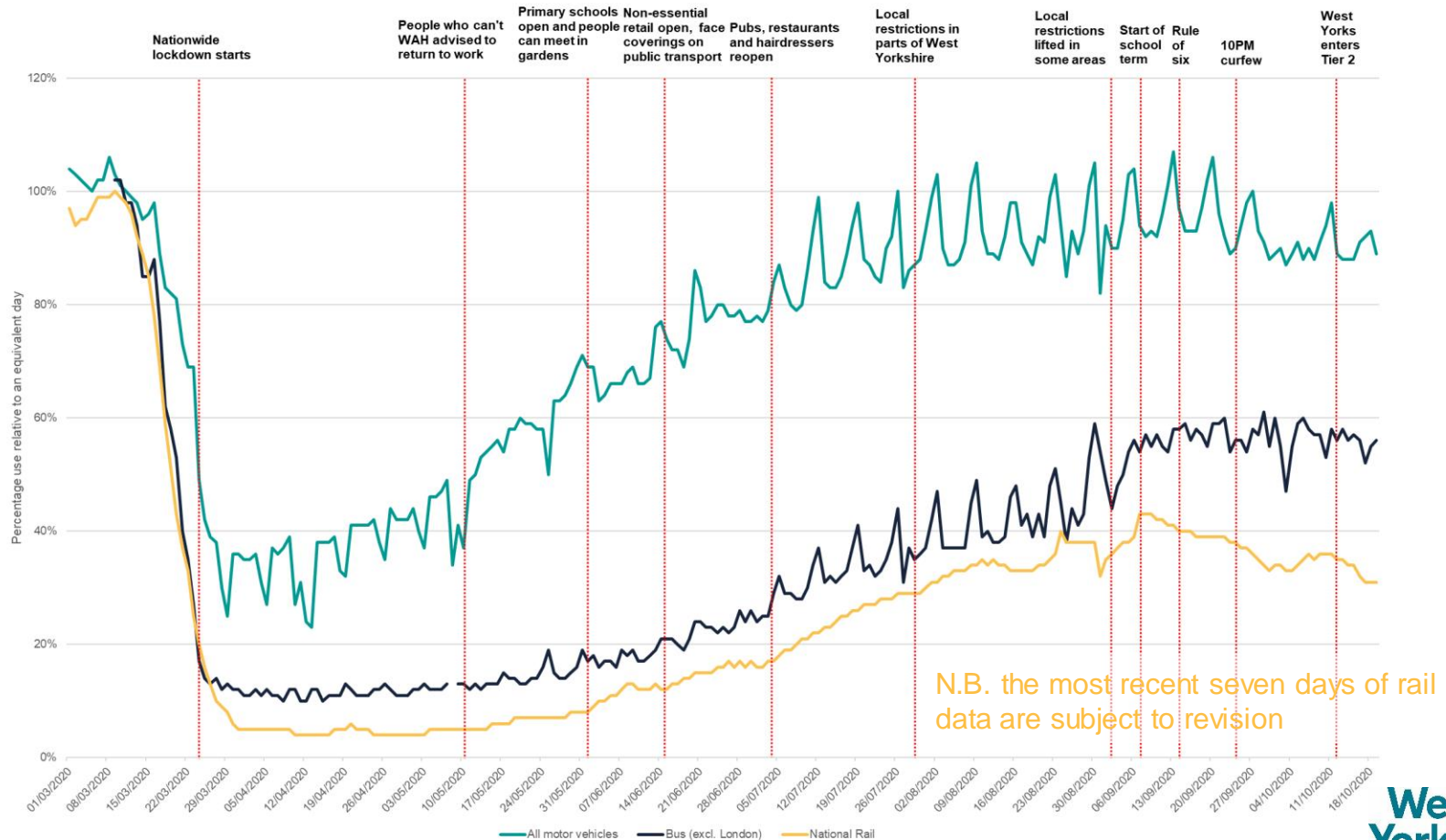


National DfT data shows rail use declining in recent weeks

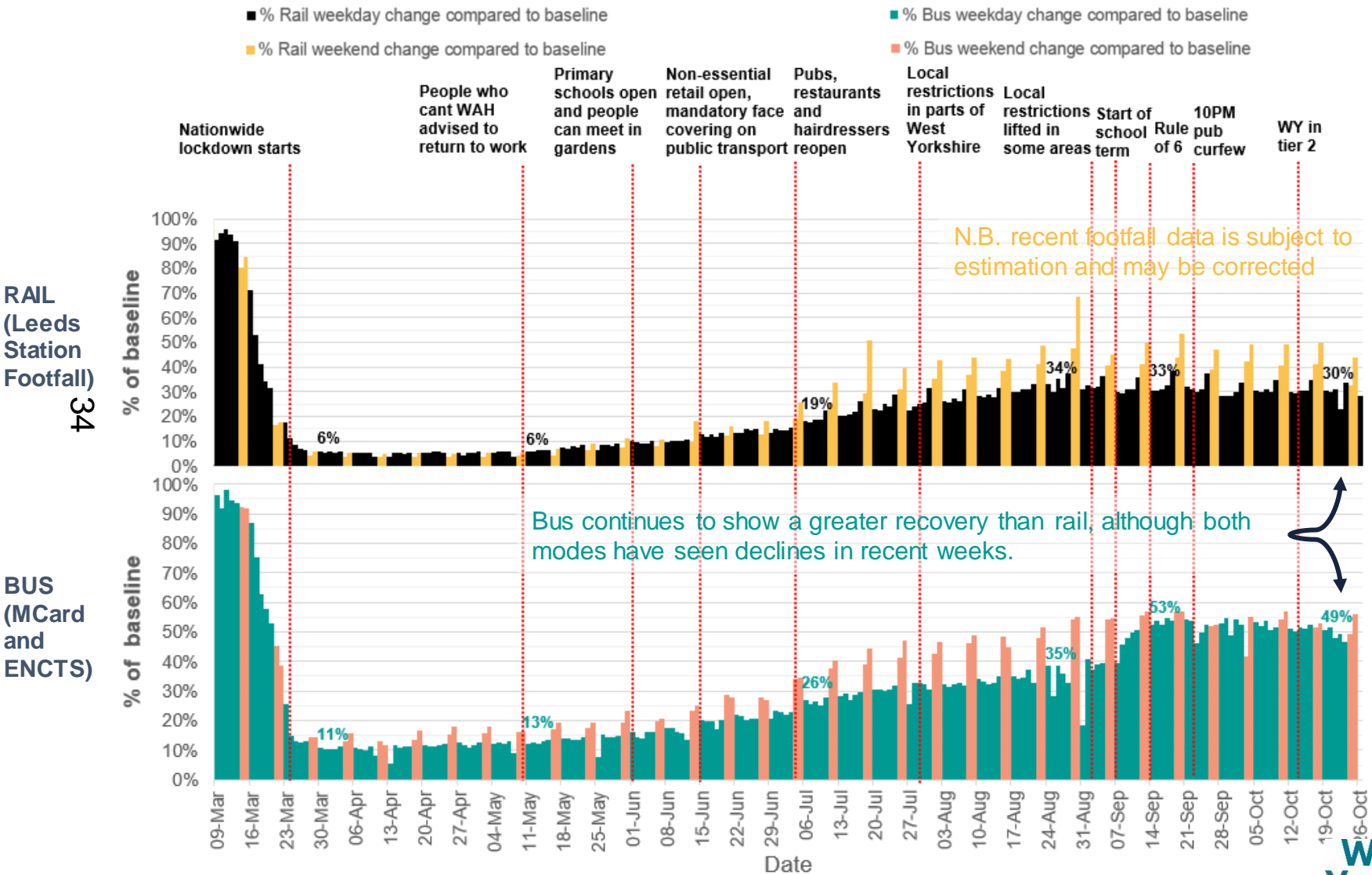
Data for Great Britain shows that motor vehicle, bus and rail travel plateaued over the summer months. Motor vehicles touched 100% of a March baseline, bus reached near 60% while rail briefly exceeded 40%. By October, all modes saw slight falls with rail being the most impacted – tracking a consistent deficit against bus until diverging notably in September. Large differences between weekend and weekday activity levels over the summer appear to be reducing. Similar trends are reflected in West Yorkshire’s transport data.

DfT transport use during the coronavirus (COVID-19) pandemic
 Source: <https://www.gov.uk/government/statistics/transport-use-during-the-coronavirus-covid-19-pandemic>

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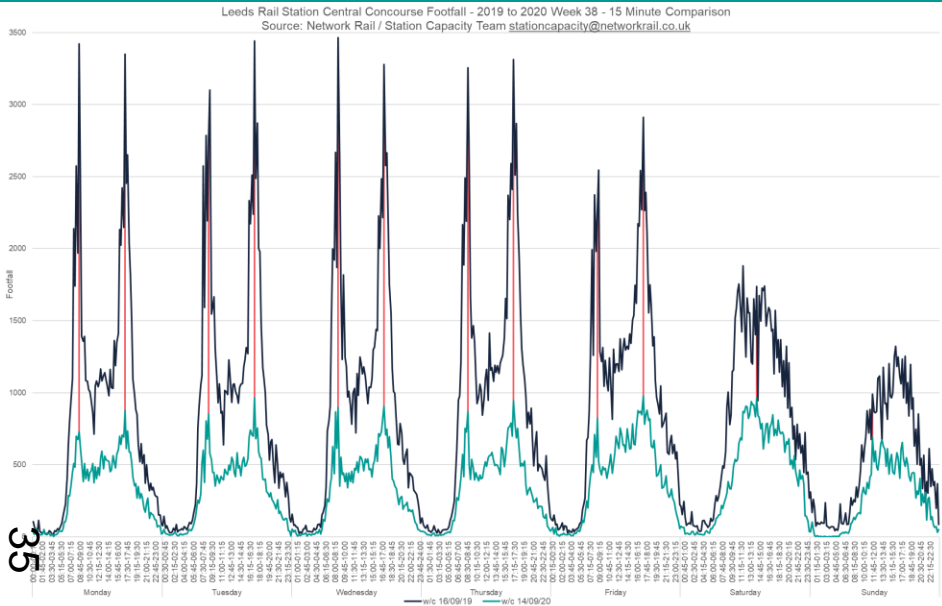
Rail and bus proxies show slight reversals in recovery over recent weeks, with bus recovery remaining stronger



Baseline period is Monday 2nd - Friday 6th March 2020 (weekdays) and 29th Feb -1st March and 6th-7th March (weekends)

Source: Leeds Rail Station Footfall -Network Rail and MCard and English National Concessionary Travel Scheme (ENCTS)

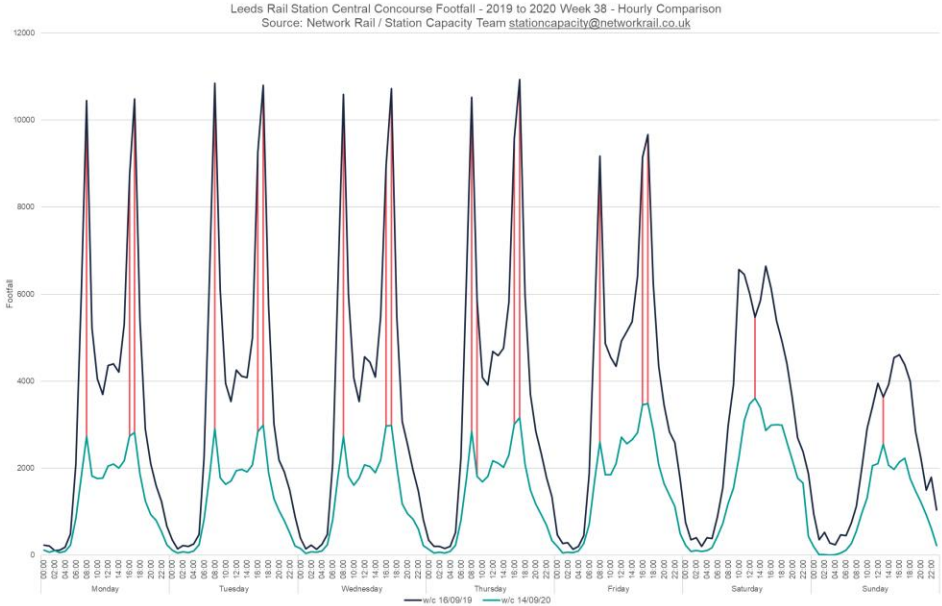
Leeds station footfall peak times are similar to 2019



A comparison of 15 minute time slices of week 38 in 2019 and 2020 reveals that the busiest 15 minutes in weekday AM and PM peak periods occur at the same times in both years.

The pattern on weekends is less clear.

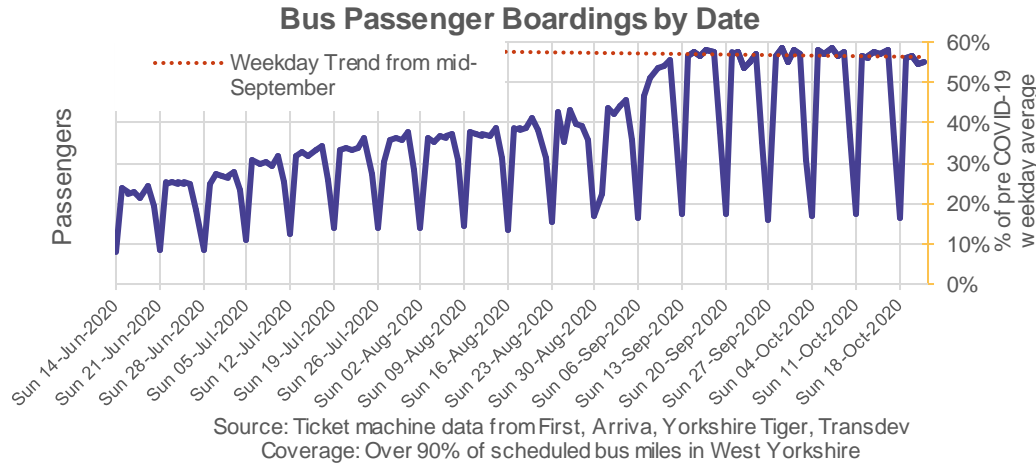
The lower level of activity in 2020 is contained within a shorter time frame - the shoulder peaks start later and end sooner. This is most apparent in weekday evenings and Saturday morning.



When aggregated to hourly time slices, the weekday AM peaks show a similar trend, while the PM peak becomes less defined and appears to be spread more evenly in the 16:00 hour.

Source: Source: Network Rail / Station Capacity Team stationcapacity@networkrail.co.uk

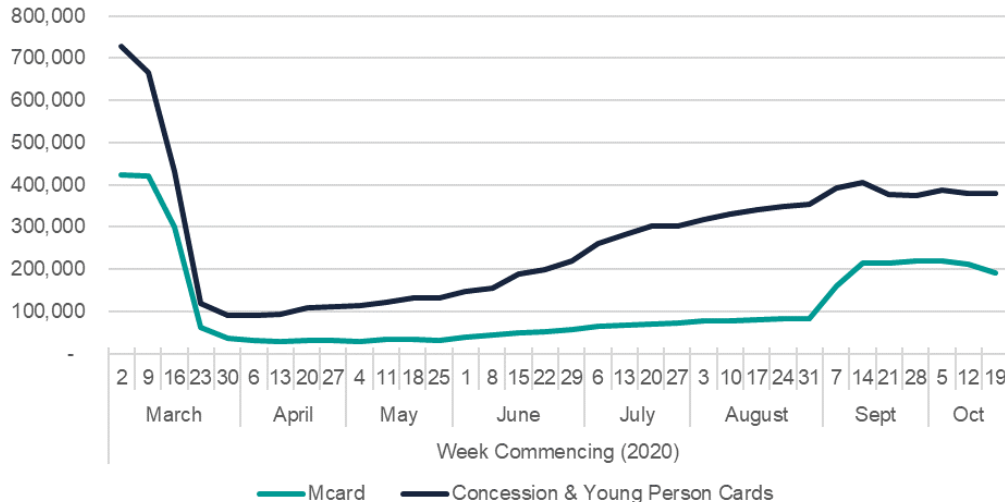
Bus patronage showing a recent downward trend



Bus patronage including operators' own tickets shows a marginal downward trend in recent weeks. The data available is up to 23rd October. Further charts reveal differences within the overall trends. The whole week total is 55% of pre-COVID-19 (or a reduction of 45%) which appears stronger than the NERO figures in the chart below.

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NERO Weekly Bus MCard and Concessionary Use



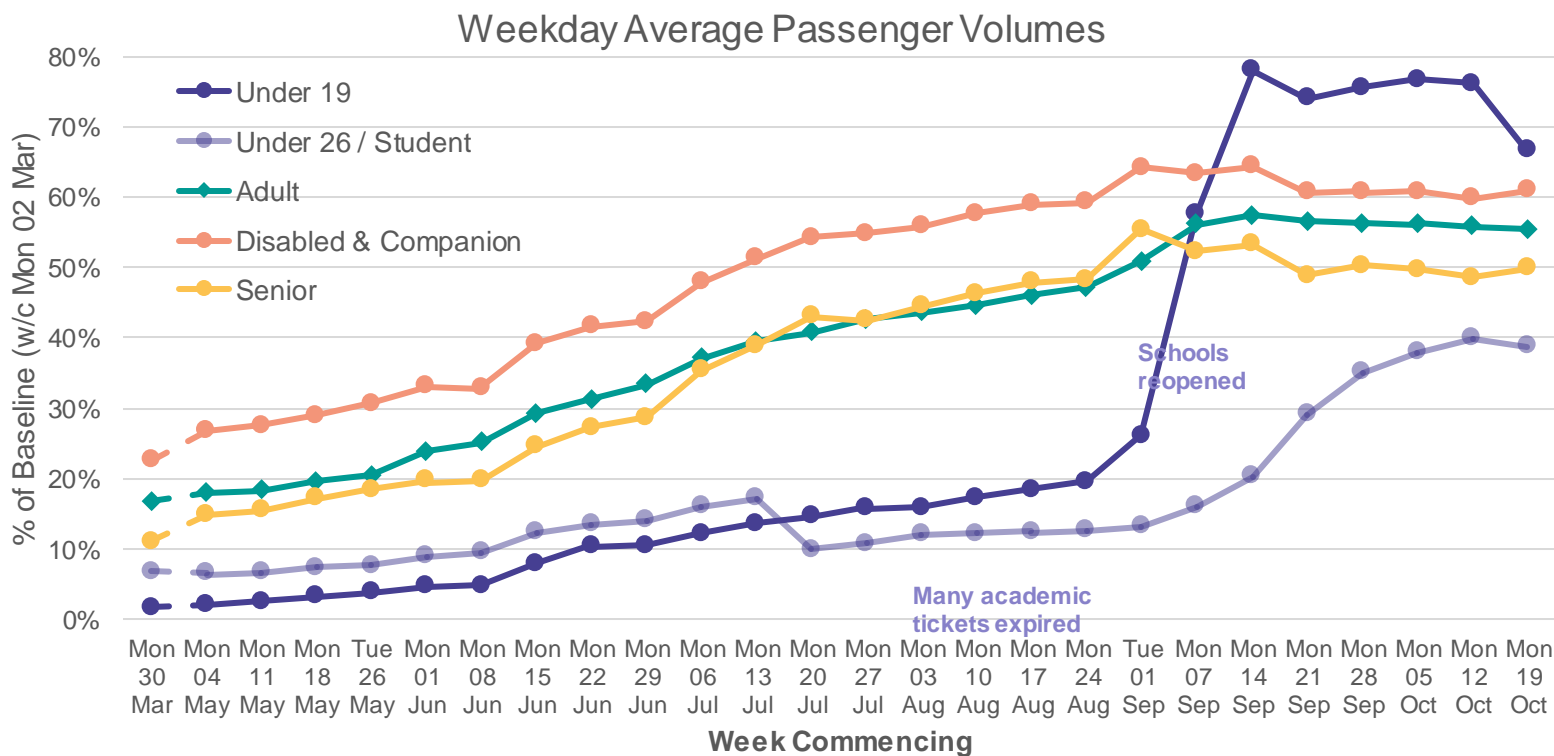
For the week beginning Monday 19th October 2020, the combined level of MCard and concessionary fare use shows a reduction of 51% against the week beginning 2nd March 2020, a decrease of 4% against the previous week. This is driven by a decline in MCard usage which began in the previous week.

Bus use: Reduction in bus journeys by under 19s in the last week

Data from bus ticket machines reveals a recent large reduction in the under 19 cohort and small reduction in the under 26 /student cohort. Adults are the largest cohort and show a slight but consistent downward trend since the week commencing 14 September. Senior, disabled & companion numbers appear stable with fluctuations. Data in the chart below is for weekdays excluding bank holidays, with ticket types assigned to broad cohorts.

Thousand passengers per weekday before COVID
Adult 21,000
Under 19 101,000
Senior 74,000
Under 26 / Student 34,000
Disabled & Companion 29,000
Miscellaneous 9,000

Data from First, Arriva, Yorkshire Tiger and Transdev

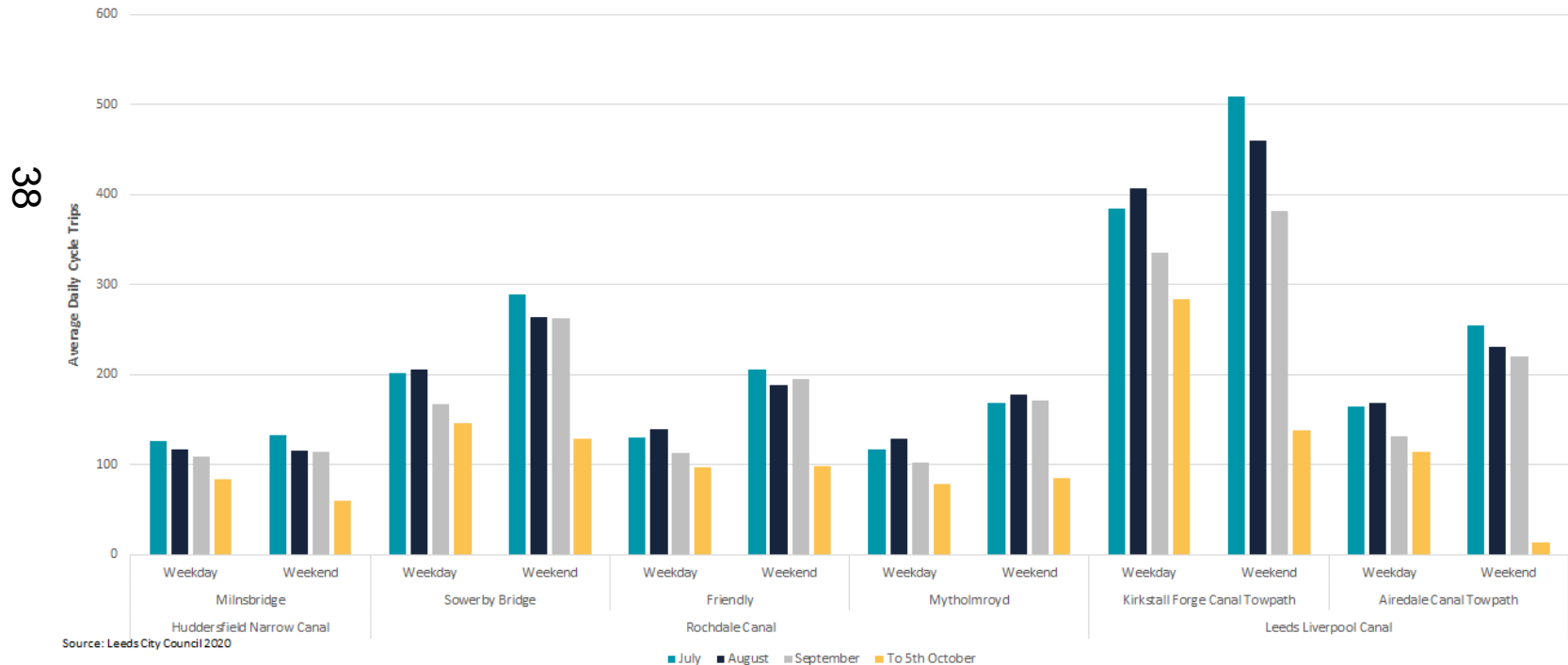


Baseline period is w/c Mon 02 Mar. Source: Bus operators electronic ticket machine data, passenger boarding locations in West Yorkshire. First, Arriva, Yorkshire Tiger and Transdev account for over 90% of bus services in West Yorkshire. Graph shows First and Transdev.

Cycling: Seasonal Reduction in Daily Trips

Cycle counters on canal towpaths across West Yorkshire show reducing volume of average daily trips across the region as winter sets in and hourly daylight reduces. This is more apparent at weekends, with October weekend counts being 48-74% lower than in September while weekday counts reduced 14-33%. This suggests that recreation cycling has reduced more than cycle commuting.

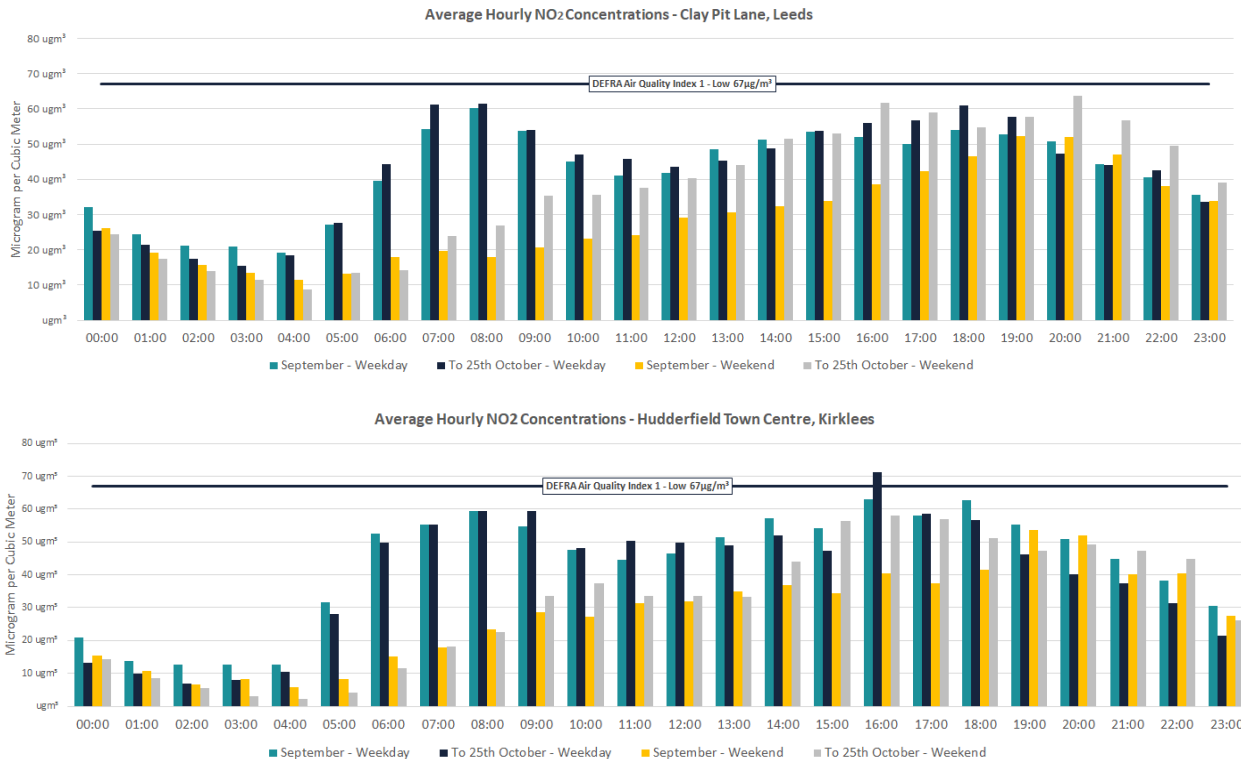
Canal Towpath Counters



Air Quality – NO₂ Concentrations Rising in Line with Traditional AM & PM Peaks

Data collected from Air Quality Monitoring sites reveals NO₂ concentrations continue to increase. Hourly data from Clay Pit Lane and Huddersfield Town Centre shows peaks in NO₂ concentrations increasingly align with traditional morning and evening peaks and are starting to exceed the lowest band of the DEFRA Air Quality Index. Weekday NO₂ concentrations in Huddersfield Town Centre now exceed the first point on the DEFRA Air Quality Index both in the PM peak. This indicates a significant amount of traffic congestion at monitoring site, located at the junction of John William Street and Kirkgate.

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Exploration of other data sources to supplement insight into COVID-19 impact

Footfall/expenditure

- Exploring options of procuring footfall and expenditure data. After consulting with some suppliers, mobile phone data may be the most flexible option to assess relative COVID-19 impact on footfall at a range of different geographies, with fixed footfall cameras likely providing more robust data but limited geographical scope.

Additional survey work

- An online business survey has been launched to gain more quantitative data on the impact of COVID-19 on businesses. Responses so far have been relatively limited but analysis will be presented in the next iteration of this report.
- The Combined Authority is working with Leeds-based Scaled Insights to look at how public perceptions and impacts have changed since SI carried out an initial survey shortly after lockdown. A follow up survey is being conducted and will explore attitudes to COVID as well as impacts on issues such as employment and financial status.

Vehicle use

- Awaiting more up-to-date data from WebTris (Strategic Road Network sites) which has a considerable lag.
- Fixed Automatic Traffic Counter (ATC) sites data is available for some city centres from distract partners, but there is potential to explore/share other data assets which may act as proxies for vehicle use e.g. council managed car park volumes.
- Exploring historic bus Real Time Information (RTI) which has the potential to be used as a proxy for traffic flows (e.g. average delay as stops)

Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **COVID-19**

Director: Brian Archer, Director of Economic Services

Author(s): Ian Smyth, Head of Economic Policy

1. Purpose of this report

- 1.1 To provide the LEP Board with an update on developments around the COVID-19 crisis, including current progress on the delivery and development of products and services in response to the COVID-19 crisis
- 1.2 To provide an update on the West Yorkshire Economic Recovery Plan, including providing further detail on four supporting propositions, presented in summary terms at the last LEP Board.
- 1.3 Due to the fast-moving nature of this agenda item, a verbal update will also be given at the meeting.

2. Information

Context

- 2.1 Although it is still highly uncertain what will happen to the economy over the coming months, our response work and recovery planning to date has responded to evidence and intelligence on the key issues:

- Cash flow and immediate access to finance
- Implications for employment, self-employment, and the skills system, with particular links to the furlough situation moving forward
- The impact of local and national restrictions on output and activity
- Safe return to work as restrictions are eased
- Pressures for the transport system and on town/city centres

Local Alert Levels and National Lockdown

- 2.2 In October, the Government introduced a new system of Local Alert Levels. On Thursday 29 October 2020 it was announced that West Yorkshire would move into Tier 3 (Very High) from 2 November 2020. This followed a series of

discussions between Local Authority Leaders and Ministers about the health data, how best to tackle the virus, the local support required, specific restrictions, protecting the vulnerable, and economic support for the region.

- 2.3 The planned move to Tier 3 was superseded by the announcement that the whole of England would move into a form of national restrictions from Thursday 5 November 2020. Alongside this, a package of business support was announced. This includes:
- Extension of the Job Retention Scheme (Furlough), with Government contributing 80% of salary, and therefore the Job Support Scheme would not be brought in at this point.
 - Self-employed income support scheme – with Government contributing up to 40%
 - Businesses required to close will be eligible for grants up to £3,000 a month
 - £20 per head discretionary grant, which works out at £46.6 million for West Yorkshire.
- 2.4 It is also expected that previously announced “Tier 2” business support would be backdated to areas that have been in restrictions for longer periods. This would, to varying degrees, apply to each Council in West Yorkshire. At the time of writing, confirmation is being sought from Government on this detail.
- 2.5 On 5 November 2020, the Government announced that it would extend national support for jobs and businesses in the following ways:
- Further extend the Job Retention Scheme to the end of March.
 - Not pay the Job Retention Bonus in February but instead redeploy a retention incentive at the right time
 - Increase the third self-employed grant, covering November to January, from 55% to 80% of trading profits.
- 2.6 At the time of writing, Combined Authority and Council officers are working through the implications of these announcements and working with local authority partners on the approach to delivering business grants. A verbal update will be provided at the meeting.
- 2.7 In addition, Councils will receive a £8 per head to support local health measures including test and trace, worth c.£18.5 million. This includes the £3 per head previously committed.
- 2.8 Information published by the Government is available here:
www.gov.uk/government/news/furlough-scheme-extended-and-further-economic-support-announced
www.gov.uk/government/news/government-extends-furlough-to-march-and-increases-self-employed-support
www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities

Economic Recovery

- 2.9 As has been reported previously, the longer-term planning for economic recovery for West Yorkshire is being overseen by a West Yorkshire Economic Recovery Board¹, which is a working group of the Combined Authority and brings together the five West Yorkshire Leaders and LEP Chair with partners from the private sector, trade unions, public bodies and the third sector, to develop robust plans for the region's economic recovery and to help build an inclusive and sustainable economy for the future.
- 2.10 A draft economic recovery plan was produced with input from a wide range of stakeholders, including the Panels of the LEP. It was endorsed by the LEP Board at the meeting of 3 September, prior to endorsement and adoption by the Combined Authority on 4 September.
- 2.11 The plan focusses on three action areas of **good jobs and resilient businesses, skills and training** and **accelerated infrastructure**, and two overarching goals of **inclusive growth** and **sustainable environment**. It sets out what steps are required by national government, at a regional level, and how this aligns with local authority level activity, across three stages of rescue, re-imagining and resilience. Across the plan there are **initial funding asks in the order of £1.4 billion**, which will need to be further refined and developed subject to future announcements and further understanding of the impact of the crisis and direction of recovery.
- 2.12 Within this outline funding ask, the plan also identifies four distinctive West Yorkshire propositions that can deliver not just for the region's recovery, but also make a significant contribution to the UK economy as a whole. Each proposition (and further ones may be added), includes both an offer and ask to Government:
1. **Health innovation** (£60 million) – building on the region's strengths in devices, data and diagnostics, unlocking industry collaboration, skills and a globally positioned Act Early institution on disease prevention.
 2. **Lives transformed by digital tech** (£159 million) - ensure no one is left behind in a digital-enabled future, by driving infrastructure, digital skills and Made Smarter investment to support digital adoption in manufacturing.
 3. **Transition to Net Zero Carbon Resilient Economy** (£192 million) – supporting our net zero 2038 target, with unique industry strengths in low carbon transport, clean agri-tech, construction and circular economy, delivering critical green and blue infrastructure, up to 71,300 jobs and skills and training to help people into low carbon opportunities.
 4. **Entrepreneurship** (£340 million) – focussed on our diverse communities, existing scale-up performance and our MIT REAP programme for high growth pre-starts, unleash an entrepreneurial revolution, transforming empty properties and supporting high-growth potential start-ups.

¹ Further details on the full membership and terms of reference of the recovery board can be found at: <https://www.westyorks-ca.gov.uk/erb>

- 2.13 Links to the documents mentioned are included as appendices to this report and have been included in the Combined Authority's submission to the Government's Spending Review, which is due on 25 November.

Business Support and Engagement

- 2.14 The Combined Authority/LEP continues to see ongoing high demand from businesses and individuals resulting from the COVID-19 crisis. For example, the Growth Service (renamed Business Support Service) dealt with over 5,000 enquiries from businesses in the period from the end of March 2020 through to early October 2020 (a 60% increase on the corresponding period last year). As a result of the continued high volume of enquiries, and to prepare for the likely continuation of this, the service has recruited an additional Business Support Officer and Service Manager for the Gateway.
- 2.15 A major contributor to the above increase has been the arrival of the COVID-19 Recovery Grants that the CA Business Support Team is now delivering with an additional £1.8m from the European Regional Development Fund (ERDF). The CA is delivering the grants scheme across all of West and North Yorkshire following a request from the Ministry for Housing, Communities and Local Government (MHCLG) to link the funding to the existing Leeds City Region Growth Service.
- 2.16 Almost 3,600 applications were received by the deadline of 5 October 2020 and these were mostly from small firms requesting grants (average request of £2,700) for small capital investments (predominantly ICT-related) and consultancy support to develop recovery and resilience plans. Approximately half of the applications are from West Yorkshire businesses and the majority of these are from the Retail, Hospitality and Leisure sectors. The CA is exploring the possibility of investing an additional amount of funding into the allocation for West Yorkshire so that more of the eligible applications can be supported. It is expected that the supported investments will be complete by the end of the calendar year.
- 2.17 By early October 2020, the Local Authorities of West Yorkshire had delivered over £500m of grant funding to over 40,000 businesses via the Small Business Grant Fund, the Retail, Hospitality and Leisure Grant Fund and the and Discretionary Grant Fund. Local Authorities, with support from SME Growth Managers and the LEP Gateway Team, have been able to target the discretionary fund at a broader range of sectors to meet ongoing need and demand, including private day nurseries, suppliers to retail, leisure and hospitality and manufacturers.
- 2.18 The Digital Resilience Voucher scheme is now well underway as part of the wider Digital Enterprise programme. It is providing grants of up to £5,000 to small firms to support with the cost of ICT equipment, and associated software, in the process enabling more effective and secure remote working. Over 500 applications with a collective value of almost £2m are now being appraised, with over 250 being awarded to date.

- 2.19 In addition, the CA and LEP is supporting businesses with recovery and resilience through the Peer Networks project being delivered by the University of Leeds Business School (action learning support for SMEs via a cohort model over 12 weeks), the Business Membership Scheme (support for small firms to meet the cost of joining a recognised membership organisation for 12 months) and the Cyber Security Support Scheme (practical help and advice to small firms on how to operate safely and securely within the digital environment).
- 2.20 Despite the obvious concerns related to so many business sectors at present, the demand for the LEP's capital grants programme (Business Growth Programme) remains very high. This is evident from the fact that the second quarter of 2020/21 saw the highest number of approved capital investment grants to businesses (32) since the first quarter of 2018/19. Projects are from across a range of sectors, with food and drink manufacturing and healthcare technology being the most popular.
- 2.21 The team is overseeing a number of high-value inward investment enquiries and trying hard to secure these to Leeds City Region. The LEP also continues its recent engagement with over 30 of the region's largest organisations to protect employment and operations in the COVID-19 crisis. In addition, the LEP is targeting new investors through a series of targeted inward investment initiatives aimed at sectors of the economy where investment flows are occurring and undertaking a number of export initiatives to encourage businesses to consider trading more with non-EU markets as the EU transition period comes to an end.

Employment and Skills support

- 2.22 The number of people claiming out of work benefits continues to rise in West Yorkshire and the wider City Region. At the end of August there were 109,400 claimants in West Yorkshire and 131,900 claimants in Leeds City Region.
- 2.23 The £2bn 'kickstart scheme' to create 350,000 six-month work placements for 16-24 year-olds announced in the summer continues to be developed by DWP with many employers keen to engage. Our local authorities are all anticipating providing the Gateway role supporting businesses with the programme and the Combined Authority/LEP providing a communications campaign to raise awareness and interest with signposting to our local authorities.
- 2.24 Local Authorities and the Combined Authority work closely with Jobcentre Plus and are currently working together on the Youth Guarantee offer which will include local co-ordination of support for young people through a Youth Hub.
- 2.25 As per previous updates, the existing part-ESF funded Employment Hub programme delivered by the Combined Authority along with LA partners, has been swiftly adapted to match jobseekers to opportunities across the region and expand its support for businesses. More information and online enquiry forms can be found for businesses at the-lep.com/employment-hub and jobseekers at futuregoals.co.uk/careers-support

- 2.26 At the time of writing (23 October), we have received 503 individual referrals and 70 business enquiries, with 36% requesting recruitment support and 19% seeking support to hire an apprentice. Since the last report there has been an increase in enquiries from individuals aged 50+, possibly reflecting an increase in redundancies due to the anticipated winding down of furlough.
- 2.27 As reported at the last meeting, the Combined Authority's adult re-training programme, [re]boot, is targeting individuals who are currently furloughed or looking for an opportunity to re-train. These are aligned to areas with greatest growth opportunities and new courses are being developed with employer involvement. Since launch in November, the programme has supported over 200 individuals. Recent graduates, school leavers and people on furlough are particularly being targeted for re-training through 24 online courses. Social media campaigns have reached 142,556 people since May.
<https://futuregoals.co.uk/lep-skills-support-during-lockdown/>

3. Clean Growth Implications

- 3.1 Clean Growth will continue to be supported through the current and new products delivered in response to COVID-19 and is at the heart of the Economic Recovery Plan as an overarching goal. The reduction in travel and the increased use of ICT to facilitate effective remote working is having a positive impact on the environment. Businesses will continue to be supported to apply innovation and digital technologies to adapt their products and services to meet current and future demand.

4. Inclusive Growth Implications

- 4.1 As part of the current Inclusive Growth framework, any businesses that receive grants from the above products would be required to contribute to Inclusive Growth actions and outcomes via their funding agreements.
- 4.2 Inclusive Growth is embedded as an overarching goal in the Economic Recovery Plan.

5. Financial Implications

- 5.1 New recovery products would require either increased flexibility on the use of current funding streams (e.g. grants awarded for capital investment to be used for working capital, or the procurement of professional advice with recovery / contingency planning), or new funding altogether.

6. Legal Implications

- 6.1 As above, delivery of some of the proposed products will require contractual approvals from Government, and/or new funding allocations that would result in new contractual obligations for the Combined Authority.

7. Staffing Implications

- 7.1 Delivery of the products included in the Economic Recovery Plan would require changes to current staff roles and/or additional staff to be recruited.

8. External Consultees

- 8.1 No specific or official external consultations have been undertaken in relation to this report. However, it has been informed by ongoing dialogue and consultation with a wide range of partners, including Local Authorities, Universities and Colleges, Business Representative and Membership Bodies, and direct with some individual businesses.

9. Recommendations

- 9.1 That the LEP Board notes progress on the delivery and development of the response to the COVID-19 crisis.

10. Background Documents

- 10.1 There are no background documents referenced in this report.

11. Appendices

Appendix 1: West Yorkshire Economic Recovery Plan (first version)
www.westyorks-ca.gov.uk/media/4413/draft-west-yorkshire-economic-recovery-plan-v8-to-sept-ca.pdf

Appendix 2: West Yorkshire Economic Recovery Plan - Summary
www.westyorks-ca.gov.uk/media/4380/west-yorkshire-combined-authority-economic-recovery-plan-summary.pdf

Appendix 3: West Yorkshire Economic Recovery Propositions

- i. Health Innovation: www.westyorks-ca.gov.uk/media/4420/recovery-proposition-health-innovation-20200826.pdf
- ii. High Growth Driven Entrepreneurship: www.westyorks-ca.gov.uk/media/4419/recovery-proposition-innovation-driven-entrepreneurship-20200826.pdf
- iii. Lives Transformed by Digital Technology: www.westyorks-ca.gov.uk/media/4418/recovery-proposition-lives-transformed-by-digital-tech-20200826.pdf
- iv. Transition to Net Zero Carbon Resilient Economy
www.westyorks-ca.gov.uk/media/4417/recovery-proposition-towards-net-zero-20200826.pdf

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Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **Business Innovation and Growth Panel**

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

Author(s): Henry Rigg, Head of Business Support

1. Purpose of this report

- 1.1. To provide the Leeds City Region Enterprise Partnership (LEP) Board with a progress report on significant areas of activity related to the Business, Innovation and Growth (BIG) Panel as discussed at the meeting held on 8 September 2020.

2. Information

Business Support

COVID-19

- 2.1 The accompanying report at agenda item 6 sets out in more detail business support activities in response to COVID-19, and those in development for future potential delivery. This includes the range of new and adapted products in development and delivery to support businesses with the impacts of the pandemic.

Business Support Service

- 2.2 The Service Gateway continues to handle a very high level of customer traffic as a result of the pandemic, and at the half year point had already achieved over 80% of its annual target to provide support to 3,300 businesses. Just over 1,100 businesses had received intensive support by the end of September 2020, which includes direct grant funding and/or one-to-one advice from a business support professional. The support so far in 2020/21 has resulted in over 2550 support interventions, highlighting that firms continue to re-engage with the service following their initial support.
- 2.3 The LEP is working in partnership with Be the Business and Natwest to promote the new Female Entrepreneurship Mentoring Platform and programme that has been introduced in response to the 2019 Rose Review of Female Entrepreneurship. The initiative is being piloted in West Yorkshire and the West of England and was launched on National Mentoring Day on 27 October 2020. This is an extension of the mainstream mentoring service that

the LEP has been working with Be the Business for several months, and it includes a 12-week tailored package of mentoring support from established female business leaders leading smaller enterprises.

Business Growth Programme

- 2.4 Despite the obvious and widespread economic challenges at present, activity levels on the capital grants to businesses programme remain high. Food and drink manufacturing (and its supply chain e.g. machinery providers), creative & digital and healthcare & medical technology are the sectors with ongoing high demand for capital investment grants. This has been evident in the fact that the second quarter of 2020/21 has seen the highest number of grant approvals (32) since the first quarter of 2018/19 (37). As set out below in the Trade and Investment section, there are also a number of significant capital grant projects – with large employment growth potential - in the pipeline for the Strategic Inward Investment Fund.
- 2.5 Grants for two large capital investment projects from existing Leeds City Region businesses were approved at recent meetings of the Business Investment Panel. The first was from a York-based food and drink manufacturer that is investing £1.47m in premises and equipment. The project is being supported with a £200k grant and will lead to the creation of 16 new jobs. The second was from a Bradford-based manufacturer of chemicals that is moving to a new production facility within the district. The overall £8m investment includes fit-out and new equipment, with the £235k grant contributing to the latter. 20 new jobs will be created.
- 2.6 Leeds Beckett University and the University of Huddersfield are undertaking a study of the businesses supported within the first Productivity Pilot, which completed in summer 2019. This will involve a detailed analysis of the productivity measures included within each of the supported businesses' productivity plans, alongside a more qualitative assessment of the overall impact of the investments on productivity within the firms. This will include an understanding of what other activities the businesses have undertaken alongside the capital investments to engender a culture of continuous improvement. The findings will be reported later in the year and will be repeated with the second cohort of businesses later in 2021.

Other LEP Products

- 2.7 The contract for delivery of the second phase of the LEP's high growth support programme – Strategic Business Growth – has been awarded to Oxford Innovations Services Ltd (OISL) following a robust open tender exercise over the summer. The programme will support circa 500 SMEs over the next two and a half years with a bespoke and blended package of support, including coaching, peer-to-peer learning and access to grant finance. The programme is expected to create over 800 jobs in the supported firms, whilst also assisting them to improve productivity and competitiveness, including through access to new customers, diversification of product and service offerings and the enhancement of leadership and management skills.

- 2.8 The take-up of support across the LEP's clean growth and innovation product portfolio has slowed in recent months as some businesses re-prioritise their investment plans and activities in light of the pandemic. However, the delivery and marketing teams continue to work closely with key stakeholders and business networks to promote the significant funding and advice packages available within Connecting Innovation, REBiz and the Travel Plan Network. This also includes the positioning and promotion of the wider support offer in the region related to R&D incentives, energy efficiency and the circular economy, and sustainable and active travel.

EU Transition Support

- 2.9 On 5 November 2020, the department for Business, Innovation and Industrial Strategy (BEIS) wrote to the Combined Authority / LEP with the offer of £81k to support businesses to prepare for the end of the EU Transition period on 31 December 2020. The funding can only be used to bolster advisor capacity and to engage directly with businesses. Discussions are ongoing with key local and national partners on the best use of the funding. This includes the Chambers of Commerce, the Department for International Trade and the professional services community.
- 2.10 A more detailed discussion on EU Exit will take place at the next meeting of the Business, Innovation and Growth Panel on 24 November 2020. This will be informed by an assessment of the key issues, challenges and opportunities facing businesses in the coming weeks and months. These include : - finance and managing cashflow, workforce development and labour supply, changes to the regulatory / compliance requirements, contractual matters, access to R&D funding and expertise, Intellectual Property and data access / storage.

Trade and Investment

- 2.11 To react appropriately to the economic uncertainty and ensure the Leeds City Region remains competitive, the Trade and Investment team has developed a Pivot Strategy that defines its activities for 2020 / 21.
- 2.12 The plan focuses on five core workstreams:
- Communicating trade deals and strategic export opportunities
 - Capitalising on sector specific opportunities for inward investment
 - Capitalising on north shoring and reshoring trends
 - Maintaining close and sustained relationships with the region's key businesses and large employers
 - Shaping and influencing Department for International Trade (DIT) and Northern Powerhouse (NPH) strategies and activity
- 2.13 The above activity will be underpinned by a well-controlled and tactical marketing support and the development of key collateral to support the activities being undertaken. Currently the team is handling a similar number of enquiries to usual, however it is anticipated that the conversion rate through to project successes may be lower due to the increased economic uncertainty surrounding the pandemic and Brexit.

- 2.14 The team continues to handle several high-value, potentially transformational enquiries including: Manufacturing facilities for businesses operating in the tele-health, quantum technologies, artificial intelligence sensors, chemicals and food and drink sector. The team is also seeking to secure a new HQ for a major professional services firm and a global IT solutions provider.
- 2.15 The Trade and Investment team has now rejuvenated a regular forum with the region's main trade delivery partners to share intelligence and insights on how export activity can be better supported in the current climate.
- 2.16 This forum is proving a useful barometer for assessing the Brexit implications and the issues businesses are challenged by.
- 2.17 The team is now developing plans to undertake a series of export initiatives to inspire businesses to resume or start exporting. These will focus on distinct sub sectors and markets where we short term export contracts can be secured. A virtual event at Leeds Digital Festival focused on "The Future of Tech" giving a number of international technology firms a platform to talk about their global ambitions. The Managing Director of Alibaba agreed to be the keynote speaker and the team is now in discussions with the major e-commerce giant surrounding a partnership to inspire West Yorkshire businesses to embrace the Chinese e-commerce mega trend.
- 2.18 Work is underway to develop a system that will allow the LEP to routinely update Leeds City region businesses on emerging trade deals. This could take the form of an app which pushes information out in a timely manner to businesses that have pre-subscribed and by doing so, expressed an interest in internationalising their activity.
- 2.19 It has been decided that a Leeds City Region delegation will not attend MIPIM 2021. A cost recovery exercise is still underway in relation to the cancelled attendance at MIPIM 2020.
- 2.20 As a result of COVID-19 the team quickly mobilised to engage with some of the region's largest employers. The team is now continuing this work on an on-going basis to help protect their operations and navigate through the COVID-19 crisis.
- 2.21 Work is on-going to evaluate which large employers could be identified as most at risk and may require strategic dialogue, especially as the second wave of COVID-19 impacts the economy.
- 2.22 The team is also fully engaged with its standard portfolio of businesses which is approximately 95 foreign owned companies in the region.
- 2.23 A partnership was established to support with the Northern Asian Powerlist 2020, which celebrated the significant and sustained contribution of the Asian business community across our region and the Northern Powerhouse. This has led to the team expanding its network amongst the Asian business community, particularly in respect of opportunities in the India market.

- 2.24 As the economy moves from stabilisation to recovery, it is possible that several investment projects will be identified. In this regard, the team will work with those businesses to secure them.

Creative Industries Opportunity programme

- 2.25 Following consultation with key industry stakeholders, it was decided that an intervention was required to support the burgeoning TV and Film production sector in the City Region. The scheme mobilised quickly in response to COVID-19 to develop and administer a new fund that provided grant support.
- 2.26 The fund has been a huge success and has supported 13 businesses with 22 projects at a total amount of £224,817. These projects will create over 120 freelance roles and almost 950 days of work in the sector across six months.
- 2.27 The Creative Catalyst programme will continue to be critical in supporting the sector as it recovers from COVID-19 and is now undertaking a consultation exercise to determine how future planned initiatives are best designed and delivered in the current period.

NP11 Trade & Investment Forum

- 2.28 Several discussions have taken place recently with DIT Ministers including the newly appointed Lord Grimstone. The discussions focused primarily on the new Investment Office that is to be established within DIT.
- 2.29 The team have been actively participating in the NPH discussions surrounding the attraction of future funding for trade and investment and how it should be utilised. This follows a submission from NP11 requesting c. £60m funding to accelerate trade and investment promotional activity over the next three years.

3. Clean Growth Implications

- 3.1 Clean Growth is embedded within the above activities, particularly within the inclusive growth commitments required of all business grant-recipients. Phase 2 of the Resource Efficiency Fund (ReBIZ) is also now in delivery via the Business Support Team and includes a new sub-project focussed on the Circular Economy.

4. Financial Implications

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

5. Legal Implications

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

6. Staffing Implications

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

7. External Consultees

7.1 No external consultations have been undertaken.

8. Recommendations

8.1 For the LEP Board to note progress on significant areas of activity related to the BIG Panel.

9. Background Documents

9.1 None.

10. Appendices

10.1 None.

Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **Employment and Skills Panel**

Director: Brian Archer, Director of Economic Services

Author(s): Catherine Lunn, Interim Head of Employment and Skills

1. Purpose of this report

- 1.1 To provide the LEP Board with a report on the work of the Employment and Skills Panel, and update on devolution of Adult Education Budget (AEB) and the Employment and Skills plan refresh.

2. Information

- 2.1 The panel met on 14 September 2020.

Employment and Skills Programmes

- 2.2 The **Enterprise Adviser Network** has become a virtual network during the lockdown period. Due to school and college closures, employer encounter activity was not been possible, however as schools and colleges adjust to alternative ways of working this work is now progressing in the new academic year.
- 2.3 During the spring/summer lockdown period the team focused on providing schools with much-needed online careers support for young people at key transition points in their education.
- 2.4 The **Kirklees Careers Hub** delivered a number of events via virtual platforms including:
- Preparing for Ofsted - CPD. Delivered to 29 Careers Leaders and SLT from schools and colleges. The event was delivered in collaboration Calderdale and Kirklees Careers (C&K).
 - A Virtual Kirklees Careers Hub CEIAG Network Meeting.
 - Teacher CPD delivered to Careers Leaders and SLT supported by a Cornerstone employer and the Advanced Mathematics Support Programme.

- 2.5 A targeted **FutureGoals** marketing campaign has continued over the summer period. The all age website has evolved and now has specific resources based on the different audiences, meaning a more targeted and structured approach can be taken.
- 2.6 Improvements have been made to the [FutureGoals education and training](#) page to support young people predominantly aged 16-19 in our region who may be at risk/already are NEET (not in education, employment or training). This includes links to local support including the Employment Hubs, National Careers Service exam helpline and The Prince's Trust as well as information about colleges, sixth forms, FE, universities and apprenticeships in our region and information if the young person wishes to get a job or start their own business.
- 2.7 [FutureGoals Remote](#) launched between May and July in response to COVID-19. The resources offer a series of brand new free interactive activities to help young people develop employability skills from home during the lockdown. The activities feature in-demand skills identified by employers in the latest Leeds City Region [Labour Market Information Report](#), including digital, communication, problem solving and creative skills, and are designed to help young people to develop their employability and careers awareness. The FutureGoals Remote webpage has had 2,115 visits since launch and 584 downloads of the resources.
- 2.8 The Combined Authority's adult re-training programme, **[re]boot**, is part-funded through European Social Fund (ESF) and gives adults the chance to upskill, gain new skills/qualifications and improve their employment options particularly within key regional sectors, focused on construction, digital, manufacturing & engineering and the fast growing creative sector. Since its launch in November 2019, the programme has supported over 200 individuals.
- 2.9 Procurement activity has taken place to appoint an additional provider/s with deliver.
- 2.10 During the restrictions we have undertaken targeted marketing to promote [re]boot to graduates, furloughed staff, and more recently those unemployed through COVID-19. Between 1 May and 30 September 2020, the [re]boot web page has had 9,801 unique views and 10,932 page views/hits.
- 2.11 The Apprenticeship **Levy Transfer Service** was launched on 1 November 2019. Levy payers initially paused discussions on Levy Transfer in the spring but many are now keen to resume this activity with a view to utilising unspent levy payments to support apprenticeships as part of economic recovery planning. We are currently in discussions with a number of large national and local businesses and announced our first Levy Transfer from Portakabin in September. LEP Board members are asked to encourage their networks to engage with the team via <https://www.the-lep.com/business-support/skills-and-training/apprenticeship-levy-support/>

- 2.12 The £9m part-ESF funded **LCR Employment Hub** programme, launched in January 2019, is being delivered in partnership with Local Authorities and will support over 6,000 young people aged 15-24 to access apprenticeships and employment. In April 2020, the Employment Hub was re-launched to respond to the COVID-19 crisis with a wider client group. The Employment Hub can support people to seek employment and apprenticeships (including furloughed or redundant workers) and can support businesses to recruit. Since the relaunch in April to date of writing the report we have had 452 enquiries from individuals, mainly who are unemployed, and recruitment support requests from 59 businesses.
- 2.13 A marketing campaign on the support offered via the Employment Hub programme launched in September in anticipation of an increase in redundancies due to the winddown of the furlough scheme. In addition, the LEP are promoting the Kick Start programme for 16-24 year olds, referring businesses who are keen to offer job opportunities to one of the many Gateway agencies.
- 2.14 The **Skills for Growth** programme, supporting businesses to engage with the full breadth of the education system from primary schools to universities, has officially started. A team of ten have been recruited, who will work closely with the local authorities' business facing teams to engage a wide range of businesses to connect with our education offer.

Devolution of the Adult Education Budget

- 2.15 The work to prepare for **AEB** devolution has moved on a pace with the following key milestones taking place:
- AEB Strategy was approved by the Combined Authority on 4 September
 - A provider briefing event was held on 17 September where we had over 113 attendees, 80% of these were independent training providers with the remaining attendees, from colleges and local authorities
 - Stage 1 of the Dynamic Purchasing System (DPS) for contracts of services went live on 28 October.
- 2.16 Achieving readiness by 1 August 2021 is heavily contingent upon the projected timescales agreed with DfE being met. Key workstreams to deliver this continue at a pace and include legal and procurement preparation (drafting funding rules, and contracts and agreements), consultation and policy work (to ensure that the approach is fully consulted on and that this consultation is accessible); and systems development (ensuring that the ICT, Finance and Data arrangements are in place to support contracting and payments).
- 2.17 Next steps for AEB:
- Commissioning for 2021/22 provision (October 2020 – March 2021)
 - West Yorkshire allocation confirmed by DfE (March 2021)

- Delivery and management begins (1 August 2021)

Employment and Skills Plan

- 2.18 The work on the Employment and Skills Plan refresh continues with consultation taking place with ESP members and externally during the summer. It was anticipated that the plan would be signed off during the autumn. However due to anticipated policy changes and reforms around the employment and skills agenda during the winter the ESP will be briefed on new timelines and approach at their November 2020 meeting.

Green Skills

- 2.19 The Panel considered a report to update on Green Skills/Carbon Pathway work which was provided to start a conversation on its roles in tackling the Climate Emergency. The Panel was asked to consider the actions in the refreshed Employment and Skills plan that can address the Climate Emergency. A roundtable discussion is to be held in November to identify the actions that need to be taken with key skills partners in the region to tackle this agenda.

2.20 Employment and Skills Policy

There have been a plethora of announcements during 2020 about support for employment and skills being impacted by COVID. The Combined Authority have regular discussions with local and national colleagues at both DfE and DWP about local response and provision. We also have ongoing collaborative discussions around future policies, for example introduction of the National Skills Fund and the level 3 entitlement from April 2021.

3. Clean Growth Implications

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

4. Financial Implications

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

5. Legal Implications

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

6. Staffing Implications

- 6.1 There are no implications associated with this paper.

7. External Consultees

- 7.1 No external consultations have been undertaken.

8. Recommendations

8.1 That the report of the work of the Employment and Skills Panel be noted.

8.2 That the progress towards devolution of AEB is noted.

8.3 That the work towards the refresh of the Employment and Skills plan refresh is noted.

9. Background Documents

9.1 None.

10. Appendices

10.1 None.

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Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **Place Panel**

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

Author: Judith Furlonger, Policy Manager

1. Purpose of this report

1.1 To provide the LEP Board with a report on the work of the Place Panel.

2. Information

Chair's Update

2.1 Place Panel is invited to comment on and input into the development of policy across a number of items. The aim is for panel members to shape future agendas and to discuss at an early stage of policy development and to directly influence the work of the Combined Authority.

Place Narrative

2.2 Following a presentation to the Place Panel on the 28 July 2020, a full draft of the Place Narrative was shared with Panel members. Consultation with local authority partners has commenced and Panel members were asked to provide feedback on whether the draft meets the brief and expectations of the Panel and to further input to refine the content.

Resolved:

That the contents of the report be noted and that a consultation phase has commenced with partners.

(i) That any comments on the draft are received before 20 November of travel be endorsed for presentation of a final draft document.

Urban Design Support

2.3 Helen Forman, Urban Design Manager, provided an update on progress of the urban design support programme.

- 2.4 This included the urban design capacity report sent to Place Panel members in February, bespoke support to a several planning authorities, facilitating a knowledge-sharing network, providing training, and advising colleagues on programmes such as Mass Transit.
- 2.5 Proposals for the development of the design support programme to reflect the changes brought by devolution and to take on board feedback from colleagues were outlined.

Resolved:

- (i) That the contents of the report and the progress be noted.

2.5 Towns Fund Update

Panel considered a report to update on the Towns Fund programme and a presentation on progress from colleagues from the Cities and Local Growth Unit. On 6 September 2019, the Secretary of State for Housing, Communities and Local Government announced a £3.6 billion Towns Fund as part of the Government's 'levelling up' agenda. A prospectus was released in November detailing requirements for towns to consider in preparing for a Town Deal, with further guidance issued in June. Each selected town can bid for up to £25million.

- 2.6 Eight West Yorkshire towns have been selected to develop proposals:

Resolved:

- (i) That the contents of the report and the progress at the contents of the report be noted and members thanked Lorraine Coates for coming to talk to Panel.

Spatial Priority Areas Update

- 2.7 Panel was asked to consider an update on the refresh of Spatial Priority Areas (SPAs). SPAs are the largest and most strategic growth opportunities within the city region and required updating to reflect both local and sub-regional policy / priorities. The refresh has been a bottom-up process with Local Authorities providing the locations and helping to revise the criteria to support a broader set of spatial priorities than was included in the SEP.
- 2.8 The Panel was asked to note the contents of the report and provide any feedback on this revised approach to identifying and categorising SPA's to be included in the emerging Place Narrative and Strategic Economic Framework (SEF).

Resolved:

- (i) That the contents of the report be noted.
(ii) That feedback on the revised approach was noted

Housing Affordability and Need Study

- 2.9 The Leeds City Region Housing Affordability & Needs Study was commissioned in February 2020 to provide an in depth understanding on issues relating to the affordability of housing and its impact on access to good quality housing in the region. Nationally, using house price to income/earnings ratios (as used by ONS) many places across the City Region (particularly West Yorkshire) are classed as affordable. The study recognises that these measures do not fully take into account wider factors that impact affordability such as transport and wider costs of living, including the quality of housing.
- 2.10 The Panel discussed the implications of the findings for the region and provided views regarding the findings of the study and noted that further engagement with district officers is underway regarding use of the study in shaping policy at a regional level.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the views and feedback of the Panel regarding the findings of the study and further engagement regarding use of the study in shaping policy at regional level be noted

Housing Update - Brownfield Housing Fund and Revenue Fund

- 2.11 Panel considered a report on an allocation for the Brownfield Housing Fund programme and to outline the assurance process for the programme (subject to Combined Authority approval).
- 2.12 The report highlighted the relationship between the Brownfield Housing Fund and revenue funding secured through the devolution deal and the Getting Building Fund.

Resolved:

- (i) That the contents of the report and progress made be noted.

Flood Risk Pipeline Refresh

- 2.13 Panel considered a report to provide an update on the Combined Authority's pipeline of priority Flood Risk Management (FRM) schemes which form the basis of the Combined Authority's engagement with Government. The report sought endorsement of the updated priority schemes and asked for comments from the Panel to consider when the programme should to be submitted to government and the role of any potential external communications.
- 2.14 The Panel discussed the progress made and endorsed the updated Combined Authority's programme of priority flood risk management schemes for investment. The Panel considered what level of external communications

would be appropriate alongside the Combined Authority's engagement with government.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the Panel considers how the programme can be submitted to government and that the updated priority schemes be endorsed.

One Public Estate Phase 8 Bid

- 2.15 Panel considered a report to inform that the Leeds City Region OPE Partnership had been invited to apply for One Public Estate (OPE) Phase 8 revenue and capital funding opportunity released on the 9 September 2020 with a deadline for submissions of **12 November 2020**.
- 2.16 Given the submission deadline Panel was asked to agree that the Place Panel Chair in liaison with Chief Executive Lead for Place Panel and the West Yorkshire Combined Authority Managing Director approve a bid application by the OPE partnership (comprising all the Leeds City Region districts except York and Barnsley) by the submission deadline.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the Place Panel Chair in liaison with the Chief Executive Lead for Place Panel and West Yorkshire Combined Authority Managing Director approve a bid application by the OPE Partnership be endorsed.

Planning Consultations

- 2.17 The Panel considered a report to provide information relating to the government consultations regarding changes to the Planning System. There are two consultations running in parallel, changes to the current planning system and planning for the future
- 2.18 The Panel discussed and provided comments on the contents of the report and agreed to endorse the direction of travel on the Planning White Paper consultation.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the Planning White Paper consultation response be endorsed.

3. Clean Growth Implications

- 3.1 The work outlined in this report is vital to ensuring that the city region can create clean growth and decarbonise key sectors by 2038

4. Financial Implications

4.1 There are no financial implications directly arising from this report

5. Legal Implications

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

6. Staffing Implications

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

7. External Consultees

7.1 None

8. Recommendations

8.1 That the report of the work of the Place Panel be noted

9. Background Documents

9.1 None

10. Appendices

10.1 None

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Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **Inclusive Growth and Public Policy Panel**

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

Author(s): James Flanagan, Lead Policy Manager, Public Sector Reform

1. Purpose of this report

1.1 To provide a report on the recent work of the Inclusive Growth and Public Policy Panel, including in relation to:

- Support for the region's Third Sector;
- A Good Work Standard for the region;
- Panel learning and development; and
- Panel next steps on the Strategic Framework and delivery programme

2. Information

2.1 Building on the role agreed at its June meeting to focus on addressing inequalities, the September Panel meeting considered some specific proposals including for ensuring that the Third Sector is central to driving an inclusive economic recovery, and also a proposal to progress a Good Work Standard to help ensure that everyone in the region has access to high quality, secure and well paid employment.

2.2 The Panel also agreed to undertake learning and development in relation to unconscious bias.

Role of the third sector

2.3 A key focus of the Panel's September meeting was to progress the commitment in the West Yorkshire Economic Recovery Plan to enable the Third Sector to support an inclusive economic recovery. In seeking to progress this ambition, the Panel:

- Recognised the crucial role of the Third Sector in supporting and protecting our most disadvantaged communities, especially in recent months; and
- Proposed that the Sector itself should be supported to play a central role in delivering an inclusive economic recovery.

- 2.4 The Panel therefore agreed to establish a Task and Finish group to progress and report back at the next Panel meeting on the following activities:
- Collect evidence and data to better understand the role, composition and scale of the third sector across West Yorkshire, and its interdependency with the public and private sectors;
 - Better understand the social and economic contribution made by the sector, and the specific challenges it is currently facing; and
 - Identify how the sector could be further supported at regional level to help deliver an inclusive economic recovery.

Good Work Standard

- 2.5 The Panel recognised that too few employees in the regional economy are currently in 'good work' in terms of high quality, secure, well paid jobs. This is considered not just socially harmful but also a drag on productivity. The Panel received a report proposing a Good Work Standard as one way of addressing this issue through encouraging and incentivising inclusive business and organisational behaviours and practices. A Good Work Standard is considered central to delivering the Inclusive Growth Framework which has Good Work as one of its core goals - and it is equally recognised as a priority in delivering the region's Economic Recovery Plan.
- 2.6 The Panel agreed that options would be prepared for considering a 'fit for purpose' Good Work Standard, for example using an existing approach adopted elsewhere, a bespoke model, or a hybrid approach, but in any case based on the following common principles:
- Applicable to all sectors and irrespective of business/organisation size;
 - Aligns with any local approaches; and
 - Covers key themes, eg fair pay, workforce voice, health and welfare, leadership, and equality and diversity.

Learning and development

- 2.7 At the September meeting of the LEP Board, it was noted that, as part of ongoing learning and development, officers were exploring the potential for unconscious bias training for Inclusive Growth and Public Policy Panel members, potentially as a pilot model to be rolled out to other Panels, Committees and Boards.
- 2.8 In order to progress this work, the Panel received an introduction to the subject delivered by a guest expert speaker. The Panel welcomed the briefing provided and the opportunity for an initial discussion of some of the issues ahead of the shaping and running of a pilot development session at the Panel's next meeting in December.

Framework and Programme

- 2.9 The December Panel meeting will receive a report setting out a revised Strategic Framework for Inclusive Growth, re-focussed around the ambition of

an inclusive economic recovery in order to ensure that regional economic and social disparities are not just reduced, but eliminated. Views will also be sought on possible next steps in terms of delivery, including supporting investments and interventions. The intention is for a report covering both the proposed framework and indicative delivery programme to then be brought to the January meeting of the LEP Board.

3. Clean Growth Implications

3.1 None arising directly from this report.

4. Financial Implications

4.1 None arising directly from this report.

5. Legal Implications

5.1 None arising directly from this report.

6. Staffing Implications

6.1 None arising directly from this report.

7. External Consultees

7.1 None arising directly from this report.

8. Recommendations

8.1 The LEP Board is asked to note and comment on the recent work of the Panel and proposed next steps as summarised in Section 2 of the report.

9. Background Documents

9.1 None

10. Appendices

10.1 None

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Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **LEP Capital Programme (Investment Committee)**

Director: Melanie Corcoran, Director of Delivery

Author: Lynn Cooper, Portfolio Lead (Monitoring & Reporting)

1 Purpose of this report

1.1 To inform the LEP Board of the progress made implementing the LEP capital programme for 2020/21 and to provide:

- An update on the Growth Deal programme, including the Enterprise Zones
- A summary of the current activity ongoing to develop the Getting Building Fund projects
- Details of the commencement of the new Broadband Contract 3

2 Information

Capital Programme

2.1 Table 1 below summarises the expenditure as at quarter 1 on the LEP capital programme in 2020/21 against the in-year forecast:

Table 1

Capital Programme Expenditure 2020/21	Budget Forecast February 2020	In-Year Forecast June 2020	Actual Quarter 1 2020/21
Growth Deal Programme			
Priority 1 Growing business	£14,809,439	£11,368,691	£1,692,842
Priority 2 Skilled People and Better Jobs	£667,110	£667,273	£0
Priority 3 Clean Energy	£741,887	£1,022,946	£92,374
Priority 4a Housing and Regeneration	£6,500,000	£8,845,000	£0
Priority 4b West Yorkshire plus Transport Fund	£110,670,000	£87,384,018	£6,378,475
Priority 4c Economic Resilience	£4,181,524	£4,279,598	£170,132
Priority 4d Enterprise Zones	£12,337,000	£15,699,938	£3,798,672
Growth Deal - Other	£2,000,000	£2,500,000	£390,858
Growth Deal Total	£151,906,960	£131,767,464	£12,523,353
Broadband	£2,608,437	£2,198,052	£0
Getting Building Fund*	£0	£13,550,000	£0
Total Capital Spend	£154,515,397	£133,965,516	£12,523,353
* New funding programme			

Growth Deal

- 2.2 The Growth Deal programme continues to perform well in its final year. The quarter 2 claims are currently being reconciled and analysed, a full report on performance will be submitted to the next meeting of the LEP Board in January 2020. Cumulative spend at quarter 2 is circa £28 million, whilst this is below the estimate included in the Local Growth Fund Review submitted in June 2020 of £30 million it is not a concern at this time.
- 2.3 The Growth Deal Cities and Local Growth Unit (CLoG) monitoring return for quarter 2 is due for submission on 20 November 2020. This dashboard will be tabled at this meeting for endorsement by the LEP Board.

Enterprise Zones

- 2.4 Enterprise Zone programme delivery has increased significantly over the last 25 months; the phase 1 Leeds Aire Valley EZ is continuing to be successfully developed out by the private sector, where to date over 850,000 sq ft of new commercial space has been completed and further units are under construction. Work has also now commenced on a 2 million sq ft unit that once complete will be the third largest unit in the world.
- 2.5 Following over 2 years of dedicated activity, four of the nine phase 2 EZ sites have also come forward into delivery, including:
- Lindley Moor West (Kirklees),
 - Moor Park (Kirklees),
 - Gain Lane (Bradford) and
 - South Kirkby Plot 3 (Wakefield)
- 2.6 In addition, due to dedicated resource and collaboration with partner councils, de-risking, enabling and highway works are due to start on site at Parry Lane (Bradford) in December 2020. Furthermore, to secure an acceleration of works, the Combined Authority completed the purchase of 9.45 hectares of land at Langthwaite (Wakefield) on 10 August 2020. Infrastructure works to deliver a new access road will commence on site in January 2020, with a further package of enabling works programmed to start on site in Spring 2021. Both of these sites have benefited from an allocation from the Getting Building Fund which has allowed works to be committed which would otherwise would have prevented these sites coming forward. This ensures that spend on both Getting Building Fund and Growth Deal is maximised.
- 2.7 Key outputs from these sites (once completed) across the EZ programme will be:

Table 2

Site	Job creation estimates	Commercial floorspace delivered
Lindley Moor West	216-325	145,312 sqft – scheme complete
Gain Lane	490-735	72,000sqft under construction with residual planning sought for a further 120,000sqft. Thereafter the remaining 65,500sqft will be delivered in line with market demand.
Parry Lane	239-359	Outline planning permission secured to deliver 182,000 sqft
Moor Park	286-430	72,500sqft completed and residual planning secured for a further 228,000 sqft
Langthwaite	683 - 1025	Planning permission will be submitted to deliver 275,000 sqft
South Kirkby	816-1225	100,000 sqft completed to date. A further 46,000 sqft due for completion in Dec 2020 and developer contract commitment to deliver a further 18,500sqft.

Getting Building Fund

- 2.8 The £52.6 million programme was approved by Investment Committee at its meeting of 1 September 2020 and subsequently approved by the Combined Authority at its meeting of the 4 September 2020.
- 2.9 Whilst the expectation is that the programme will be delivered within the funding awarded, the Combined Authority approved over-programming of up to £1 million (2%) to cover Programme Management and assurance costs.
- 2.10 The Combined Authority also approved development costs of £2.63 million (5%) which was delegated to the Director of Delivery to agree funding for individual projects.
- 2.11 A total of five of the fifteen projects have now entered the appraisal process and seven further projects are expected to be submitted by December. It is anticipated that most projects will have been considered by the Investment Committee by the end of March 2021.

Broadband

- 2.12 The City Region's Strategic Economic Plan (SEP) laid out an ambition to achieve 99% superfast broadband connectivity across West Yorkshire and York. The West Yorkshire and York Broadband programme commenced in 2013 and is overseen by a partnership agreement between the West Yorkshire and York councils and the Combined Authority. Contract 1 delivered 97% coverage. The Superfast Extension Programme (Contract 2) is on track to deliver up to 98% access to superfast broadband by end June 2021. Both of these contracts involved delivering fibre directly to a premise or to a nearby cabinet.
- 2.13 The challenging ambition of 99% coverage will continue to be progressed through Contract 3 which is using wireless technology to deliver to speeds of 1

Gb/s to many of the remaining and most difficult to reach rural properties. The new contract was signed in September 2020 with Quickline. The aim is to extend coverage to an additional 5,571 premises it will also provide ultrafast speeds for 1,261 business. The work already commencing with plans for initial locations to get service in December 2020. The infrastructure rollout will be complete by December 2022 and will meet the SEP's coverage aspiration.

- 2.14 Building Digital UK (BDUK) (part of the Department for Digital, Culture, Media & and Sport) are responsible delivering broadband networks to the nation. After an intense review, BDUK are satisfied that Quickline's innovate wireless solution was value for money as it mitigates the problem of delivering fibre to every remote premise. Quickline's solution aligns the Government drive for Gigabit Broadband by 2025 and critically it enables West Yorkshire to go faster and further. Funding for Contract 3 has been secured with grant through the Department for Environment, Food & Rural Affairs (DEFRA).

3 Clean Growth Implications

- 3.1 The Combined Authority has taken action to ensure all decisions we make include Climate Emergency considerations. The Combined Authority:
- has strengthened how clean growth and climate change impacts are considered as part of all schemes that come through the Combined Authority's Assurance Framework.
 - requires LEP and the Combined Authority reports to include clean growth / tackling the Climate Emergency implications, including qualitative impact assessments.
- 3.2 To fully strengthen decision making across the whole of the Combined Authority's Assurance Framework a robust, quantifiable methodology for assessing all new schemes predicted carbon emissions/wider clean growth impacts is being developed. Please see the Climate Emergency report included on the agenda for the [November Investment Committee](#) meeting. The report provides an update on the work commissioned by the West Yorkshire Combined Authority to develop a carbon impact assessment tool and the incorporation into the Assurance Framework.
- 3.3 Clean growth, including climate change, impact assessment / considerations are all now included in all Capital Spending and Project Approvals reports. This ensures that the business cases now reflect the Leeds City Region Climate Emergency priority and evidence that they will reduce carbon emissions (both directly and indirectly).

4 Financial implications

- 4.1 Financial implications are included within the body of the report.

5 Legal implications

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

6 Staffing implications

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

7 External consultees

7.1 No external consultations have been undertaken.

8 Recommendations

8.1 That the LEP Board:

- notes the progress of the LEP capital programme for 2020/21 including the implementation of the Getting Building Fund and Broadband Contract 3; and
- endorses the CLoG monitoring return which is to be tabled at this meeting.

9 Background Documents

9.1 None.

10 Appendices

10.1 None.

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Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **Future-Ready Skills Commission**

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

Author: Sonya Midgley, Policy Manager

1. Purpose of this report

- 1.1 To update the LEP Board on the final report of the Skills Commission and the proposed next steps for action of its recommendations.
- 1.2 The Board is asked to consider and provide advice on the next steps for implementation of the Skills Commission's work

2. Information

Background

- 2.1 The Skills Commission is made up of leading thinkers from business, education, trade unions and think tanks, and is Chaired by Councillor Hinchcliffe.
- 2.2 The Skills Commission has been undertaking a review of the post-16 skills landscape with a particular focus on technical education, workforce skills and careers information. The focus on devolution has distinguished this Commission's work from the other national skills commissions and reviews.
- 2.3 Following a deep analysis of its key areas of focus the Commission produced an interim report in November 2019 and shared in findings and set out the 10 things that need to change in the skills system.
- 2.4 The interim report was well received, and government committed to considering the findings of the Commission's final report as part of the Combined Authority's ambitious devolution deal.

Final report and blueprint

- 2.5 The Commission published its final report 25 September and held a virtual launch that included attendance from over 100 delegates including senior government officials.
- 2.6 The virtual report launch included speakers representing TUC, CBI, Produmax (locally based SME), AoC and JRF and was chaired by Councillor Hinchcliffe.
- 2.7 The Commission's final report sets out a blueprint for a post-16 skills system that better meets the needs of local economies and is able to respond to future challenges and opportunities in the workplace. The report argues the case for a **radical shift required in funding and local leadership** and makes nine recommendations to government, they are:
- **Ensure the funding system offers fair access** regardless of age, level of attainment, background and learning route alongside reversing the long-term decline in adult training
 - Empower areas to design services around the individual to **address complex and interrelated health, employment and skills** issues
 - Everyone should have right to **quality information about jobs and careers**, no matter what their stage in life.
 - **Employers should take greater ownership of their talent management and skills development**, aided by a joined-up approach to business support that means they can find the help they need, regardless of the route they take to find it
 - In order that people can gain the right skills needed for good quality work in their area, **all adult skills and careers funding needs to be devolved**
 - Recognise that areas are best placed to understand their own skills requirements and **implement statutory five-year strategic skills plans** to make it happen
 - To ensure that training meets the current and future skills needs of regional labour markets, **delivery agreements with skills providers** should be put in place, supported by investment funding
 - Large-scale **public infrastructure** projects designed to level up areas should include an additional skills premium of up to 5% of the total budget to maximise
 - **The Apprenticeship system needs national review** to make it work more effectively, and this should include recognising and resourcing areas as the key route to employers and individuals
- 2.8 The report is published alongside a series of technical papers that detail the rationale and proposals for each of the nine recommendations above and are available via <https://bit.ly/35Y4Asg>

National Policy Context

- 2.9 A number of policy announcements in relation to skills and employment have been made as part of Budget announcements and in response to COVID-19 over the last six months.

- 2.10 On 29 September the Prime Minister announced the ‘Lifetime Skills Guarantee’. This was followed by a statement from the Secretary of State for Education on 1 October that headlined further national policy reforms from the Conservative election manifesto. Some of the announcements, including funding adults to achieve a Level 3 qualification, start to pick up the recommendations from the Skills Commission. However, they stop short of detailing the role of Combined Authorities despite the fact that implementation of the announcements may affect and duplicate provision in devolved budgets, namely AEB which funds unemployed adults aged 18-24 to achieve their first L3 qualification.
- 2.11 Further announcements are expected before the end of the year, including a white paper on FE Reform, and which is expected to resonate with some of the findings of the Commission.

Implementation of the recommendations

- 2.12 A number of actions and further engagements are proposed to deepen the impact of the work of the Commission, including further discussions with government departments and a mayoral roundtable.
- 2.13 Officers and senior officials from Department for Education have met to discuss how the findings of the Skills Commission can inform the departments ongoing work to reform technical qualifications, level 3 entitlement and development of the new National Skills Fund which will support adult retraining from April 2021. These conversations are ongoing.
- 2.14 A communications plan will continue to engage Commissioners and seek to place op-eds within trade press.
- 2.15 A full analysis of the national policy changes to date and proposed action points for implementation of the recommendations for the Combined Authority has been undertaken, and the main actions for immediate implementation are listed below:
- Use the findings of the Commission to inform the new **Employment and Skills Plan** (2021-2025) as a key document of the Strategic Economic Framework (SEF)
 - **Adult Education Budget (AEB) strategy** implementation will allow greater place-based and innovative skills solutions, as well as extending the use of delivery agreements with commissioned training providers as recommended by the Commission.
 - **Economic Recovery Plan** uses the learning from the Commission to identify the key priorities for employment and skills in the short, medium and long term. This includes creating skills and training opportunities for future jobs in the green economy and supporting SMEs to make the best use of the skills available in the workforce to support productivity.

- Implementation of the **local digital skills partnership** secured through the devolution deal to address digital skills shortages and key issues around digital inclusion will address future-skills needs.

2.16 In addition, consideration should also be given to the following:

- Ensuring that the Combined Authority’s investment strategy is aligned with the Commission’s recommendation of creating skills funding for every public infrastructure project in line with the Commission’s national policy recommendation that ‘Large-scale **public infrastructure** projects designed to level up areas should include an additional skills premium of up to 5% of the total budget to maximise’ might be made a condition of the West Yorkshire Investment Strategy or made a condition of commissioning/contracting.
- Further actions to support the findings of the Commission to secure engagement with government departments and progress the devolution agenda.
- Any further detailed and costed proposals should be developed following the further anticipated national policy announcements. An update paper can be provided following the announcements.

3. Clean Growth Implications

3.1 The report findings will be used to determine skills priorities in the revised Employment and Skills plan as a key document of the Strategic Economic Framework

4. Financial Implications

4.1 None

5. Legal Implications

5.1 None

6. Staffing Implications

6.1 None

7. External Consultees

7.1 None

8. Recommendations

8.1 The LEP Board is asked to consider the next steps following publication of the final report of the Skills Commission

9. Background Documents

9.1 None

10. Appendices

10.1 Appendix 1 – Executive Summary Future-Ready Skills Commission final report

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Future-Ready Skills Commission

A Blueprint for a Future-Ready Skills System

September 2020

Rethinking skills for the 21st century

This report is the culmination of two years of research and analysis by the Future-Ready Skills Commission. In that time the world has changed.

Our primary scope was to design a blueprint for a devolved skills system, from post-16 education through to adult skills and career development, that better meets the needs of local economies, and is able to respond to future challenges and opportunities in the workplace.

Then there was COVID-19, the economic impact of which is being felt hardest by those already least able to cope.

Without efforts to support these groups with jobs, skills and training in a way that fits with the reality on the ground in local labour markets, we risk damaging the life chances of a whole generation and setting back our ambitions to build a fairer and more inclusive economy.

Unless we radically change our attitude towards skills and training and embrace the UK becoming a higher skills labour market, we cannot meaningfully change living standards for the better.

We have to say goodbye to an era when many of us used to leave formal education after school, college or university and feel that our time of learning was done, and what we knew by our late teens or early 20s should be enough to last us a lifetime of work. Training and learning must be a life-long process to make sure our skills and knowledge remain relevant and our job prospects positive

Equally, we have to overturn the attitude whereby too many employers fail to see the value of training. Too often, they treat it as a tick-box exercise in meeting statutory requirements in areas like health and safety, rather than developing the potential of their workforce.

As this report argues, we need a skills entitlement from school to retirement and every major point of a working life in between, backed up with independent careers advice and information so people can understand how an investment in skills will be of benefit, and support from employers and the state.

Employers need to be able to find people with the right skills, and individuals must have a right to careers advice and training that helps them make informed choices that will help them get on in life.

For this to be effective, it needs to be delivered at a local level, informed by labour market information and backed up with structures and funding to address an area's current and future skills needs.

Local areas and regions are best placed to understand the dynamics of their own labour market and what skills, industries and sectors are most in demand, guiding learners in a way that best suits the needs of local businesses and the economy.

As we emerge from COVID-19, addressing health inequalities has never been more important. We need to build a resilient economy, creating a forward-looking skills system, based on the needs of the people, businesses and local economies it is intended to serve.



Councillor Susan Hinchcliffe

Chair, Future-Ready Skills Commission
Chair, West Yorkshire Combined Authority
Leader, Bradford Council

Introduction

The Future-Ready Skills Commission was launched in 2019 to undertake a review of the post-16 landscape in England as one of the most centralised systems in the UK and indeed the world. This review differs from the many that have preceded it with an explicit focus on designing a blueprint for a devolved skills system.

The Commission was concerned with evidence presented from a range of stakeholders and leading thinkers on improving the existing system so that it better able to respond to local labour market needs. The blueprint and recommendations in this report exemplify the power of policy experts, employers, training providers and trade unions working collegiately to improve the skills systems for learners from all backgrounds and social standing.

The ability of local areas and regions to have the powers and funding to respond to what is needed in the local labour market is critical for the economic prosperity for all. This is even more acutely needed in times of economic crisis where local leadership from business, skills providers, trade unions and government is more pivotal to being agile and better placed to respond the labour market need. Never has this been demonstrated more sharply than during the COVID-19 pandemic which has deepened inequalities in communities and challenged the funding structures employed by the Education and Skills Funding Agency (ESFA).

The Commission would like to thank everyone who has been involved to challenge and shape the thinking for the blueprint, in particular, our critical friends, elected Mayors and colleagues at MCAs and the GLA.

In November 2019, we published our interim report¹ that set out the evidence that had been considered to date and presented ‘10 things that need to change in the skills system’. We now present in this final report the blueprint of *how* the system should change.

¹ <http://futurereadyskillscommission.com/wp-content/uploads/2019/11/Future-Ready-Skills-Commission-Interim-Report-2019.pdf>

10 things that need to change



1 **Careers information** needs to be relevant to the local labour market and empower individuals to make informed decisions



2 Employment and skills should be **integrated within local housing, transport and environment** strategies



3 The local approach to **skills, employment and health needs to be joined** up to support progression to work



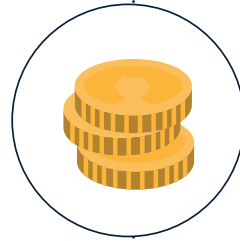
4 The **skills offer for businesses needs to be simplified** through coordination at the level of functional economic areas



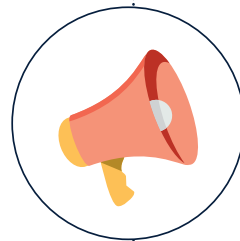
5 **Investment in technical education** and skills should be increased to sustainable levels



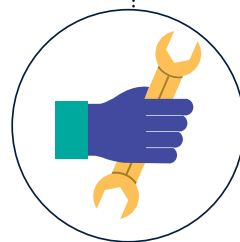
6 **Greater collaboration is needed** in order to spread good workplace practices to improve business performance and productivity



7 The learning **offer should be simplified and made more affordable**, with the right level of finance that removes barriers to access and supports progression in learning



8 **Employers need to be motivated** to train and re-train staff and support progression at all levels, including those in lower paid work to gain higher level skills



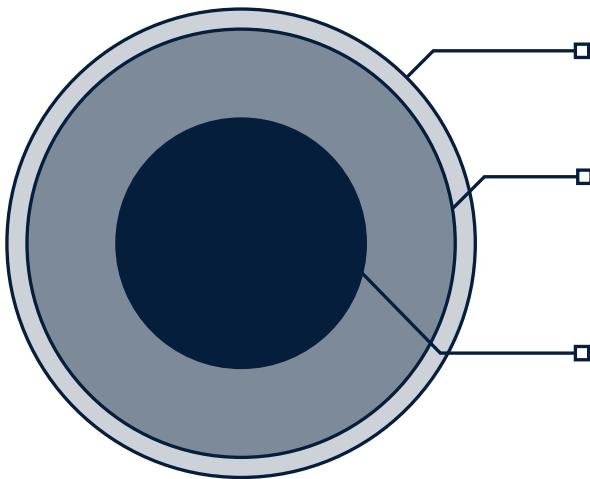
9 Local areas should have **strengthened responsibilities for planning the provision of technical education** and training so that it is responsive to local economic priorities



10 **Employers need greater influence** over the design and delivery of technical training to ensure it is responsive to local economic priorities

Our blueprint for a future-ready skills system

The current national skills system is complex, highly centralised and does not meet the needs of all the people, businesses and local economies it is intended to serve



Local

- Delivers adult skills programmes and neighbourhood-level services
- Has strong relationships with employers

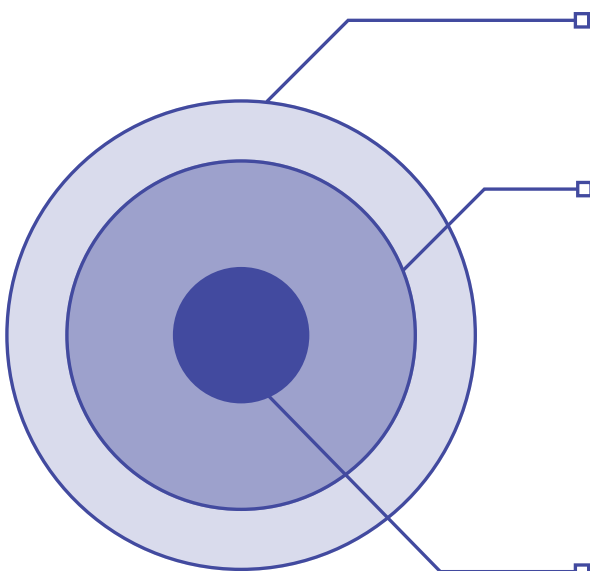
Regional

- Manages delivery of short-term skills and training funding – often received through competitive bidding process and with specific contract outputs
- Has strategic relationships with providers and strong relationships with employers through Growth Hubs

National

- Highly centralised, with 'one size fits all' commissioning of skills programmes and campaigns
- Delivery of Adult Education Budget devolved to Mayoral Combined Authorities and Greater London Assembly, with some specific, limited further responsibilities devolved on a case-by-case basis

We propose a devolved system that is responsive to the needs of local labour markets and able to meet future challenges and opportunities in the workplace



Local

- Designs and delivers services to individuals and employers, including all-ages careers provision
- Delivers integrated work, health and social provision
- Integrates skills with other services that can provide wraparound services

Regional

- Skills and employment embedded within regional economic strategies
- Devolved responsibilities and funding for skills-related budgets over a five-year timeframe
- Retains additional funds to support the skills needs of regional labour markets where large-scale publicly-funded infrastructure projects are delivered
- Provides holistic skills support for individuals and businesses – commissions and delivers all-ages careers support, providing support for adults to re-train and a recognised leadership role working with employers
- Strategic role working with learning providers, with formal delivery agreements and a recognised relationship with FE Commissioner
- Has strategic relationships with providers and strong relationships with employers through Growth Hubs

National

- Sets key principles, policy frameworks, guidance, high-level priorities, and nationally-recognised qualifications, allowing flexibility in how these are achieved at a regional level
- Establishes frameworks, quality standards and monitoring agencies to ensure consistency, best practice and improvement across all regions – includes scrutiny and the ability to intervene with providers where necessary


We propose a devolved skills system that is responsive to the needs of local labour markets and able to meet future challenges and opportunities in the workplace





Responsibility for delivery





Our recommendations


- 


Ensure the funding system offers fair access regardless of age, level of attainment, background and learning route alongside reversing the long-term decline in adult training
- 


Empower areas to design services around the individual to address complex and interrelated health, employment and skills issues
- 


Everyone should have right to quality information about jobs and careers, no matter what their stage in life
- 

Employers should take greater ownership of their talent management and skills development, aided by a joined-up approach to business support that means they can find the help they need, regardless of the route they take to find it
- 

In order that people can gain the right skills needed for good quality work in their area, all adult skills and careers funding needs to be devolved
- 

Recognise that areas are best placed to understand their own skills requirements and implement statutory five-year strategic skills plans to make it happen
- 

Ensure that training meets the current and future skills needs of regional labour markets, delivery agreements with skills providers should be put in place, supported by investment funding
- 

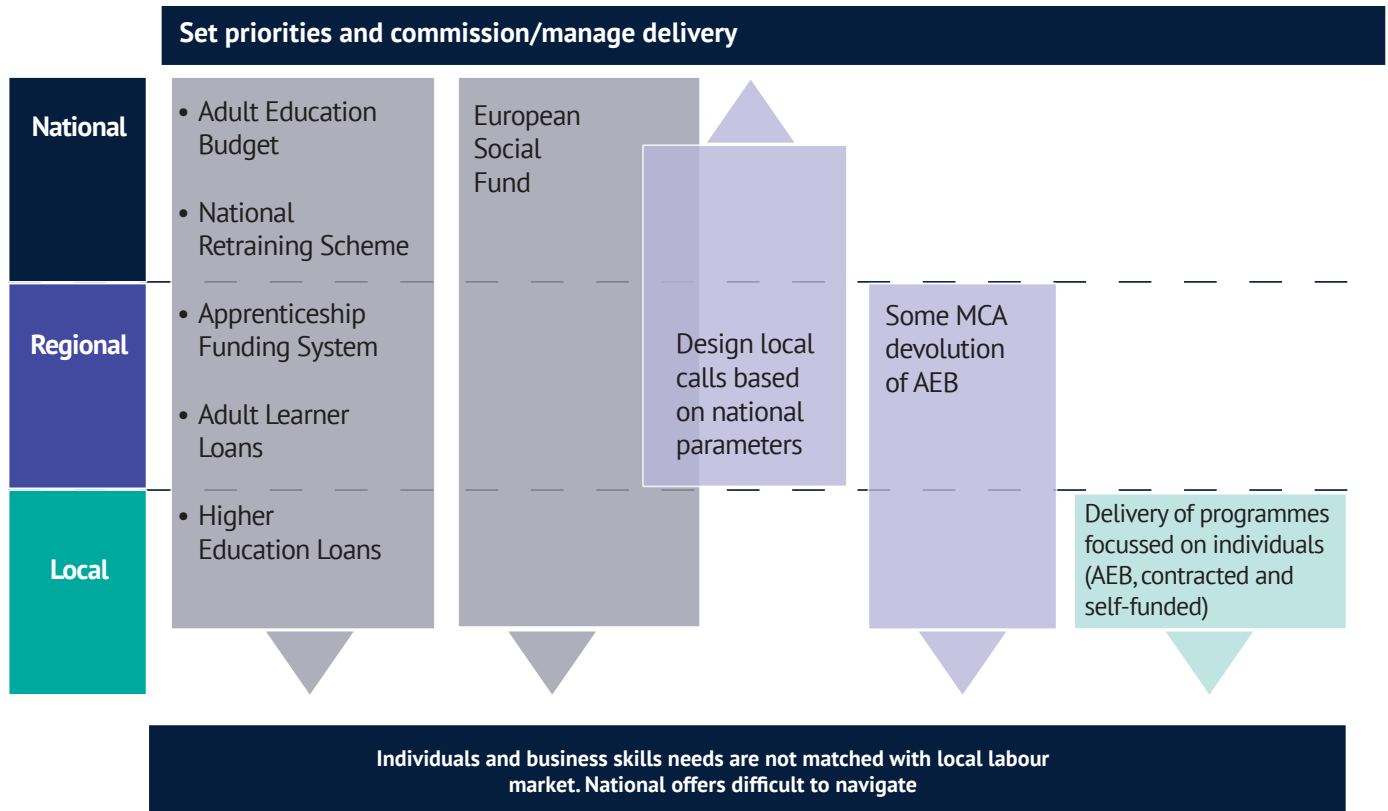
Large-scale public infrastructure projects designed to level up areas should include an additional skills premium of up to 5% of the total budget to maximise their economic potential
- 

The Apprenticeship system needs national review to make it work more effectively, and this should include recognising and resourcing areas as the key route to employers and individuals

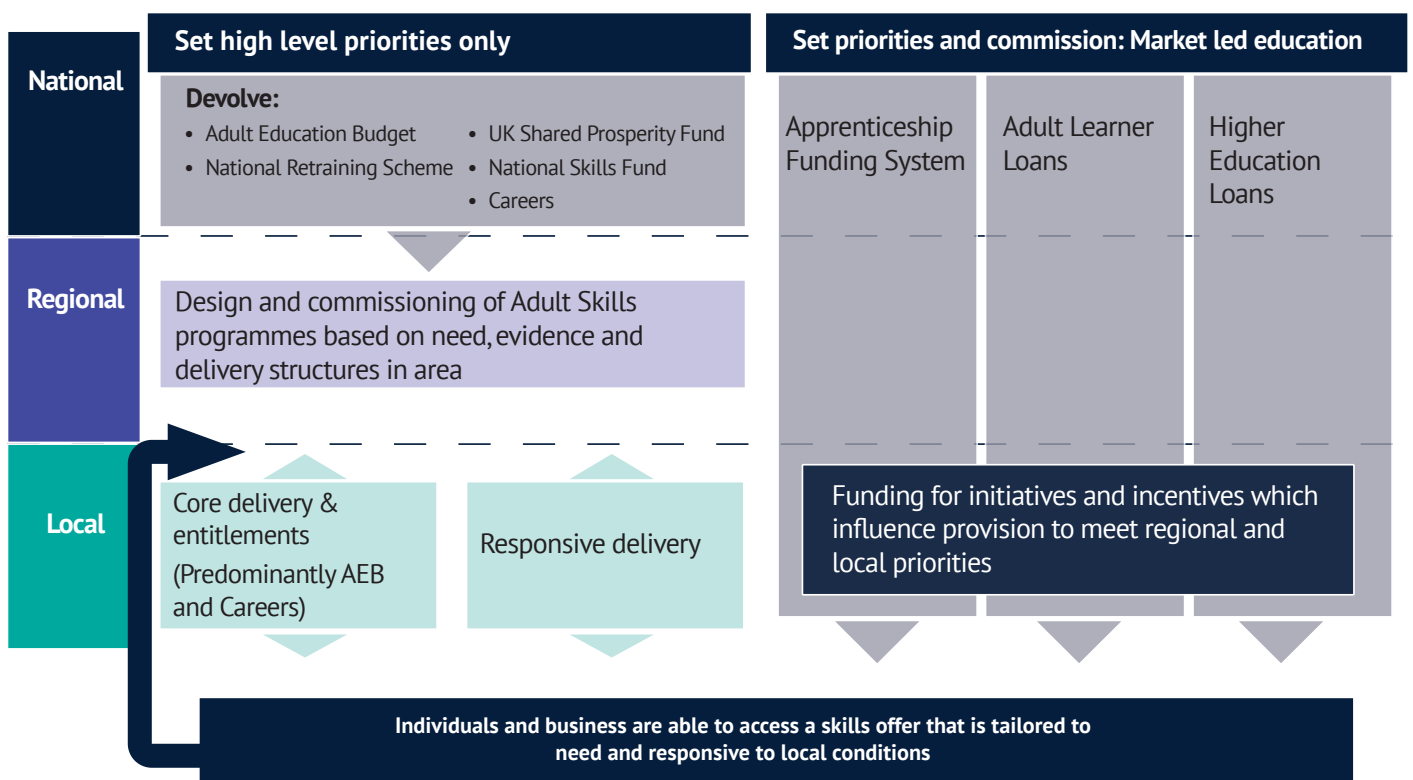
The current skills and training system is made up of many disparate sources of funding, with responsibility led by different government departments and shared between various bodies, resulting in a fragmented system that lacks a coherence and complementarity.

A radical shift of funding and local leadership is required to respond to the needs of the local labour market. This will create opportunities for employers, colleges and training providers to collaborate in a strong and accountable regional skills system that can meet labour needs and is able to respond to economic shocks.

Adult Skills System - Current



Adult Skills System - Proposed



A fully devolved adult skills system with responsibility for funding and delivery at a local or regional level will create benefits for education and training institutions, employers, individuals, and the economy as a whole. Critically it will equalize opportunities for different labour market groups and accelerate inclusive growth with local leadership accountable for ensuring that economic investment builds social capital for communities.

Institutions will be more resilient and benefit from:

- Greater financial stability in a reformed system
- Enhanced community role
- Bigger market for learning among individuals and employers
- Delivery of more flexible and innovative delivery models
- Stable funding and investment opportunities, delivered through strategic plans to meet the needs of the regional labour market
- Increased relationships with employers
- A holistic and strategic skills system that meets local labour market needs
- Augmented recognition of the value of skills
- Opportunity to influence the shape of skills provision in regional areas

Employers investing in their workforce can benefit from:

- A better skilled workforce that contributes to improved business performance and profitability.
- A more responsive system that provides employers with the skills they need
- A system that is easier to engage with – simpler and more flexible
- Closer involvement and strategic relationships with education
- Strengthened business leadership and management
- Reduced costs for staff recruitment through improved talent management and retention

Individuals investing in their learning can benefit from:

- Better employment and career prospects
- Better pay
- Easier and more flexible access to learning across a range of settings
- Greater opportunities to re-train
- Improved career management skills, with a clear understanding of the value of learning and training
- Enhanced understanding of the opportunities in the local labour market

The Economy will be more resilient and benefit from:

- Greater economic resilience linked to a more skilled workforce
- Better alignment between the skills that people have and the skills the economy needs, leading to increased productivity
- A more flexible and dynamic labour market reflecting better career adaptability of individuals
- More of the high-level skills needed to drive innovation
- More people active in the labour market
- Less inequality between regions of the country and different labour market groups
- A better return from the investment in skills for all parties
- Better quality of work

Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **Assurance Framework Review**

Director: Melanie Corcoran, Director of Delivery

Author: Craig Taylor, Head of Portfolio Management and Appraisal

1 Purpose of this report

- 1.1 To provide the Leeds City Region Enterprise Partnership Board (the LEP) with an update on progress relating to changes proposed to the Leeds City Region Assurance Framework arising from the West Yorkshire Devolution Deal for a Mayoral Combined Authority to be established.
- 1.2 To ask the LEP Board to provide feedback on the proposed revisions to the Leeds City Region Assurance Framework and approve the substantive form of the draft Assurance framework subject to the incorporation of any further feedback
- 1.3 To ask the LEP Board to delegate authority to the Chair of the LEP Board to finalise the Assurance Framework and to approve submission of the Assurance Framework to Government, in consultation with the Chair of the Combined Authority and the Combined Authority's Managing Director, and to make further in year changes as may be required.

2 Information

- 2.1 The Assurance Framework was developed in 2015 as part of the Growth Deal with Government. Its purpose is to ensure that the necessary systems and processes are in place to manage funding effectively, and to ensure the successful delivery of the Strategic Economic Framework (SEF) ambitions. Its focus is to ensure that necessary practices and standards are implemented to provide the Government, Combined Authority, the LEP and local partners with assurance that decisions over funding (and the means by which these decisions are implemented) are proper, transparent and deliver value for money. It covers all projects and programmes funded from Government or local sources that flow through the LEP and Combined Authority. The Assurance Framework is prepared in accordance with HM Government National Assurance Framework Guidance (2019) and builds on existing good practice.

- 2.2 The Assurance Framework must be reviewed annually and uploaded on to the LEP website. The annual update is due by 28 February, however, due to the West Yorkshire Devolution Deal, the Assurance Framework has been subject to an extensive in-year review for the Mayoral arrangements to be adopted. The updated Mayoral Combined Authority Assurance Framework is required to be sent to Government on 1 December 2020 for approval in January 2021.
- 2.3 Other MCA Assurance Frameworks have been reviewed as part of this process to compare structures and content to identify areas of best practice. Regular communication with BEIS has also identified the level of detail to be included regarding the Mayoral arrangements for this update.
- 2.4 Consultation was undertaken on the current Assurance Framework for feedback to be gained from internal and external stakeholders including programme and project managers, consultants, Chief Highways Officers, Directors of Development and the Chairs of Committees. There were over 250 engagements through a survey and workshop attendees. The key outcomes identified as part of the consultation were:
- Over 80% of respondents regarded the Assurance Framework as being effective in ensuring that the necessary systems and processes are in place to ensure that funding is managed effectively and there is a transparency and challenge process leading to successful delivery of schemes.
 - Positive comments are received on the Framework for its robustness for challenge, transparency and the way in which the Portfolio Management and Appraisal Team manage the assurance process.
 - The key themes on what could be improved centred around proportionality, recognising the one size does not fit all, the complexity of the process, flexibility within it and timescales for progressing schemes through the Framework.
- 2.5 A copy of the updated Assurance Framework can be found in **Appendix 1**. The key changes to the Assurance Framework are:
- Re-structuring of the Assurance Framework to remove duplicated information.
 - Removal of the Executive Summary. Information contained within this is now incorporated into Section 1.
 - Addition of the Mayoral Combined Authority's role and remit including the Mayor's role in Decision-Making.
 - Addition of a statement that complies with the National Local Growth Assurance Framework, which states "that Local Assurance Frameworks should set out the means by which elected Mayors will be involved in funding allocation and decision-making" and "that no spending commitments beyond the initial five-year allocation should be made until elected Mayors are in place and have agreed to the investment strategy." This is to ensure consistency with the ambition and agreement to hold a

- single democratically elected figurehead accountable, and for their democratically invested power to influence the allocation of funding.
- References to the Strategic Economic Framework (SEF) and Local Industrial Strategy (LIS) have replaced the references to the Strategic Economic Plan (SEP).
- Incorporation of the Adult Education Budget governance arrangements.
- An update of the assurance process (Section 5) as a consequence of the feedback received from the consultation on the Assurance Framework, which took place between 3 July 2020 and 15 July 2020. Please refer to **Appendix 2** that explains the key changes.
- Updated wording to reflect updated working practices around project and programme appraisal.

2.6 The Mayoral elections are not due to take place until early May 2021. During the timeframe without a Mayor, the decision-making arrangements will continue as those outlined in the Assurance Framework. Upon election of the Mayor the decision-making arrangements will change and therefore BEIS require the Assurance Framework to also include these arrangements. Work is still ongoing to confirm these arrangements, which will be set out in an addendum to the Assurance Framework.

Next steps

2.7 The Assurance Framework has been reviewed by:

- Investment Committee
- The Combined Authority (for initial feedback and comments)
- Scrutiny Committee
- Finances & Corporate - Scrutiny Working Group

2.8 Following the LEP Board review, the Assurance Framework will be reviewed by Governance and Audit Committee on 27 November 2020 and will be formally approved by the Combined Authority on 10 December 2020.

2.9 The updated Assurance Framework will be sent to Government on 1 December 2020 for approval to be granted. Implementation of the Leeds City Region Assurance Framework will be once the order is approved, which is expected in early February 2021.

2.10 In line with the continuous improvements to our processes over the coming year, it is envisaged that further changes will need to be made to the Assurance Framework. These will also incorporate changes to reflect any future updates to guidance, and feedback from the 'Annual Conversation' with Government.

3 Clean Growth Implications

3.1 Clean growth considerations and references to related activities have been embedded throughout the Assurance Framework and related internal governance documents and decision-making procedures. This will strengthen

how clean growth and climate change impacts are considered as part of all schemes that come through the Assurance Framework.

- 3.2 To fully strengthen decision making across the whole of the Combined Authority's Assurance Framework a robust, quantifiable methodology for assessing all new schemes predicted carbon emissions/wider clean growth impacts is being developed.
- 3.3 Clean growth, including climate change, impact assessment / considerations are all now included in all Capital Spending and Project Approvals reports. This ensures that the business cases now reflect the Leeds City Region Climate Emergency priority and evidence that they will reduce carbon emissions (both directly and indirectly).

4 Inclusive Growth Implications

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

5 Financial Implications

- 5.1 There are no financial implications directly arising from this report.
- 5.2 It should be noted that approval of the Assurance Framework by Government is required for the devolution funds to be released. The S73 Officer will also sign off the Assurance Framework.

6 Legal Implications

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

7 Staffing Implications

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

8 External Consultees

- 8.1 The Department for Business, Energy & Industrial Strategy (BEIS) has provided informal feedback on the Assurance Framework.
- 8.2 A survey and a series of workshops were undertaken with stakeholders to gain feedback on the current Assurance Framework and processes. The feedback gained has been incorporated within the document.

9 Recommendations

- 9.1 The LEP Board is asked to:
 - (i) Note the progress made on the Assurance Framework and changes that have been made to the content and structure of the document.
 - (ii) Provide comments and feedback on the Assurance Framework.

- (iii) Approve the substantive form of the draft Assurance framework subject to the incorporation of any further feedback.
- (iv) Delegate authority to the Chair of the LEP Board to finalise the Assurance Framework and to approve submission of the Assurance Framework to Government, in consultation with the Chair of the Combined Authority and the Combined Authority's Managing Director, and to make further in year changes as may be required.

10 Background Documents

10.1 None.

11 Appendices

11.1 Appendix 1 – Assurance Framework

11.2 Appendix 2 – Assurance Process

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**West
Yorkshire**
Combined
Authority

Working in
partnership
with the



**Leeds City Region
Enterprise
Partnership**



Assurance Framework

Last updated: xxxxxxxxxxxxxx 2020

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1. Introduction

1.1 About the Assurance Framework

This is the Assurance Framework for the West Yorkshire Combined Authority and the Leeds City Region Enterprise Partnership (LEP).

This Assurance Framework covers expenditure on programmes and projects funded by Government or local sources in the Leeds City Region. This includes funding received by the Combined Authority as the accountable body for the Leeds City Region Enterprise Partnership (the LEP) and funding in respect of the Single Investment Fund.

For transparency, the Assurance Framework is published on the West Yorkshire Combined Authority and LEP websites, together with supporting information.

1.2 Purpose of the Assurance Framework

The purpose of this Assurance Framework is to ensure that the necessary systems and processes are in place to manage funding effectively, and to ensure the successful delivery of the Strategic Economic Framework (SEF) ambitions¹. Its focus is to ensure that necessary practices and standards are implemented to provide the Government, Combined Authority, the LEP and local partners with assurance that decisions over funding (and the means by which these decisions are implemented) are proper, transparent and deliver value for money.

The Seven Principles of Public Life (the Nolan principles)² underpin this Assurance Framework to ensure that the Combined Authority and the LEP, their members and officers, are upholding the highest standards of conduct and ensuring robust stewardship of the resources they have at their disposal.

1.3 Updating the Assurance Framework

The Assurance Framework is reviewed and updated on an annual basis and signed off by the Combined Authority, the LEP Board, and the Section 73³ Officer by 28 February in line with the requirements of the [National Local Growth Assurance Framework \(2019\)](#).

The Assurance Framework is compliant with the guidance set out in the National Local Growth Assurance Framework (2019) and Strengthened Local Enterprise Partnerships report (2018) and has been prepared in accordance with guidance

¹ The priorities of the SEF are 1. Boosting productivity, 2. Enabling inclusive growth, 3. Tackling the climate emergency, 4. Delivering 21st century transport, 5. Securing money and powers. The SEF will be implemented in April 2021.

² These are selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

³ Appointed under Section 73 Local Government Act 1985

issued by the Chartered Institute of Public Finance and Accountancy (CIPFA Principles for Section 151 in Accountable Bodies).

2. About Leeds City Region

Mayoral Combined Authority

The Mayoral Combined Authority (MCA?) will be/was formally established on XX⁴.

The Combined Authority supports businesses through its transport, economic development and regeneration functions, investing in economic infrastructure, and through its role in creating quality places to live and work.

The CA brings together local councils and businesses to achieve this vision, so that everyone in our region can benefit from economic prosperity supported by a modern, accessible transport network, housing and digital connections.

It champions the region's interests nationally and internationally to secure investment from government and other sources to drive the local economy forward. It takes a long-term, strategic view on the things that will have the biggest impact on inclusive growth and productivity, improving the quality of life in the City Region.

The CA helps businesses to grow and create skilled jobs, and provides support, funding and information to help people travel around the region easily and affordably on good quality public transport and cycleways.

Further details about membership of the Combined Authority and its committees and panels are set out in **Appendix xx**.

The Mayor will be appointed in May 2021. the West Yorkshire Combined Authorities Mayoral outline role and function are set out in annex xx..... [D.N mayors role etc].....

West Yorkshire Combined Authority's role as accountable body

The Combined Authority is the accountable body for the LEP, responsible for:

- carrying out finance functions on behalf of the LEP.
- oversight of the LEP's financial and governance, transparency and accountability arrangements;
- providing additional support as agreed by the LEP.

As the accountable body, the Combined Authority is accountable to Government for complying with any conditions or requirements attached to funding allocated to the Combined Authority and to the LEP

⁴ By the West Yorkshire Mayoral Combined Authority Order XX

Appendix xx to this Assurance Framework sets out the accountable body arrangements, which the LEP agreed with the Combined Authority.

The statutory Section 73⁵ **Chief Finance Officer** of the Combined Authority as accountable body, is responsible for overseeing the administration of the Combined Authority's financial affairs. This role is extended to include the financial affairs of the LEP.

The Section 73 Chief Finance Officer has a critical role in maintaining good governance and standards for the LEP, in particular compliance with this Assurance Framework.

Appendix xx to this Assurance Framework sets out the responsibility arrangements for the Chief Finance Officer.

2.1 Leeds City Region Enterprise Partnership

The Leeds City Region Enterprise Partnership (the LEP) is the strategic body responsible for setting the strategic direction which will drive inclusive growth, increase prosperity and improve productivity in the Leeds City Region.

It is an autonomous business-led public-private local partnership, which brings together the private and public sectors from across the City Region to provide strategic leadership.

The LEP focusses its activities on the following:

- **Strategy:** setting and developing strategies which reflect the scale of our ambitions and priorities for the City Region. The current overarching strategy for the City Region is the SEF. At the heart of this is the Local Industrial Strategy (LIS), which identifies local strengths and challenges, future opportunities and the interventions needed to boost productivity, earning power and competitiveness across the City Region. The SEF and LIS are supported by a full range of policies and strategies developed to enable the next stage of the region's economic transformation.
- **Allocation of funding:** identifying and developing investment and funding opportunities; and monitoring and evaluating the impact of LEP activities to improve productivity across the local economy.
- **Co-ordination:** using the LEP's convening power and bringing together partners from the private, public and third sectors.
- **Advocacy:** collaborating with a wide range of local partners to act as an informed and independent voice for the City Region.

The LEP works collaboratively and in partnership with West Yorkshire Combined Authority, as its accountable body.

⁵ Section 73 of the Local Government Act requires the Combined Authority to appoint an officer to be responsible for the proper administration of the authority's financial affairs. This role is carried out by the Combined Authority's Director of Corporate Services.

Key roles and responsibilities of the LEP Board can be found at **Annex xx**

2.2 Geography

The Leeds City Region LEP consists of the five local authority districts in West Yorkshire. The CAs formal geography is the districts of Bradford, Calderdale, Kirklees, Leeds, and Wakefield. The Assurance Framework applies across all programmes and projects managed by the Combined Authority and the LEP, some of which cover a broader geography than these districts. The Combined Authority and LEP will continue to explore opportunities for further collaboration with partner councils, including Harrogate Borough Council, Craven District Council, Selby District Council, City of York Council and North Yorkshire County Council, and across the whole of Yorkshire through the Yorkshire Leaders' Board.

2.5 Links between the West Yorkshire Combined Authority and the LEP

There are several strong linkages between the Combined Authority and the LEP, notably:

- The elected Mayor will be a member of the LEP
- the LEP chair is a member of the Combined Authority;
- the SEF and the LIS, once finalised, will form the basis of the work of both the Combined Authority and LEP;
- West Yorkshire council leaders are members of both the LEP and the Combined Authority.
- the Assurance Framework is adopted by both the Combined Authority and the LEP
- the Chief Executive Officer of the LEP is also the Managing Director of the Combined Authority.

2.6 Strategic Economic Framework (SEF)

The LCR's current Strategic Economic Plan (SEP) sets out the organisation's priorities for growth and development. To reflect the growing range of policies that we operate in, changing national political and economic contexts and the need to incorporate the future mayor's manifesto commitments in our work, the SEP will be replaced in April 2021 by the Strategic Economic Framework (SEF).

The SEF forms the overarching strategy for the region to guide investment decisions. It has been designed to be flexible and agile, able to contain a range of policies and be easy to amend and expand. It brings together existing and subsequent policies and strategies under a single banner, ensuring greater alignment between our strategies, priorities and vision for the City Region. To allow for greater flexibility in the SEF, it is not a single, published document but will be hosted on both the Combined Authority's and the LEP websites.

It sets out our vision for West Yorkshire to be "recognised globally as a place with a strong, successful economy where everyone can build great businesses, careers and live supported by a superb environment and world-class infrastructure."

Five priorities have been set to achieve this:

Boosting productivity - Helping businesses to grow and bringing new investment into the region to drive economic growth and create good jobs.

Enabling inclusive growth - Enabling as many people as possible to contribute to, and benefit from, economic growth in our communities and towns.

Tackling the climate emergency - Growing our economy while cutting emissions and caring for our environment.

Delivering 21st century transport - Creating efficient transport infrastructure to connect our communities, making it easier to get to work, do business and connect with each other.

Securing money and powers - Empowering the region by negotiating a devolution deal and successfully bidding for substantial additional funds.

All our policies and strategies work toward meeting at least one of these priorities. All policies are afforded equal weight in the SEF and collectively they form the overarching strategy for the region.

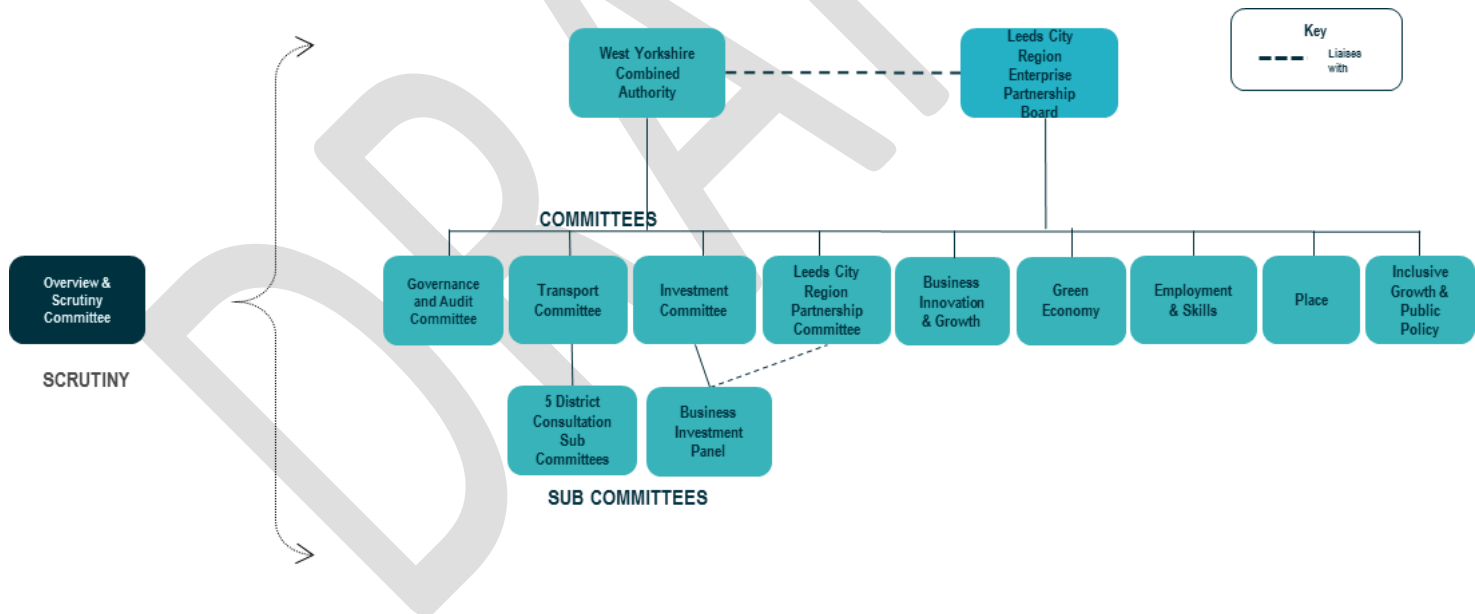
3. Governance and Decision-Making

The principal decision-making bodies for the Leeds City Region are the Combined Authority and the Leeds City Region Enterprise Partnership (the LEP).

The LEP’s accountability and decision-making arrangements benefit from being integrated with the Combined Authority. The CA and the LEP share sub-board structures, ensuring joined-up decision-making while reflecting the particular roles set out in this Assurance Framework. Government has recognised that this brings clearer governance and transparency. Integration also provides for seamless processes in respect of strategy and delivery and significant efficiencies.

A structure chart of the Combined Authority and the LEP is set out below in Figure 3.1:

Figure 3.1: Governance structure



3.2 The Combined Authority

As set out in Section 2, the Combined Authority is the accountable body for funding allocated to the LEP, as well as the publicly accountable decision-making body in respect of the Combined Authority’s statutory functions.

Additional information on the Combined Authority’s transparency and accountability arrangements is set out in Appendices xx, xx and xx.

Appendix xx provides information about the membership arrangements of the Combined Authority.

3.1 The LEP Board

The LEP is responsible for setting strategic direction and will hold partners to account in the delivery of the strategic objectives. Responsibility for LEP decision-making rests with its LEP Board⁶.

Key roles and responsibilities of the LEP Board can be found at Appendix xx setting the strategic direction for the sustainable economic growth of the City Region economy;

- proposing key objectives and investment priorities to deliver the overall vision and strategy of the LEP;
- overseeing the continued delivery of the SEP along with the transition to and implementation of the SEF during 2020;
- leading the development of Enterprise Zones (EZs) in the City Region;
- agreeing funding criteria, leading and coordinating funding bids and leveraging funding from the private and public sector to support the delivery of agreed LEP priorities;
- working with the Combined Authority to set the forward strategy for attracting new financial and business investment into the area;
- jointly approving a Business Plan and performance reporting with the Combined Authority on its plans along with the SEP and SEF;
- influencing key sub-regional, regional, national and international strategies;
- publishing an annual report;
- providing a link to Government on all aspects of the LEP's work.

Additional information on the LEP's transparency and accountability arrangements is set out in Appendices, 1, 2 and 3.

Agendas, reports and minutes of the LEP Board are published on the [Combined Authority website](#), which is also accessible from the LEP website.

The [LEP Board procedure rules](#) and [Access to Information Annex](#) set out the details on decision-making including quorum arrangements for meetings of the LEP Board. All meetings of the LEP Board are open to the public (including the LEP's annual meeting), except to the extent that the public are excluded in relation to confidential or exempt information, in accordance with the Procedure Rules and Access to Information Annex⁷.

A process for the LEP Chair to take urgent decisions outside of LEP Board meetings is set out in the [LEP Constitution](#). This provides for any such decisions to be reported to the next meeting of the LEP Board and recorded and published in the minutes of that meeting. This power may be exercised, for example, to approve

⁶ The LEP Board may delegate decisions in accordance with the LEP's Constitution and the LEP Board's Procedure Rules

⁷ The Cities and Local Growth Area Lead has an open invitation to attend meetings as an observer

amendments to the LEP governance documents, in order to comply with government requirements.

The business at each LEP Board meeting also includes receiving the minutes of, or an update from, the Combined Authority and any relevant Combined Authority advisory committee or panel.

3.2 Decision-making committees

In addition to the Combined Authority and LEP Board, the following committees have decision making powers:

<p>Transport Committee</p>	<p>The Transport Committee has authority to progress schemes through the assurance process.</p> <p>In relation to transport-related investment, the Committee also has a specific role in liaising with the West Yorkshire and York Investment Committee to promote the strategic alignment of regional transport funding investment.</p> <p>More generally, in accordance with the policies and strategies set by the Combined Authority, the Transport Committee meets to consider matters relating to its statutory transport functions. The Committee also oversees, and has strategic oversight of, public transport revenue expenditure funded by the West Yorkshire transport levy.</p> <p>The Committee has authority to approve individual schemes within the Integrated Transport Block of the Capital Programme, up to a maximum cost of £3 million. (For schemes over £3 million, approval is given by the Combined Authority).</p> <p>The terms of reference, membership of the Committee, the dates of future meetings and agenda items can be found here.</p>
<p>West Yorkshire & York Investment Committee</p>	<p>The West Yorkshire and York Investment Committee has authority to progress schemes through the assurance process, as set out in section xx below.</p> <p>In relation to transport-related investment, the Committee also has a specific role in liaising with the Transport Committee to promote the strategic alignment of regional transport funding investment.</p> <p>The Committee is also authorised to advise the Combined Authority in relation to any function of the Combined Authority relating to economic development and transport-led regeneration. This includes advising on proposed funding submissions and reviewing the impact of schemes funded by the LEP and the Combined Authority.</p>

Business Investment Panel	<p>The Committee has authority to make any decision to progress a scheme⁸ under the Assurance Framework⁹ in accordance with any bespoke approval pathway and approval route for the scheme¹⁰, as delegated by the Combined Authority.</p> <p>The terms of reference, membership, future meeting dates and agenda items of the Committee can be found here.</p>
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3.3 Advisory Panels to the LEP and Combined Authority

The following advisory panels appointed by the Combined Authority¹¹ report to the LEP. Their focus is on policy development, including criteria for the allocation of LEP funding. Panels are usually chaired by a LEP Board representative.

Business Investment Panel	<p>This panel has a key role in the assurance process for the appraisal of business grants and loans in the City Region, advising the Investment Committee and the LEP Board in relation to economic development loans and grants.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here. An advisory sub-committee of the West Yorkshire and York Investment Committee (see below), this Panel has representatives from the private sector and local authorities, some of whom are members of the LEP Board.</p>
Business Innovation and Growth Panel	<p>This panel advises the LEP and the Combined Authority in relation to business growth, including business support, innovation, digital, trade, and inward investment. Made up of representatives from the private sector, universities, policymakers and delivery partners, this Panel ensures that work is driven by the needs of business.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here.</p>
Employment and Skills Panel	<p>This Panel brings employers together with local authority representatives and skills providers. It carries out the role of Skills Advisory Panel for the LEP, and advises the LEP and the Combined Authority in relation to employment and skills within the City Region, for example, projects to address skills gaps in the City Region's key industry sectors and create local leadership that</p>

⁸ Including determining change requests

⁹ After decision point 1 (SOC) only

¹⁰ With the exception of those cases where the decision would result in a revised financial approval which exceeded the cumulative total of the financial approval and tolerance threshold agreed by the Combined Authority at decision point 1 (SOC), or decision point 2(OBC) by more than 25%, in which case the decision must be taken by the Combined Authority.

¹¹ These are advisory committees of the Combined Authority

	<p>drives improvements in skills and employment. The panel’s work is driven by the needs of employers and the City Region’s economy.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here.</p>
Green Economy Panel	<p>This Panel brings together local authority and private sector representatives in the City Region, to advise the LEP and the Combined Authority in relation to environmental sustainability and achieving a net zero-carbon economy in the City Region.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here.</p>
Place Panel	<p>Comprising local authority and private sector representatives, this Panel advises the LEP and the Combined Authority on promoting the quality of place in the City Region, including relation to housing growth, quality and regeneration, infrastructure planning, strategic land use and asset management, sustainable development and enterprise zones.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here.</p>
Inclusive Growth and Public Policy Panel	<p>This Panel advises the LEP and the Combined Authority in relation to securing inclusive growth throughout the Leeds City Region.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here.</p>

3.5 Other committees of the Combined Authority

The Combined Authority also has the following committees.

Overview and Scrutiny Committee	<p>This is a statutory committee of the Combined Authority which reviews and scrutinises decision-making by the Combined Authority (including in its role as accountable body for the LEP) and the LEP . See further section 3.8 for more detail.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found here.</p>
Governance and Audit Committee	<p>This committee fulfils the Combined Authority’s statutory requirement to appoint an audit committee. It also carries out functions relating to promoting standards of conduct. See further section 3.7</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found here.</p>
Leeds City Region	<p>This committee provides a forum to bring together local authority representatives from all the Leeds City Region authorities, to</p>

Partnership Committee	<p>facilitate direct collective engagement with the Combined Authority, as the LEP’s accountable body.</p> <p>The Committee advises the Combined Authority in relation to its role as accountable body. It also acts as a consultative forum on any matter referred to it by the Combined Authority, which may include matters raised by local authorities not represented on the Combined Authority, or by the LEP Board.</p> <p>The terms of reference, membership, meeting dates and agenda items of the Committee can be found here.</p>
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3.5.1 Business Communications Group

This group reports to the LEP Board. It is made up of spokespeople from key business representative organisations in the City Region. They play an active role in supporting business growth in the region by helping to coordinate effective communications between the LEP and the business community. They also act as an advisory group to the LEP Board, consulting with their members on barriers to growth and ensuring businesses are at the heart of all of activities.

The Chair of BCG is the identified LEP Board member to represent the SME business community.

The full list of membership can be found [here](#).

3.6 Investment Decisions

All investment decisions are made by reference to:

- the SEF and the ambitions of the Local Industrial Strategy;
- statutory requirements;
- any grant conditions attached to funding;
- local transport objectives
- funding programme objectives;

Decisions are based on merit, taking into account all relevant information.

All investment decisions are taken in accordance with the assurance process stages and activities, subject to agreed exceptions (such as bids to Government/ re-prioritisation, small grant programmes, e.g. business growth grants and loans, where alternative arrangements are in place).

Section 5 sets out in detail the assurance process for schemes, and the decision points that take place at the end of each activity.

The Combined Authority must take any investment decision which has not been delegated to either the Transport Committee, the West Yorkshire and York Investment Committee or the Managing Director, including those decisions where a scheme has fallen outside of the tolerances identified by the Combined Authority.

Before taking any funding decision, a decision-maker needs to be satisfied that the Assurance Framework has been complied with. The Combined Authority’s Programme Appraisal Team (PAT) has a key role in ensuring compliance with the Assurance Framework, see further Section 5 below.

The specific decision-making authority of the Transport Committee and the West Yorkshire and York Investment Committee in relation to progressing schemes under the Assurance Framework are shown in Section 3.2.

Any investment decision taken by the Managing Director under delegated authority, is usually taken in consultation with the Combined Authority’s Senior Leadership Team. The Managing Director reports their delegated decisions to the West Yorkshire and York Investment Committee.

3.7 Growth Service, Economic Development Loans and Business Grants

There are currently specific arrangements in place in relation to the approval and appraisal of business grants and economic development loans.

Growth Service	<p>The Growth Service for the City Region is funded directly from the Department for Business, Energy and Industrial Strategy (BEIS), with £512,500 awarded for 2019/20 and 2020/21. Additional funding of £1.7m has been secured from the European Regional Development Fund (ERDF) from April 2019 to March 2022.</p> <p>19 SME Growth Managers operate within the City Region’s local authority partner councils. 8.5 are fully funded through ERDF funding and 10.5 are funded on a 50/50 basis with BEIS funding which is matched by the local authorities who also employ them. Detailed progress on the Growth Service project is reported on a quarterly basis to the Business Innovation and Growth (BIG) Panel and on a 6-weekly basis to the LEP Board by the BIG Panel Chair. There is also a private sector lead on the BIG Panel for the Growth Service, who is the owner of a small business. The BIG Panel is responsible for reviewing whether the project’s output and expenditure targets are met and for identifying and addressing risks and opportunities. In addition, detailed six-monthly reports and quarterly financial claims are sent to BEIS and the Ministry of Housing, Communities and Local Government in respect of the ERDF funding.</p>
Economic Development Loans	<p>Using a framework set out by the LEP, decisions are taken about entering into economic development loans for the Growing Places Fund ¹²(and any successor funds to be established), following consideration of the recommendations made by the Business Investment Panel (which has public and private sector</p>

¹² Growing Places Fund loans are not currently available, but the LEP and Combined Authority is now reviewing its approach in this area of activity with the intention of launching new products later in 2020/21.

representatives) and the **West Yorkshire and York Investment Committee**. The Combined Authority approves projects and the loan amount in principle and the Managing Director under their delegated authority finalises and approves the details, following appropriate due diligence.

If there is an objection or issue in relation to an application, the Managing Director refers the application back to the Combined Authority for further consideration.

The Managing Director reports decisions on loans and grants made under delegated authority to subsequent Combined Authority meetings.

Arrangements in relation to **economic services grants** are set out in Appendix 4 of the Assurance Framework. In addition, arrangements relating to the principles for ESIF Sustainable Urban Development (SUD) purposes are set out in Appendix 5.

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4. Transparency, Accountability and Local Engagement

The Combined Authority and the LEP are mindful of the need to build the trust and confidence of stakeholders and the public, in relation to the ability to take investment decisions. Promoting transparency in its decision making is a key part of this. We are committed to keeping records which demonstrate that all legal obligations are met, and all other compliance requirements placed upon us, and these are accessible as set out below.

The Combined Authority designates a statutory **Monitoring Officer** who is responsible for ensuring that decisions conform to the relevant legislation and regulation¹³. This role is carried out by the Combined Authority's Head of Legal and Governance Services, who is responsible for providing legal advice to the Combined Authority and the LEP. A key part of the Monitoring Officer's role is ensuring that the legal responsibilities of the Combined Authority as accountable body in relation to ensuring the transparency provisions are met, as set out below.

The Monitoring Officer also has a key role in relation to conduct, including maintaining and publishing registers of interest for the Combined Authority and the LEP – see further below.

4.1 Publication of information

The Combined Authority website, which is accessible from the LEP website, contains details on our strategies and information relating to progress on delivery of all programmes. An overview of all scheme business cases and evaluation reports are published on the [Combined Authority website](#). These project pages also include links to relevant news articles. Summaries of business cases to be considered by the West Yorkshire and York Investment Committee as part of the assurance process are published electronically ahead of meetings. There are exceptions to this rule in respect of commercial confidentiality.

Agendas and reports (except any information which is confidential or exempt), are published five clear days before a meeting. Minutes of each meeting are published in draft within ten clear working days of a meeting taking place. The final minutes are published within ten clear working days of being approved.

4.2 Combined Authority transparency arrangements

Specific statutory requirements apply to the Combined Authority in relation to transparency. Additionally, the Combined Authority also complies with a number of good practice recommendations. The key arrangements in place are:

¹³ The Monitoring Officer is required by law to formally report to the Combined Authority where it appears to the Monitoring Officer that any proposal, decision or omission of the Combined Authority is unlawful or amounts to maladministration.

- the public's right to attend meetings and inspect documents of the Combined Authority as set out in its Procedure Standing Orders
- meetings of the Combined Authority are live streamed, enabling the public to watch the meeting over the internet
- notice of any up and coming key decision will be published on the Combined Authority website twenty-eight days in advance of the decision [here](#)
- agendas and reports of meetings of the Combined Authority and its committees (including advisory panels) are available to the public on its website, five clear days before a meeting [here](#)
- minutes of meetings are published on the Combined Authority website [here](#)
- business case summaries of all projects/programmes coming forward for a decision are published on its website. Summaries of projects/ programmes can be found [here](#)
- key decisions taken by officers are published on the Combined Authority website [here](#)
- The Combined Authority adheres to the Local Government Transparency Code which requires the publication of additional data
- The business at each ordinary meeting of the Combined Authority includes receiving the minutes of the LEP for information.

4.3 Diversity Statement

Leeds City Region is committed to achieving diversity and equality of opportunity both as a partnership and as a commissioner of services. The LEP promotes equality of opportunity and does all it can to ensure that no member of the public, service user, contractor or staff member working within a partner organisation will be unlawfully discriminated against. The Equality and Diversity Policy including Diversity Statement can be found [here](#).

4.4 Requests for information and Data Protection

The Combined Authority is subject to the Freedom of Information Act 2000 and the Environmental Information Regulations 2004 and responds to statutory information requests in accordance with approved procedures.

The Combined Authority also deals with any requests for information from the LEP on its behalf, in accordance with the same procedures. Further information on the Combined Authority's Freedom of Information/Environmental Information Regulations & Transparency Policy can be found [here](#).

The Combined Authority is subject to the General Data Protection Regulation and Data Protection Act 2018 and must by law appoint a Data Protection Officer (DPO). The DPO¹⁴ assists the Combined Authority on the monitoring of compliance with the data protection legislation, advises on data protection obligations, provides advice regarding Data Protection Impact Assessments and is the contact point for data subjects and the supervisory authority.

¹⁴ The DPO sits within the Combined Authority's Legal and Governance Services team

The LEP and Combined Authority respect and are committed to compliance with the Data Protection legislation. The privacy notice can be found [here](#).

Requests made by data subjects under the General Data Protection Regulation and Data Protection Act 2018 will be dealt with in accordance with approved procedures.

The Combined Authority's Data Protection and Confidentiality Policy can be found [here](#)

4.5 Use of resources and accounts

The use of resources by the Combined Authority are subject to the usual local authority checks and balances, including the financial duties and rules which require councils to act prudently in spending. These are overseen by the Combined Authority's Section 73 Chief Finance Officer¹⁵, its Director of Corporate Services. This post has statutory responsibility to administer the Combined Authority's financial affairs and is responsible for ensuring that funding is used legally and appropriately. The Section 73 Chief Finance Officer's role extends to the LEP - see further Section 2.4 above and Appendix 2. All reports to the LEP Board must include any written advice on the matter provided by the Combined Authority's Section 73 Chief Finance Officer and Monitoring Officer.

The Combined Authority has clear accounting processes in place to ensure that all funding sources are accounted for separately and that funds can only be used in accordance with formal approvals made under the LEP and Combined Authority decision making arrangements.

The Combined Authority has a statutory duty to keep adequate accounting records and prepare a statement of accounts in respect of each financial year. This statement of accounts is published [here](#) usually in June in draft and in July as fully audited, although this may change in accordance with legislative requirements. The statement will cover expenditure from the Local Growth Fund and other funding sources received from Government. A separate financial statement for LEP expenditure is published annually in line with the timeframe for the statement of accounts.

The Combined Authority will publish a public notice each year, setting out a specific period during which any person may inspect and make copies of the Combined Authority's accounting records for the financial year.

During the same period, the local auditor must give a local government elector (someone registered to vote in the local elections) within West Yorkshire (or their representative) an opportunity to question the external auditor about the accounting records, and objections may be made to the auditor about any relevant item.

4.6 Audit

The Combined Authority complies with statutory requirements relating to audit arrangements, principal elements of which are:

¹⁵ Appointed under Section 73 of the Local Government Act 1985

- appointing an **audit committee**
- inspection by **external auditors**
- adopting **internal audit arrangements**

These audit arrangements apply to the LEP and to LEP funding in respect of which the Combined Authority is the accountable body.

The Combined Authority's Governance and Audit Committee fulfils the requirement to appoint an **audit committee**. By law this must include at least one independent person. The membership now includes two independent persons and one of these has been appointed to chair the Committee in the current municipal year.

The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found [here](#).

An annual independent audit is conducted by **externally appointed auditors** ensuring the Combined Authority operates a robust financial management and reporting framework, including in relation to the LEP.

The Combined Authority's **internal audit** function carries out independent and objective appraisals of relevant systems and processes, including ensuring that effective procedures are in place to investigate promptly any alleged fraud or irregularity. The Combined Authority's internal auditors provide assurances to the Combined Authority (through its Governance and Audit Committee, the Section 73 Chief Finance Officer) and to the LEP.

The Combined Authority's financial regulations set out further detail in relation to the Combined Authority's audit arrangements (found [here](#)).

4.7 Risk Management

Risk is managed in line with HM Treasury 'Orange Book' Guidance on the Principles and Concepts of Risk.

The LEP has agreed that the Combined Authority through the Section 73 Chief Finance Officer, manages risk on the LEP's behalf. The Combined Authority recognises that effective risk management is an integral part of good corporate governance and as such should be a part of everyday management processes. The Combined Authority is committed to ensuring the robust management of risk, and as such a corporate risk management strategy is in place to set out a consistent approach to all risk management activities undertaken throughout the organisation. This includes the Combined Authority's risk appetite statement, which is based on risk category. The Risk Management strategy can be found [here](#).

Identification and Assessment of Risk

Full project-level risk analysis and mitigation plans are required for each scheme when developing their business case. These are required to comply with the CA risk strategy and are assessed as part of the appraisal process set out in this Assurance Framework.

Robust processes for the identification, analysis and management of risks is contained within the Combined Authority's Risk Management Strategy and supporting documents. These provide details on the regularity with which to review risks and guidance for effective risk identification, assessment and escalation.

A summary of the organisation's Corporate Risk Register is provided at each meeting of the Combined Authority and LEP Board meeting, which highlights any changes since previous review and any significant developments in risk management processes.

4.8 Scrutiny

To secure independent and external scrutiny of decisions, the Combined Authority's statutory Overview and Scrutiny Committee reviews and scrutinises decision-making by the LEP and by the Combined Authority.

No member of the Combined Authority or the LEP may be appointed to the Committee. The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found [here](#).

The Committee may produce independent reports and make recommendations on any matter considered by the LEP or relating to LEP governance. It may also review or scrutinise any Combined Authority decision in its role as accountable body for the LEP.

The LEP may also seek input from the Committee on any issue relating to policy and strategy development, or otherwise.

The Committee operates in accordance with Scrutiny Standing Orders, which can be found [here](#). These provide for the committee to require any member of the Combined Authority (including the LEP Member or a Chair of any committee or Panel) to attend to answer questions or provide information.

The LEP and the Combined Authority receive an annual report from the Committee at their annual meetings.

Further details on the LEP's agreement with the Combined Authority (in its role as Accountable Body) in respect of scrutiny arrangements are set out in Appendix 1.

The Overview and Scrutiny Committee has a specific power, in accordance with its Scrutiny Standing Orders, to "call in" decisions¹⁶ for further scrutiny after they are made. If the threshold of five scrutiny members, with at least two from different local authority areas, is met the Committee may instruct that the implementation of a decision be deferred while post-decision scrutiny takes place and make recommendations to the decision maker.

Following the publication of new statutory scrutiny guidance by the Government in May 2019, the Committee began an internal review of the effectiveness of current

¹⁶ Including investment decisions at decision point 1 of the assurance process.

scrutiny arrangements in order to strengthen its role in undertaking pre-decision scrutiny of impending project approvals and projects in delivery. The Committee aims to finalise their review in late 2020.

The pre-decision scrutiny review process serves as an important function in parallel to the assurance process, not as an additional step to delay the progress of projects in development as a matter of course.

4.9 Code of Conduct

The LEP Board

The LEP is committed to ensuring that LEP Board members and officers demonstrate the highest standards of conduct, and act solely in the public interest. All LEP Board members are subject to a LEP Board Members' Code of Conduct [here](#) which reflects the Nolan Principles of public life.

The LEP Board Code of Conduct also requires LEP Board members to declare and register:

- acceptance or receipt of an offer of a gift or hospitality
- specific pecuniary and non-pecuniary interests

A register of the interests disclosed by each LEP Board member is accessible from the [LEP website](#) and published on the [Combined Authority website](#). The Code sets out comprehensive requirements in relation to declaring interests at meetings, and the circumstances in which a conflict of interest will preclude a LEP Board member from participating in decision-making.

At the beginning of each meeting, all members present are asked to declare any potential conflict of interest. These declarations are minuted.

The LEP has also approved arrangements under which allegations that the Code of Conduct has been breached can be investigated and for making decisions on such allegations. These can be found [here](#).

The Combined Authority

Statutory provisions require the Combined Authority to adopt a Members' Code of Conduct which applies to members of the Combined Authority and to voting members of committees and panels appointed by the Combined Authority, including the advisory panels which report to the LEP. The Code sets out the conduct expected of members, including procedures for declaring and registering:

- acceptance or receipt of a gift or hospitality
- disclosable pecuniary interests, which are defined by the code

The Code is publicly available [here](#).

Failing to comply with requirements for registering and disclosing pecuniary interests may be a criminal offence.

Members' interests are publicly available on the Combined Authority website through each of the Committee home pages [here](#).

The Combined Authority has also approved arrangements under which allegations that the Code has been breached can be investigated and for making decisions on such allegations. This can be found [here](#).

Officers

Combined Authority officers serve both the LEP and the Combined Authority. Officers must comply with the Combined Authority's Code of Conduct for Officers, which also reflects the Nolan Principles of public life and requires officers to register personal and prejudicial interests. Officers also need to comply with a Gifts and Hospitality policy. Failure to comply with the Code may lead to disciplinary action.

Senior officers and other officers involved in advising on LEP decisions are also required to complete and keep under review a separate LEP Officer register of interests. The register of the LEP's Chief Executive Officer is published on the LEP website [here](#).

4.10 Conflict of Interest

The Combined Authority and the LEP have adopted a Conflicts of Interest Policy which provides an overview of how conflicts of interest are managed. Appended to the Policy is a Conflicts of Interest Protocol: loans or grants to businesses which sets out a process which the LEP and the Combined Authority follow to demonstrate that applications from businesses for loans or grants are dealt with in an impartial, fair and transparent way [here](#).

4.11 Complaints Policy

The LEP has adopted a confidential complaints procedure, which can be found [here](#). The Combined Authority will also consider any complaints received in accordance with its agreed complaints procedure, which can be found [here](#).

Any complaints about the LEP will be dealt with in accordance with the approved complaints process.

4.12 Whistleblowing Policy

The LEP has adopted a whistleblowing policy, which can be found [here](#). The Combined Authority has also adopted a whistleblowing policy, which can be found [here](#) to investigate and resolve any case where it is alleged by stakeholders, members of the public or internal whistle-blowers that the Combined Authority is acting in breach of the law, failing to adhere to the framework or failing to safeguard public funds.

4.13 Resources and Capabilities

The LEP and the Combined Authority ensure that members and officers have the capacity and capability to deliver their respective roles. They support people to develop their expertise and update it to take account of developments.

The Combined Authority has the necessary staff resource with the necessary key functions to enable it to:

- manage the process, including supporting business case development
- carry out programme and project appraisal
- co-ordinate and manage the decision process (e.g. time of meetings and associated paperwork)
- oversee the delivery, monitoring and evaluation of schemes (e.g. benefits realisation management, financial and resource management, risk)

The Combined Authority draws on external expertise and technical support such as financial, economic, property, legal and evaluation advice, for example through consultancy frameworks or from partner organisations including Homes England, local authorities, Skills Funding Agency and others

4.14 Local Engagement

Engagement with stakeholders and the wider public is regarded as a central part of the process to develop, monitor and implement strategies, funding programmes and all other aspects of the work of the Combined Authority and the LEP.

To support this process, a set of consultation and engagement protocols have been developed and the Consultation and Engagement team work with colleagues to ensure these principles are applied in any consultation and engagement activities that are undertaken. As well as carrying out insightful and robust consultation and engagement activities, relevant legislation must be adhered to. Partners are encouraged to adhere to these protocols where possible.

Engagement with stakeholders and the wider public is as inclusive as possible, using the following principles:

- Stakeholders and members of the public are aware of the approach to consultation and activities;
- Stakeholders and members of the public are able to have their say on proposals when they are still at a formative stage;
- Consultation is open, transparent and accessible;
- The consultation process is well planned, managed and coordinated and achieves value for money;
- Consultation is effective, meaningful and of a consistently high quality; and
- Consultation feedback is properly considered, and outcomes are reported in a timely way.

To support any face-to-face engagement, a digital engagement hub ([yourvoice](#)) has been developed that enables information to be shared and feedback sourced electronically in a more interactive way. Tools available to use include surveys, Q&A, mapping, polls, forums, guest books, newsfeed, ideas and stories.

Stakeholders are engaged in all work that the LEP and Combined Authority undertake. Regular updates are provided to existing panels and committees such as

the District consultation sub committees. As part of the LEP's work with business, a Business Communications Group has been established, made up of representatives from key business organisations in the City Region. The group plays an active role in supporting business growth in the region by helping to coordinate effective communications between the LEP and the business community. The group also acts as an advisory group to the LEP Board; consulting with their members on barriers to growth and ensuring businesses are at the heart of all activities.

A Partnership Strategy has been developed and engagement and communication with partners takes place through a range of channels, including social media, press releases, websites, events and e-newsletters. Social media has been used particularly effectively for informal engagement on policy, future strategy and project development.

New methods to engage with key stakeholders, businesses and the public are continually sought, and effectiveness and lessons learnt are monitored.

4.15 Arrangements for collaborative cross-LEP working

The LEP is committed to collaborating across boundaries, where interests are aligned when developing strategies and interventions to maximise their impact across their different objectives. This helps to ensure a more efficient use of resources and secure a better outcome than operating in isolation.

There are a number of areas where the LEP works closely and interfaces with neighbouring and other regional LEPs. These include:

- regular meetings (currently monthly) of the NP11 group of pan-Northern LEPs – at LEP Chair and Director level and between communications leads
- active participant of the LEP Network at Chair, Director and operational levels to share best practice, influence policy design and identify opportunities for collaborative communications
- officers from neighbouring Yorkshire LEPs meet regularly to discuss approaches to business support (including the Northern Powerhouse Growth Hub Network), Brexit and energy.
- Yorkshire Hubs collaborated on the Northern Powerhouse Investment Fund, including regular meetings to determine contributions from their ESIF allocations
- through Transport for the North, where there is a significant degree of cross-LEP collaboration, from the Partnership Board through to officer working group meetings around Northern Powerhouse Rail, Strategic Transport Plan and Roads Strategy
- Core Cities forums, which take place 4 times a year, covering a wider spectrum of national policy issues
- the LEP is also invited to attend the Sheffield City Region Combined Authority as an observer, given the close links between the two functional economies
- joint working on the Resource Efficiency Fund with the York, North Yorkshire and East Riding Enterprise Partnership

- joint working on the local industrial strategies with the York, North Yorkshire and East Riding Enterprise Partnership

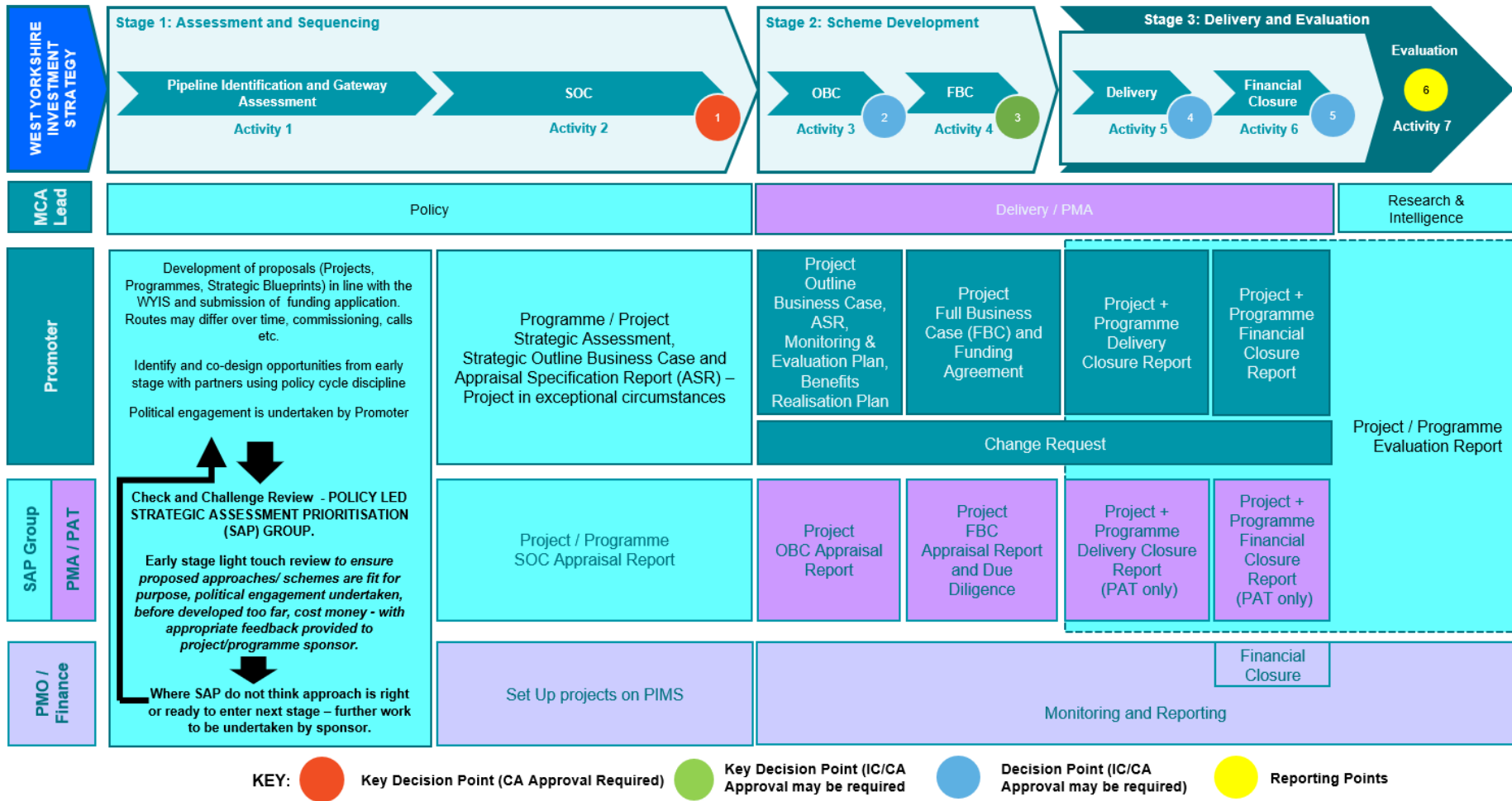
The LEP collaborates with other neighbouring LEPs on many areas of its businesses and details about these collaborations, and further potential opportunities, are regularly reported to the LEP Board.

5. Assurance Process

5.1 Leeds City Region Assurance Process

Figure xx: Assurance Process

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5.3 Stage 1, Assessment and Sequencing

Activity 1: Pipeline Identification and Gateway Assessment:

Schemes will be assessed on a case by case basis by the policy team and the Strategic Assessment Prioritisation Group (SAP Group) to determine if the schemes presented are eligible to proceed to presenting a SOC as part of assurance. This is carried out by assessing strategic fit with the current priorities of the Combined Authority SEF and its deliverability of the headline indicators. The SAP Group will recommend the most appropriate assurance pathway by providing a Strategic Assessment (SA) decision notification; that serves the needs of the Combined Authority in carrying out the correct level of assurance, which may or may not include entry in to the appraisal stream.

By exception an individual project may come through the assurance process at Stage 1.

Activity 2: Strategic Outline Business Case (SOC):

Eligible schemes will enter the appraisal system as a programme SOC whereby it will be appraised by the PMA team, a minimum appraisal methodology (Appraisal Specification Report) will be agreed based on the proportionality principles set by the authority and the approval route reviewed for **Stage 2, Development** of OBC and/or FBC will also form part of DP1. Reports will be presented on the scheme for recommendation to Programme Appraisal Team (PAT) for approval at: Investment Committee (IC) and Combined Authority (CA) at the end of this stage (decision Point 1) where scope of recommendations, methodologies, approval routes, programme tolerance levels set and development funding for future stages is approved.

5.3.1 Criteria for prioritisation

Prioritisation of schemes will all fall under the SEF priorities and be subject to identification by the LEP and directorates of the CA and through Calls for proposals. This part of the Framework also briefly describes the method for prioritising investment and assessment criteria.

5.3.1.4 Assessment criteria

The assurance process will inform decision-making by providing an objective, transparent and rigorous system of appraisal to assess programmes and individual projects objectively. It is a flexible process that can be adapted to the specific nature, scale, and scope of the project and/or programme. It sets out how all City Region projects and programmes such as housing, regeneration, transport, low carbon, skills and innovation, or anything else that comes to the LEP and the Combined Authority for consideration, will be appraised and evaluated based upon the evidence provided.

The assurance process will be applied to the assessment of all projects and programmes funded from Government or local sources that flow through the LEP and the Combined Authority, drawing on national guidance (e.g. Green Book, Treasury five cases, TAG and MHCLG Appraisal Guidance).

5.4 Stage 2: Scheme Development

The Combined Authority appraisal function is headed by the Director of Delivery, who also has overall responsibility for ensuring value for money of schemes and programmes is realised.

Appraisal at Stage 2 will consist of the following:

- each scheme will be assigned an impartial Lead Appraiser when it enters the appraisal process.
- The promoter will submit the stage 2 business case template into the CA based on the Agreed ASR and minimum submission requirement,
- the Lead Appraiser will be responsible for the appraisal of that scheme using a Red, Amber, Green (RAG) based system in two phases initial appraisal where clarifications are sought from the promoter and final appraisal based on the clarifications.

The PMA team will also review the pathway through to **Stage 3, Delivery, and Evaluation** based on the scheme remaining within tolerance set by the CA at Stage 2.

Delegated authority from the CA will be granted to the (IC), (MD) or (DoD) to include scope of recommendations, conditions related to contract award via agreed price, which subject to endorsement by the Programme Appraisal Team (PAT) to approve spend where a scheme remains within tolerances between FBC DP3 and procurement of contractors for delivery (Activity 4) . Schemes outside of tolerance will subsequently be required to resubmit their scheme which will be presented back to the Combined Authority, who also act as the accountable body for LEP schemes and funding streams for continuance approval.

Depending on the cost, complexity and risk of a scheme, the IC, MD or DoD may request that a scheme is referred back at subsequent decision points for their recommendation to progress along the assurance process in advance of appraisal decision. The Combined Authority may delegate further decisions to the Investment Committee, to the Combined Authority Managing Director, or the Director of Delivery to facilitate speeding up the delivery of schemes that are considered to be proportionately mid-low cost or of lower risk; which remain within prescribed tolerances.

5.5 Stage 3: Delivery and Evaluation

Need explanation of Stage 3 and Activity 5 and 6

5.6 When will schemes be assessed?

It is expected that discussions between the scheme promoter and the LEP/Combined Authority will be an ongoing and iterative process.

As part of the (SOC) approval, timescales for the approval of future decision will be agreed and set out between the promoter and LEP/Combined Authority.

5.7 Appraisal proportionality

The level of appraisal will be proportionate to the nature, scope, impact and risks of each project and/or programme. For example, where a scheme carries greater risk and/or is more complex with considerable impact on society as a whole and on environment, the intensity of the appraisal will reflect this. This is not simply a matter of the financial scale of a project but will also need to take account of how the project is structured, its processes and dependencies. The capital-intensive nature of transport projects and the accompanying high costs and significant direct impact on society and environment will mean that transport schemes will have different thresholds in terms of how they are treated.

The approach to appraisal is to be set out in the Appraisal Specification Report (ASR) following guidance and should be agreed with the responsible officer of the Combined Authority.

5.8 Methodology to assess value for money

The range of toolkits (HMT Green Book, MHCLG guidance etc) are used to demonstrate the wider economic benefits and value for money in order to assess the business case for a scheme. In line with recognised VfM guidance, the assessment will consider:

- **Economy:** Minimising the cost of resources used
- **Efficiency:** The relationship between the output from goods or services and the resources to produce them
- **Effectiveness:** The relationship between the intended and actual results of public spending (outcomes and meeting objectives)
- As set out in the LEP National Local Growth Assurance Framework guidance, the methodology used to assess VfM will be in line with the established guidance prescribed by the relevant government department:

5.4.4 Compliance with Department for Transport's TAG guidance

All transport schemes will be subjected to the minimum requirements on modelling and appraisal, Value for Money (VfM) statement, assurance and evaluation, as set out in the National Assurance Framework Guidance (LEP and Single Pot).

The modelling and appraisal work will be scrutinised to ensure it has been developed in accordance with TAG, is robust, and is fit for purpose. A review panel made up of the senior officers of the Combined Authority, referred to as the Programme Appraisal Team, or PAT, will be used, so that appropriate and independent recommendations can be provided to decision makers. Responsibility for quality assurance of the assessment and scrutiny will rest with the Combined Authority's Head of Portfolio Management and Appraisal (PMA).

An Appraisal Specification Report (ASR) should be developed by the scheme promoter alongside the SOC (development) and agreed with the Combined Authority, which sets out how the scheme will be appraised.

In line with TAG, the promoter will not carry out any modelling and appraisal work for any activity in Stage 2 prior to ASR agreement with the Combined Authority's assigned officer. All evidence supplied as part of economic case in all activities in Stage 2 will be appraised against methodology set out in agreed ASR. An Appraisal

Summary Table (AST) and VfM Statement will be produced by following TAG and DfT's VfM guidance.

The Economic Appraiser will provide an assessment on the VfM Statement for decision makers, summarising as part of the appraisal. The conclusions from VfM assessment will take into consideration whether benefits outweigh the costs whilst identifying key risks and sensitivities that may affect the VfM conclusion. The experts will also set out what level of Analytical Assurance PAT and decision makers may attach to the VfM position based on quality of work, uncertainty in appraisal and risks.

- The justification of a projects recommendation for delivery with a sub 2 BCR will be set out in the reports seeking approval from the relevant decision maker.

5.4.5 Estimating economic and wider benefits

All programmes and projects will be expected to have a positive (direct or indirect) impact on growth through job creation, skills improvement, increased productivity, and improved connectivity, to ensure that the good growth aspirations articulated in the SEF are realised. This also includes inclusive growth and clean growth aspirations.

Projects funded by the Combined Authority and the LEP are required to have a benefits realisation plan and a monitoring and evaluation plan as part of business case development. These should be produced as part of activity 2 (OBC) and refined and be in place at the end of activity 4 (FBC). Benefits realisation reporting together with the outputs from the monitoring and evaluation plan will be used to assess the effectiveness and impact of investing public funds and the extent to which projects are contributing to the overall objectives of the Combined Authority and the LEP. Net additional economic output measured by Gross Value Added (GVA) per pound invested is one of the measures that is used as a metric for determining whether a project delivers value for money. Other measures of value for money will be used where necessary or context specific to provide more information on the richness and scale of the potential impact of projects. Such measures include the Benefit: Cost ratio, total cost per job and total GVA per job.

A range of tools and models will be used to help estimate the direct, indirect and wider economic impact of scheme proposals in order to facilitate the prioritisation and decision-making process. It would be expected that the promoter engages with the Combined Authority on the approach and the preferred model/s to be used to appraise the economic benefits, reflecting the scheme context and scope. The Combined Authority are now in the process of procuring expert advice to frame and develop a robust quantifiable methodology (quantitative and qualitative) for assessing all new scheme's predicted carbon emissions / wider clean growth impacts, building on the recent work to strengthen how clean growth and climate change impacts are considered as part of all new schemes that come through the Combined Authority's Assurance Framework. This will include a review of all existing Combined Authority schemes and additional resource to support the development and implementation of the new assessments.

The qualitative assessment will seek to consider the strategic importance of the scheme (e.g. an assessment of how the scheme contributes to the priorities and ambitions of the SEP or SEF). This more qualitative assessment is particularly important for revenue programmes, the direct effects of which are traditionally more difficult to quantify.

The outcomes of the assessment of applications made in response to funding opportunities are reported to the LEP Board, the Combined Authority and the West Yorkshire & York Investment Committee.

5.4.6 Reporting of appraisal findings

As outlined in Appendix X, the Programme Appraisal Team enter the assurance process at Stage 2 as shown in figure 8.1. This body critically reviews the case officer's appraisal report of schemes within stage 2 and makes recommendations to the relevant committees shown in table 3.4, which are then reported through the current Combined Authority governance arrangements for a formal decision.

5.9 Due diligence assessment

Due diligence is the independent verification of key information and assumptions. The WYCA Programme Manager will perform this function as part of the contracting process. The purpose of due diligence is to protect all parties from acting on incorrect or impartial information.

Due diligence may be carried out at any point in the development of a scheme; however, it will be formally required as part of the Full Business Case submission. Depending upon the nature of the scheme, but could include:

- **Lending:** financial standing of delivery body, company ownership and creditworthiness, value of security offered and details of any existing charge, terms of loan including drawdown and repayment, consideration of State Aid
- **Recoverability:** projects need to demonstrate the income from which the loan will be repaid
- **Deliverability and risk:** confirmation that the project is ready to start and a risk management plan is in place
- **Final economic impact/VfM statement:** jobs created, contribution to the City Region economy and other outputs/outcomes, such as remediated land, apprentice positions, houses built and private sector deliverability.
- The Business Investment Panel has a key advisory role in this process for business grants and loans.

5.5 Stage Three: Delivery Monitoring and Evaluation

5.5.1 Delivery (decision point 4) and Close and Review (decision point 5)

The purpose of activity 4 is to deliver the scheme and therefore decision point 4 is to confirm that delivery is complete. For an infrastructure project this would be completion on site. The output from activity 4 at decision point 4 is a draft Project Closure Report.

The purpose of activity 5 is to confirm that a project has been reviewed and can be closed. For an infrastructure project this would be completion of all defects and financial close, i.e. all final accounts have been agreed and paid, and the project has

completed any outstanding compliance requirements highlighted at decision point 6 and in the Final Monitoring Report. This is not when the scheme has delivered all of the outputs and benefits set out in Schedule 1 of the Funding Agreement. The output from activity 5 at decision point 5 is a final Project Closure Report. The purpose of the draft and final Project Closure Reports is to assess the success of the project, identify best practice for future projects, resolve all open issues and to capture feedback and lessons learnt to inform the development and delivery of future projects. The final Project Closure report formally closes the project.

5.10 Funding Agreements

The funding offer will be bespoke to each individual scheme. The arrangements for the draw down and release of funding will be outlined at Activity 2 SOC, then agreed during Stage 2 (Scheme Development) of the assurance process.

Some schemes receive development funding in order to progress from (SOC) to (FBC). At the point where funding is released, the Combined Authority will enter into a funding agreement with the promoter. Any funding conditions will be specified in the funding agreement and can include but not limited to:

- a funding cap
- the promoter's Chief Internal Auditor to provide assurance and to certify all expenditure on an annual basis
- claw-back provision in place to ensure funding is only to be spent on the specified scheme and that any cost savings achieved on the completed scheme are returned
- the Combined Authority, as the accountable body, will determine when to release funding.
- the Combined Authority may arrange for local audit of schemes to detect any misuse of funds.
- all organisations that receive funding through the Combined Authority and/or LEP are contractually required to acknowledge this, and that of Government in all communications and marketing activity. This includes use of logos on relevant communications materials, inclusion of specified wording in press releases and development of stories and case studies that showcase the impact of projects.

The LEP and Combined Authority will look to recover funding where there has been non-compliance, misrepresentation or under-performance. The Accountable Body arrangements in Appendix 1 set out how concerns are escalated, including taking a legal opinion on the likelihood of recovery.

5.11 Management of contracts

West Yorkshire Combined Authority has implemented a performance management process which is aimed at ensuring contract performance is achieved and that all contract deliverables and obligations are met. The process will ensure that the following key contract management elements are implemented:

- Contract managers who understand all contract requirements, deliverables and provider obligations
- Contract managers have a detailed understanding of the Combined Authority's responsibilities within external funding agreements linked to supplier agreements

- Regular contract performance meetings are held with providers to review contract delivery in order to maintain ongoing quality and performance of the contract
- Performance reporting updates are submitted on a regular basis by providers, highlighting performance against key performance indicators and service levels (as appropriate)
- Implementation of regular quality and compliance audits which provide the required evidence in support of contract compliance for LEP funded programmes and agreements.
- Ongoing contract management to include programme risk and issues management
- Ensure ongoing delivery of value money through effective change management control in accordance with the contract terms and conditions
- Problem resolution and implementation of improvement plans where necessary to support increased performance

Currently the LEP Board and the Investment Committee (as appropriate) receive regular high-level reports on the progress of funded programmes and projects together with and any significant risks, issues and opportunities. More detailed reporting including specific supplier performance against these programmes and projects are reported to the relevant panel/committee/project board (including the Business Innovation and Growth Panel and Employment and Skills Panel) and also to the Combined Authority's Senior Management Team.

Any contract negotiations that result in material changes will be assessed and dealt with through the standard variation process as determined within the Combined Authority Contract Standing Orders.

The LEP Board will be consulted on all contract changes that are considered to be critical in nature towards the delivery of LEP funded programmes, projects and the key Economic Plan.

5.5.4 Scheme Monitoring and Benefits Realisation

Monitoring during development and delivery (Activity 3 (OBC) to 7 (Close and Review) inclusive)

All projects are monitored throughout their progression through the assurance process. In 2018/19 the Combined Authority introduced a web-based Portfolio Information Management System (PIMS), to ensure a consistent approach to monitoring and management of all projects. A key benefit of PIMS is that information is available to view by all parties to the project. This helps to ensure the accuracy of the data held.

The system provides the following benefits:

- **Transparency**
 - allows informed and improved decision making
 - provides visibility of project progress
 - provides a full audit trail of project data

- linkages and dependencies between various projects in the portfolio can be viewed and managed more easily
- **Consistency**
 - provides a robust and automated method of project assurance
 - standardised templates and reports offer robust project controls
 - centralised repository for cost and risk management activities will provide a uniform approach.
- **Efficiency**
 - manual data input and manipulation is retained by the PMA and verified by project sponsors.
 - standardised reports, documents and dashboards enable project teams and stakeholders to concentrate on delivery
 - resource management allows for resource planning ahead of demand
 - the organisation's ability to plan using future project deliverables is increased
 - lessons learned can be more easily understood and shared between stakeholders
- **Focus on delivery**
 - aggregation of project data can identify trends in advance
 - facilitates alignment of projects to corporate strategy
 - recommendations and actions to be carried out in a more structured and timely way

Key metrics of information on performance are reported at regular intervals from when a scheme enters Stage 2 (Development) and include expenditure, progress, outputs and benefits, risks and issues, as well as match funding. A rolling schedule of Growth Deal funded schemes is published on the LEP/Combined Authority websites and can be found [here](#).

The individual project monitoring information feeds into an overall report for Combined Authority funding, which is reported to the Combined Authority/LEP to enable effective management of all projects and programmes and schemes that are being delivered.

All Combined Authority, Investment Committee and LEP Board monitoring reports are published on the Combined Authority and LEP websites.

5.5.5 Evaluation of the Strategic Economic Framework

The introduction of the SEF Evaluation Strategy will shape the design and development of project level evaluation activity through its focus on “Logic Models” as the basis of “activity 7” of the Assurance Framework reporting, shaping the information we capture at project closure and introducing more consistency to learning insights that we synthesise and communicate.

The Local Industrial Strategy (which sits at the heart of the SEF) focuses on bold steps that boost productivity and drive inclusive and clean growth. It is underpinned by the five foundations of productivity – People, Place, Infrastructure, Ideas and Business Environment – and also highlights how the City Region contributes to the national Grand Challenges.

Appraisal

The Combined Authority will use national guidance for scheme appraisal; HM Treasury's Green Book, including supplementary and departmental guidance, such as the Department for Transport's (DfT) TAG and MHCLG's Appraisal Guide where appropriate. The Combined Authority may also use local methodologies for this purpose with decision makers determining the most appropriate for each scheme appraisal. LCR approach for Value for Money Assessment is dynamic; as advances in techniques becomes clear this will be incorporated in its methodology and provided as supplementary guidance for promoters to that of the HM Treasury Green Book. It is important to note the Combined Authority's climate change aspirations. As of 2021 the Authority's methodology for carbon assessment forms part of the appraisal process; a proportionate approach will be utilised, and guidance given by scheme on the level of requirement.

The following section covers the framework processes, assurance pathway and approval route schemes may take to assure the public purse is utilised in delivering best value for money within the region. The Framework adopts a Proportionality Principle (PP) based on a matrix which covers Risk, Cost, Novelty and Deliverability as part of its pathway and approval route through the assurance process. For example, a low cost, low risk scheme may proceed from Activity 1 to Activity 3 with a simplified business case template requirement for evidencing value for money.

The Authority uses a variety of templates with 'How to Guidance' provided to the promoter in order for the authority to gather the evidence required to assure value for money and realistic business case proposals. Officers will work with promoters to give additional guidance in order for a proportionate approach to be achieved.

Figure 5.1: Business case development

The Combined Authority expects most business case development to follow treasury guidelines

At Strategic Outline Case (SOC) it is expected that there would be a strong strategic case with weaker financial and management cases; significant strengthening of all cases is expected at Outline Business Case (OBC) with detailed design work. Few or minimal uncertainty should exist at FBC in any of the 5 cases. High confidence in full costs should be demonstrated with a preference on high VfM.

5.5.6 Industrial Strategy Logic Map for Infrastructure Foundation LIS Logic Model – Infrastructure: Transport

CONTEXT:

- A modern, world class 21st Century transport system – connecting different modes of transport seamlessly into one comprehensive, easy to use network – to support inclusive growth, serving the needs of businesses and people - enhancing prosperity, health and wellbeing for people and places

PROBLEMS TO ADDRESS:

- LCR suffers from significant, bus, highway and rail congestion, missing out major development/regeneration opportunities, locking areas into deprivation and social isolation
- Car dominance (70% of worktrips): Historic focus on car results in dispersed development, traffic congestion impacting on lost productivity/business costs and accessibility of labour markets, Air pollution impacting on urban areas/deprived communities, Inadequate rate of reduction in CO2 emissions from transport
- Capacity Challenge: Connections to cities, towns, transport gateways aging with limited capacity & choice - facing increasing population and travel demand
- Mobility gap: Between high & low income groups: Low income households with low car availability traditionally more reliant on buses, but making more car trips
- Bus trips declining: Increasing fares, bus miles/networks contracting, low satisfaction with poor punctuality with journeys made slow/unreliable by road congestion. Rail trips growing but crowding and low satisfaction on trains in peak periods. Active travel not realised potential, low cycling levels, stagnating levels of walked trips = low level of physical activity, related to low life expectancy and mental health issues
- 2nd lowest transport investment levels of English regions: £315 per head in Yorkshire & Humber, against £475 English average, £1,019 London

INPUTS

HS2 / Northern Powerhouse Rail
 TfN Strategic Transport Plan
 WY Transport Strategy 2040 / LCR Connectivity Strategy
 DfT Transforming Cities Fund
 District Local Plans / SEP Spatial Priority Areas / LCR Place narrative?
 District Local Plans
 District Climate Emergencies
 DEFRA Air Quality Action Plan
 Government target to reduce CO2 emissions to net zero by 2050
 WYCA target to reduce CO2 emissions to net zero by 2038

ACTIONS

Regional Rail
 Leeds Station Masterplan
 LCR HS2 Growth Strategy
 TfN Investment Programme (NPR, Rail, Smart Travel)
Existing LCR programmes:
 • WYTF, Connecting Leeds, LTP, Leeds & Bradford Clean Air Zones etc
Future LCR programmes
 • LCR Inclusive Growth Corridor Delivery plan & pipeline
 • TCF
 • WY Bus Alliance - Action Plans & Bus Network Reviews
 • City Connect / Healthy Streets / Local Cycling & Walking Plans pipeline
 • Carbon reduction pathway
 • City Region Mass Transit

OUTPUTS

New sustainable transport infrastructure and services, products, technologies
 New sustainable transport links between deprived areas and employment/training opportunities
Delivery of Mass Transit network
 X jobs as result of improved connectivity
 X jobs created in transport construction
 X jobs created through transport supply chain
 X jobs in transport operations
 X carbon reduction projects (e.g. No. of EV charge points, Low Emission Buses)

OUTCOMES

Mode shift to sustainable transport (Rail, Bus, Walk, Cycle, Mass Transit)
 X% increase in passenger/freight trips by sustainable transport/day
 X% decrease in trips by car/day
 X new homes facilitated
 Journey time improvements
 Improved access to jobs & training
 Reduced transport related barriers to opportunities for disadvantaged communities
 Increase in (business & public) satisfaction with local transport
 Place & health benefits – unlock commercial development, urban realm, air quality, active travel, safer streets, well-being
 Accelerated take up of Electric/ Ultra Low emission vehicles
 X carbon reduced by XXXX

IMPACTS

HS2 & NPR create step change in connectivity of LCR
 Integrated city region mass transit network – accessible, affordable, flexible, inclusive
 Put people & places first – prioritised human health & quality of Life
 Transformed connectivity will bring new & more productive jobs within reach of more people - (enabling them to move job without moving house – or using a car)
 Retention and attraction of skilled people and high value businesses to the region
 More efficient use of space, compact development
 Zero-Carbon by 2038

OTHER FACTORS:

Vision & Validate? – or steady evolution? / Infrastructure only? – revenue requirements? / Push & Pull (Demand Management?) / Integration with health agencies & budgets?

A formally adopted evaluation strategy will be integrated into the LCR Assurance Framework in early 2021 as a future revision (the strategy will replace the current evaluation guidance which underpins the SEP Evaluation principles). Our approach to the development of the evaluation strategy recognises that it is locally owned, managed and draws on local systems; it will be proportionate and selective (e.g. not everything will be evaluated) and that partnership working with LEPs and government takes place to identify opportunities for thematic evaluations that could be conducted across LEP areas or centrally commissioned. Introducing these changes to our approach to monitoring and evaluation and focusing the evaluation around SEF success measures will align the LCR Assurance Framework with the “National Local Growth Assurance Framework” (MHCLG, January 2019).

These key themes are likely to focus on:

- Strengthening understanding of the impacts, outcomes and additionality of all forms of projects at an early stage in their design to improve the ex-poste evaluation of interventions.** All project sponsors will be required to adopt a consistent approach to the use of “Logic Models”. Logic models represent an essential element of project and programme development and whilst the

requirements for the use of logic models will be proportionate to the scale of the intervention, it is viewed that all projects will benefit from this approach

- **Communicating and synthesising the learning from project evaluation** – the updated strategy will place a greater focus on synthesising consistent messages from project learning across all project types – with these insights flowing directly from the relationships set out in the project logic model. The current project closure documentation will be reviewed to ensure that it is fit for purpose in this context. Greater emphasis will be placed on the structured communication of the outputs from project closure reports through learning and dissemination events and the project closure reports will be designed to shape this messaging.
- **Understanding the wider benefits flowing from Growth Deal interventions** – the updated strategy will more clearly define the relationship between project monitoring, benefits realisation and the net additionality achieved across the wider City Region geography. The updated strategy in this theme will consolidate and align with the 'Independent Evaluation of Local Growth Interventions' currently being conducting by MHCLG.

5.5.7 Five Year gateway review

As part of the Leeds City Region Growth Deal agreement, the West Yorkshire plus Transport Fund is subject to five-yearly gateway reviews to assess impact. The first review in 2019 has been passed successfully and funding confirmed until 2024/25. The next review will be undertaken in 2024; activity to determine the content and scope of this review has not yet commenced. A review of the overall monitoring and benefits realisation activity forms part of the action plan and will advise on the development of an overarching monitoring and benefits realisation framework.

Appendix 1 – Accountable Body Arrangements

Agreement between the Leeds City Region Enterprise Partnership and the West Yorkshire Combined Authority

1. Introduction

The LEP is the strategic body responsible for a significant amount of public funding to drive inclusive growth, increase prosperity and improve productivity (“LEP activity”). The LEP works collaboratively and in partnership with the West Yorkshire Combined Authority, as its accountable body (“the Accountable Body”).

2. Accountable Body roles and responsibilities

Underpinning good governance is an expectation of mutual support between the LEP and the Accountable Body. The Accountable Body is responsible for:

- carrying out **finance functions** on behalf of the LEP
- **oversight** of the LEP’s financial and governance, transparency and accountability arrangements
- providing **additional support** as agreed by the LEP

The LEP has agreed that the Accountable Body’s specific roles and responsibilities are:

a) Finance functions

On behalf of the LEP, the Combined Authority holds, allocates and releases all funding for LEP activity (“LEP funding”) including the Local Growth Fund and, Growing Places Fund.

This includes approving and entering into agreements relating to LEP funding. The Accountable Body does not use any LEP funding for their own purposes, nor without a clear mandate from the LEP.

The Section 73 Chief Finance Officer shall ensure that appropriate financial statements are provided to the LEP in a timely manner; a separate financial statement for LEP funding is published each financial year.

The Accountable Body is responsible for treasury management and borrowing functions relating to LEP activity and funding.

LEP funding is included in the Accountable Body’s accounts, and the LEP’s website links to the Accountable Body’s accounts.

b) Oversight functions

The Accountable Body has oversight of the LEP’s financial and wider governance, transparency and accountability arrangements, including compliance with the

Assurance Framework. The Accountable Body through its Section 73 Chief Finance Officer ensures that LEP funding is administered properly, that is, that LEP funding is spent or released:

- in accordance with formal approvals only, and not for unapproved purposes¹⁷
- with propriety and regularity and to deliver value for money
- subject to the statutory checks and balances which require the Accountable Body to act prudently in spending
- in accordance with the Assurance Framework and any other relevant procedure
- in compliance with any grant requirements and conditions.

The Accountable Body ensures that decisions on LEP funding are:

- reached in line with clear and transparent processes
- made on merit
- taken in accordance with the Assurance Framework
- compliant with all legal requirements including relating to State Aid, public procurement, transparency, data protection and the public sector equality duty.

The Accountable Body also promotes the highest standard of conduct by the LEP, LEP Board members and officers, by reference to the seven principles of public life.

Scrutiny

The Combined Authority's statutory Overview and Scrutiny Committee has a key role in securing independent and external scrutiny of LEP activities. The Committee's terms of reference reflect that the Committee may make reports or recommendations on any matter considered by the LEP or relating to LEP governance. The Committee may also review or scrutinise any decision made, or other action taken, in connection with any function of the Combined Authority, including in relation to its role as Accountable Body.

The LEP recognises the role of the Combined Authority's statutory Scrutiny Officer in facilitating the Overview and Scrutiny Committee to carry out appropriate scrutiny of LEP Board decision-making and LEP achievements.

The LEP agrees to respond positively to any request to share information with the Committee, so that the Committee has the necessary information to provide robust scrutiny and advice. Any member of the LEP Board, including any private sector representative, may be asked to attend or otherwise contribute to a meeting of the Committee.

The contribution of the LEP to any meeting of the Overview and Scrutiny Committee will be recorded with the outcome in the minutes (published on the Combined

¹⁷ Including the services of lobbyists

Authority's website). The LEP will ensure that there is a link from the LEP website to the Overview and Scrutiny Committee's published reports and minutes.

Audit

To ensure they have proper processes in place to manage risk, maintain an effective control environment and report on financial and non-financial performance, the LEP utilises the Accountable Body's Governance and Audit Committee, and its internal and external auditors to provide assurances in relation to LEP activities, as well as the Section 73 Chief Finance Officer.

The LEP and the Accountable Body (through its Governance and Audit Committee) will agree a risk based internal audit plan for each financial year of LEP and Combined Authority activities, that will provide assurance to the Section 73 Chief Finance Officer and the LEP Board at appropriate points through the financial year.

c) Support functions

The Accountable Body acts as the independent secretariat to the LEP¹⁸, providing the following technical and other support:

- compiling, maintaining and publishing agenda, reports and minutes of meetings in accordance with agreed procedures
- retaining all documentation relating to the Local Growth Fund and other funding sources
- dealing with any request for information, complaint or concern raised in accordance with the appropriate procedure
- appraisal functions as set out in the Assurance Framework,
- legal advice
- recovering funding where there has been non-compliance, misrepresentation or under-performance¹⁹
- risk management.

3. Section 73 Chief Finance Officer - Resources

The Accountable Body will ensure that the Section 73 Chief Finance Officer is given appropriate resources to carry out their functions in respect of the LEP, including audit. The LEP and the Accountable Body shall keep resource needs under review and consider if they are appropriately met.

¹⁸ The Combined Authority is not a constituent member of the LEP, nor does it appoint any representative to the LEP Board. Local Authority representatives are appointed in their capacity as district councillors, not members of the Combined Authority.

¹⁹ The Accountable Body will report to the LEP Board providing information on projects which have received funding, including

- a description of projects where concerns have been identified,
- relevant details including the amount of funding awarded and the sum at risk due to concerns, and
- where recovery of funds is considered, a legal opinion which sets out the legal basis for recover and likelihood of success

4. Non-compliance by the LEP

Any decision of the LEP made in contravention of processes set out in the Assurance Framework will be invalid on the basis of non-compliance, unless the LEP has given prior approval for variation in respect of the LEP's decision-making process.

In the event that the Accountable Body is not able to endorse any decision of the LEP, the Section 73 Chief Finance Officer would refer the matter back to the LEP for re-consideration.

The LEP and the Accountable Body are committed to proactively raising with the Cities and Local Growth Unit any significant instance of non-compliance, non-delivery or mismanagement by the LEP which cannot be resolved locally. Should any such instance arise, the Chief Finance Officer will also report it to the LEP Board and to the Combined Authority's Governance and Audit Committee.

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Appendix 2 – Section 73 Chief Finance Officer – responsibility arrangements

1. Introduction

The Combined Authority must by law²⁰ make arrangements for the proper administration of its financial affairs and secure that one of its officers has responsibility for the administration of those affairs. This role is carried out by the Combined Authority's Director of Corporate Services and extends to include the financial affairs of the LEP.

The Chair of the LEP and the LEP's Chief Executive Officer have agreed the following responsibility arrangements with the Section 73 Chief Finance Officer of the West Yorkshire Combined Authority (the Combined Authority), recognising the role of the Section 73 Chief Finance Officer in relation to instilling good and proportionate LEP governance, including the oversight of the proper administration of the LEP's financial affairs.

2. Financial administration

The Section 73 Chief Finance Officer shall be supported by the LEP and the Combined Authority (in its capacity as accountable body for the LEP) to carry out such checks as are necessary to independently ensure the proper administration of financial affairs in the LEP.

The LEP shall act promptly working with the Combined Authority to address any concerns or improper financial administration identified. The Section 73 Chief Finance Officer will report all concerns to the LEP's Chief Executive Officer in the first instance, making recommendations about any improvements required. The LEP is responsible for ensuring that all concerns are addressed.

The Chief Finance Officer will report any significant concerns directly to the LEP Board, setting out any improvements required. The LEP Board and the Section 73 Chief Finance Officer shall agree an action plan setting out how such concerns are to be addressed. This may include identifying training needs to ensure compliance. There will be a standing item on the LEP Board agenda reporting on progress on implementing the action plan, until the Section 73 Chief Finance Officer is satisfied that the issue has been resolved.

The Section 73 Chief Finance Officer will notify the Cities and Local Government Unit of any significant concern where

- the concern is about systemic financial problems, repeated non-compliance or fraud, or
- an action plan cannot be agreed, or
- in the opinion of the Chief Finance Officer, the LEP Board does not achieve sufficient progress against the action plan.

²⁰ Section 73 of the Local Government Act 1985

3. Advice of the Section 73 Chief Finance Officer

The Section 73 Chief Finance Officer shall work with the Chair of the LEP and the LEP's Chief Executive Officer to ensure that procedures are in place to consider the financial implications of decisions before and during the decision-making process. The LEP shall ensure that the Section 73 Chief Finance Officer is given sufficient access to information in order to carry out their role. The Section 73 Chief Finance Officer or their nominee shall be entitled to:

- attend all LEP Board agenda setting meetings.
- have access to all LEP Board documentation (including LEP Board reports before publication),
- comment on any proposed decisions, by
 - recording an opinion on financial implications and an assessment of risk (such as delivery risks and cost overrun risks) in any report to the LEP Board or relevant Panel, and/or
 - attending and speaking at any meeting of the LEP Board²¹ or relevant Panel.

Should the LEP Board decide on a course of action which goes against the advice of the Section 73 Chief Finance Officer, the LEP Board must indicate the rationale for their decision, which will be recorded in the minutes of the meeting. However, in the event that the Accountable Body is not able to endorse any decision of the LEP, the Section 73 Chief Finance Officer would refer the matter back to the LEP for re-consideration.

If the role of the Section 73 Chief Finance Officer results in a potential conflict of interest, impartial advice should be sought by the LEP's Chief Executive Officer to ensure transparency from a source which is external to the Combined Authority.

4. Risk management

The LEP has agreed that the Combined Authority through the Section 73 Chief Finance Officer, manages risks on the LEP's behalf. The risk appetite of the LEP is understood by both the LEP Board and the Section 73 Chief Finance Officer. The Section 73 Chief Finance Officer ensures that the Combined Authority's risk management strategy addresses

- risks arising in relation to LEP activity
- the process for the LEP Board to oversee risk and the escalation of risk analysis and risk management requirements within the LEP.

At the beginning of the financial year, the LEP and the Section 73 Chief Finance Officer will agree the budget risks facing the LEP. These will be kept under review by the Section 73 Chief Finance Officer throughout the year, who will report any significant issues to the LEP Board.

5. Audit

The LEP and Combined Authority have agreed audit arrangements as set out in the Assurance Framework and Appendix 1. The Section 73 Chief Finance Officer and

²¹ See further LEP Procedure Rules. The Section 73 Chief Finance Officer is not a member of the LEP Board and does not vote

the LEP's Chief Executive Officer shall report to the LEP Board on any completed audit by internal or external auditors where any recommendations relate to the LEP and provide a copy to the Cities and Local Growth Unit as appropriate.

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Appendix 3 – Governance Structures

West Yorkshire Mayoral Combined Authority

[D.N Liz Davenport to supply text.]

West Yorkshire Combined Authority

Membership

Members are appointed to the Combined Authority in accordance with the Order which established the Combined Authority. This provides that West Yorkshire constituent councils each appoint at least one Member to the Combined Authority, with a further three West Yorkshire appointments to reflect the balance of political parties among the West Yorkshire councils.

York is a non-constituent council of the West Yorkshire Combined Authority, and the Combined Authority also appoints a LEP Member. These two Members are non-voting, except in so far as the Combined Authority gives them voting rights.

The Combined Authority's website [here](#) provide details of all current members of the Combined Authority.

Voting members on committees and panels include members from the private sector representatives and local authorities– see further section 2.

Officers

Combined Authority officers serve both the LEP and the Combined Authority. They are appointed on merit in accordance with open recruitment arrangements and new officers undergo a structured induction process.

The authority of officers to act on behalf of the Combined Authority is set out in the officer delegation scheme [here](#).

LEP Board

Membership

At least two-thirds²² of the members of the LEP Board²³ must be private sector representatives²⁴.

The number of LEP Board members shall not exceed 20²⁵, excluding any additional member co-opted to the LEP Board. A maximum of 5 co-optees with specialist knowledge may be appointed to the LEP Board.

The LEP's Constitution [here](#) sets out requirements in relation to LEP Board membership, including eligibility criteria, appointment processes, terms of office (including arrangements for resignation), and provisions relating to the LEP's Chair and Deputy Chair.

The LEP website [here](#), and the Combined Authority's website [here](#) provide details of all current members of the LEP Board.

The LEP Board has adopted an Equality and Diversity Policy including Diversity Statement explaining how the LEP seeks to ensure diverse representation at LEP Board and on advisory Panels which is reflective of their local business community (including geographies and protected characteristics). This can be viewed [here](#).

The LEP Board annually reviews its membership having regard to its Diversity Statement, taking into account the skills, knowledge and competencies it needs, the geography of the City Region, its key business sectors and different sizes of business operation.

The LEP Board appoints its private sector representatives, including the Chair, in accordance with open recruitment processes which are set out in the LEP recruitment procedure (which also covers engagement with the business community in relation to the appointment of the LEP Chair, succession planning and induction arrangements for private sector representatives) which can be found [here](#).

One LEP Board member is appointed to represent and engage with the SME business community, and another as Diversity Champion.

²² To comply with this requirement of the National Local Growth Assurance Framework (2019) and Strengthened Local Enterprise Partnerships report (2018), new members were appointed to sit on the LEP Board on 25 February 2020, with effect of 31 March 2020.

²³ Any co-optee appointed to the LEP Board is to not be considered as a member of the LEP Board for the purpose of this requirement

²⁴ A private sector representative must be or have been employed by an organisation not included as central government, local government or a public corporate as defined for the UK National Accounts. Those from Higher Education or Further Education Institutions are not classified as public sector organisations.

²⁵ This requirement is met as a result of the decision made by the LEP Board with regards to the LEP Board membership on 25 February 2020, with effect of 31 March 2020.

The LEP has adopted a LEP Board Members’ Remuneration and Expenses scheme which can be found [here](#).

Appendix 4 – Economic Services: approval arrangements

The Managing Director has delegated authority to award an Economic Services grant to a company or other legal entity²⁶ (“Business”) under any programme or scheme approved under the Leeds City Region Assurance Framework.

Officers have sub-delegated authority by the Managing Director to award such grants, as set out in Table 1 below²⁷.

In accordance with the Conflicts of Interest Protocol, where any potential conflict arises from the involvement with a Business of any person on the Leeds City Region LEP or any relevant committee, an application must be determined by the Managing Director, the Combined Authority or relevant committee.

A grant may only be awarded

- where the application meets the eligibility and/or assessment criteria for the programme or scheme, and
- further to any appraisal/consultation indicated in Table 1 below.

Table 1

	Thresholds	Decision-making officer	Appraisal/consultation
a)	Not exceeding £100k	<ul style="list-style-type: none"> • Head of Service in Economic Services²⁸ • Director of Economic Services • Managing Director 	By any Advisory Group applicable to the programme or scheme (see Table 2)
b)	Greater than £100k and not exceeding £250k	<ul style="list-style-type: none"> • Director of Economic Services • Managing Director 	Business Investment Panel
c)	Greater than £250k and not exceeding £500k	<ul style="list-style-type: none"> • Managing Director 	Business Investment Panel
d)	Greater than £500k	<ul style="list-style-type: none"> • Managing Director 	<ul style="list-style-type: none"> • PAT, • Business Investment Panel, and

²⁶ Including a social enterprise, trust, partnership or sole trader.

²⁷ Subject to any funding condition imposed on the Combined Authority in relation to the programme or scheme.

²⁸ That is, the Head of Business Support, Head of Trade and Investment or Head of Employment and Skills in relation to any matter within their remit

			<ul style="list-style-type: none"> Investment Committee and/or Combined Authority
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The **Advisory Groups** are set out in Table 2 below:

Table 2

Programme	Advisory Group	Membership	Thresholds
Business Growth Programme	Appraisal Advisory Group	Officers from the Combined Authority; officers from partner councils; Business Enterprise Fund	Considers any application for a grant over £50k and not exceeding £100k
Digital Investment Funds	Digital Investment Fund Appraisal Group	Officers from the Combined Authority	Considers any application for #Welcome and #Grow for a grant over £25k and not exceeding £50k

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Appendix 5 – Assurance process principles for ESIF Sustainable Urban Development (SUD) purposes

Purpose

The urban agenda and the role of cities in driving forward smart, sustainable and inclusive growth is central to the successful delivery of the 2014-20 ESI Funds Growth Programme in England.

The Leeds City Region Sustainable Urban Development (SUD) Strategy, which aims to address integrated urban challenges and opportunities in the region, was submitted to the Ministry of Housing, Communities and Local Government (MHCLG) back in September 2015 and was formally agreed.

The Ministry of Housing, Communities and Local Government – otherwise known as the Managing Authority - agreement of the SUD Strategy will ensure that funds worth up to 10% of the Leeds City Region European Structural and Investment Funds (ESIF), European Regional Development Fund (ERDF) allocation will be made available in order to implement the SUD strategy.

In order to put in place the delegated functions that are required by Article 7 of the EU Regulation 1301/2013, with regard to project selection, MHCLG have now established the West Yorkshire Combined Authority as an Intermediate Body (IB) in line with Articles 123 and 125 of EU Regulation 1303/2013.

The Combined Authority, as the Intermediate Body will, in order to make decisions with regard to its role in the project selection process, use the principles of the assurance process as outlined below. Any process will be undertaken in line with the selection criteria as defined by the ESIF national Growth Programme Board.

This appendix presents the Leeds City Region assurance process as the model and framework that the Combined Authority has adopted in assisting in the selection of projects as part of the ESIF programme 2014-2020 for SUD.

Background

- In July 2012 the Leeds City Region agreed a 'City-Deal' with HM Government giving greater local control over spending and decision-making particularly with regard to economic development, regeneration and transport. This 'City-Deal' agreed to the creation of a West Yorkshire Combined Authority and a commitment to develop an assurance process. The assurance process, once approved by HM Treasury, would provide a consistent, robust appraisal process for projects and programmes to inform investment decisions.
- In light of this, and the flexibility that is inherent within the assurance process, it represents a means to structure the local appraisal of ESIF SUD projects rather than developing a separate process. This approach complements the formal technical assessment carried out by MHCLG.

Introduction to selection of projects using the Assurance Process principles

The process adopted here reflects the guidance issued by MHCLG and adheres to the process and role of the Intermediate Body.

The Investment Committee provides advice to the Combined Authority in line with the nationally agreed criteria and in line with the agreed and signed Memorandum of Understanding between the Combined Authority and MHCLG.

The Investment Committee provides advice to the Combined Authority to whether proposals set out at Outline and subsequently Full Application appropriately address:

Local strategic fit as defined in the Selection Criteria²⁹ for the ERDF 2014-2020 programme, which includes how:

- the proposed operation contributes to the needs/opportunities identified in the Call for Proposals to which it is responding.
- the proposed operation is aligned to the local growth needs set out in the local ESI Funds Strategy and contributes to the specific objectives, outputs and results of the relevant priority axes set out in the Operational Programme.

In addition, the Combined Authority provides advice to MHCLG on the following value for money and deliverability selection criteria:

Value for money

- The operation must represent value for money. In assessing value for money, MHCLG take account of:
 - efficiency: the rate/unit costs at which the operation converts inputs to the Fund outputs.
 - economy: the extent to which the operation will ensure that inputs to the operation are at the minimum costs commensurate with the required quality.
 - effectiveness: the extent to which the operation contributes to programme output targets, results and/or significant strategic impact at the local level.

Deliverability

- the operation is deliverable within the requirements of the fund specific Operational Programme taking account risks, constraints and dependencies
- evidence has shown that this type of operation is effective or where the operation is new or innovative, the risks have been considered and appropriate mitigations put in place.

Using the assurance process principles

The assurance process is designed to ensure any projects seeking public finance should be subjected to a rigorous appraisal. HM Treasury has developed the Green Book which provides the basis for how projects should be appraised using the 'five cases model' to carry out a holistic assessment.

²⁹ Selection Criteria [here](#)

The five cases are:

1. **Strategic**: does the scheme fit with the aims of the City Region's Strategic Economic Plan? **(used for selection of projects for SUD as part of the ESIF Strategy)**
2. **Economic**: is the scheme value for money? **(used for selection of projects for SUD as part of the ESIF Strategy)**
3. **Commercial**: is there demand for the scheme and is it commercially viable?
4. **Financial**: is the scheme affordable and sustainable?
5. **Management**: is the scheme deliverable with achievable objectives? **(used for providing advice on the selection of projects for SUD as part of the ESIF Strategy)**

The Green Book details approaches and tools that can be adopted in order to effectively appraise projects. It is accepted that the detail and extent of appraisal should reflect the size and complexity of projects, but within all appraisals there should be some consideration of each of the five cases.

The assurance process has been developed in line with these principles and was a key requirement that emerged from the LEP's City-Deal. The assurance process will be used by the LEP and the Combined Authority for all of its different funding regimes, providing a consistent and robust approach to appraise projects. This means all projects, irrespective of objectives or thematic area (transport, regeneration, housing, skills, innovation, enterprise etc.), will be assessed under this 'single' framework. This will better able the LEP and the Combined Authority to compare and prioritise projects and programmes.

It is the assurance process which is used to form the basis for the 'local' appraisal and selection of SUD ESIF projects outside the formal MHCLG assessment. For the purposes of selecting SUD ERDF projects, the key principles of the assurance process are used – but only using cases 1, 2 and for advice case 3 as described above and in line with the nationally agreed criteria and the agreed and signed Memorandum of Understanding between the Combined Authority and MHCLG.

Strategic Fit – Proposed scope

The proposed assessment of strategic fit is currently structured around the four pillars of activity that are central to the Leeds City Region Strategic Economic Plan (SEP):

1. Growing businesses
2. Skilled People, Better Jobs
3. Clean Energy and Environmental Resilience
4. Infrastructure for growth

Promoting social inclusion and combating poverty, designed to reflect aspects of the social outcomes that are promoted within the ESIF programme, are integrated within the pillars.

The pillars have been broken down into activity that could contribute to strategic outputs within the respective pillar and projects would be scored against these criteria.

Value for Money (VfM) – Economic impact – proposed scope

In assessing the value for money of each of the projects, the process effectively mirrors that of the assurance process - ensuring that the costs and benefits of projects are taken into account and wherever possible quantified.

This is more straightforward for some projects than others and there is an onus on reflecting local intelligence and priorities. New jobs and catalytic projects are 'worth' more in some areas than others simply because there are fewer jobs or because it is more difficult to create and sustain jobs in certain locations. This is especially the case where disadvantage is long-term and entrenched.

The Research and Intelligence team own and manage the Regional Econometric Model, a complex tool that enables scenarios to be assessed in terms of their net economic impact. This provides a range of outputs with a focus on impacts in terms of employment and gross value added (a measure of economic impact). These outputs can be calculated over a range of different geographies.

Other approaches are used to quantify the outputs/outcomes that by their nature have a direct impact that is more social rather than economic.

In terms of the local assessment, additional measures of value for money are being used where necessary to provide more information on the potential impact of projects. Such measures and ratios include:

- Total GVA of the project
- Ratio of GVA to Total Cost AND public sector support
- Total cost per job
- Total GVA per job
- Cost benefit ratio
- Grant per job
- Cost per business assist
- Cost per skill outcome
- Capital / build costs

The appraisal is informed and supported by national and local research in terms of the costs of outputs and outcomes. This includes elements such as guidance issued by OFFPAT, evaluations of RDA activity and more recent, evidence emerging from the What Works Centre for Local Economic Growth and bespoke evaluations such as that carried out on the Combined Authority's Business Growth Programme (BGP).

Undertaking the work

The responsibility of the assurance process is the responsibility of the Director of Delivery, to whom a Head of PMA reports.

The Head of PMA oversees the appraisal work on relating to the five cases including local strategic fit and economic - value for money (VfM). This review is undertaken by dedicated staff, drawing on wider technical support as required, and involves dialogue with scheme promoters as appropriate.

Reporting

The results from the appraisal are presented in a summary assessment report, provided by MHCLG, alongside MHCLG's own formal technical assessment. This provides an insight into the strengths and weaknesses, bringing together the metrics and other qualitative and quantitative information.

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Appendix 6 – Programme Appraisal Team (PAT) terms of reference

1. **Introduction**

- 1.1 The Programme Appraisal Team (PAT) are West Yorkshire Combined Authority officers who oversee the assurance process as projects/programmes progress through it.
- 1.2 The assurance process is part of the Leeds City Region Local Assurance Framework (2019).
- 1.3 The PAT is an internal assurance group independent of scheme promoters and has no formal approval making powers. The PAT make recommendations which are then reported through the current Combined Authority governance arrangements for a formal decision/approval.

Objectives of the PAT

- 2.1 Ensure the Leeds City Region Local Assurance Framework principles are applied consistently at all stages of the assurance process and to facilitate the progress of projects through decision points. This will include:
 - a) Receiving and reviewing project case papers and appraisal reports from case officers and considering case officer recommendations at decision points.
 - b) Requesting further information/clarifications as appropriate to facilitate recommendations and approvals in accordance with delegations.
 - c) Ensuring that appropriate levels of appraisal, including peer consultation and review, has been undertaken as part overall scheme appraisal.
 - d) Providing decision point recommendations/approvals in accordance with delegations.
 - e) Recommending the assurance pathway and approval route for projects/programmes as part of the approval recommendation at decision point 2 (SOC) or decision point 3 (OBC).
 - f) Receiving and reviewing change requests for projects/programmes where a change falls outside of set tolerances in order to make recommendations in accordance with delegations.
 - g) Provide an interface between Senior Leadership Team, case officers, and key partners/stakeholders to escalate matters where required, and report to Senior Leadership Team where a decision requires Managing Director approval

3. **How the PAT will operate**

PAT Membership:

- 3.1 The PAT consists of a core membership representing West Yorkshire Combined Authority policy/strategy, delivery, legal, and financial functions.
- 3.2 Meetings will be chaired by the Director of Delivery.

Table 1: PAT Membership

Role on the PAT	Responsibilities on the PAT	Suggested Membership
Director	Chair – to oversee the PAT	Director of Delivery
Portfolio Management & Appraisal Team (PMA)	Vice-Chair – to oversee the PAT in absence of the Chair To ensure the principles of the Leeds City Region Local Assurance Framework are adhered to. In particular being responsible for the assurance process and making sure Projects/Programmes are following the Assurance Framework and West Yorkshire Combined Authority Governance appropriately, and for the robustness of scheme appraisal and it's conformity with Green Book (and components of this such as TAG)	Head of Portfolio Management & Appraisal
Transport Policy	To ensure Projects/Programmes meet SEF Objectives in relation to transport.	Head of Transport Policy
Economic Policy	To ensure Projects/Programmes meet SEF Objectives in relation to economics.	Head of Economic Policy
Finance	To oversee any financial matters	Head of Finance
Research and Intelligence	To ensure all Projects/Programmes are following a robust, effective and proportionate monitoring & evaluation to ensure Project/Programme outcomes and benefits meet SEF Objectives.	Head of Research and Intelligence
Economic Implementation	To provide an independent challenge to non-economic projects and programmes	Head of Economic Implementation
Transport Implementation	To provide an independent challenge to non-transport projects and programmes	Head of Transport Implementation

PAT Attendance:

3.3 The PMA will provide secretariat services to the PAT

3.4 Case officers, independent technical advisers, peer group representatives (including representatives from partner authorities and/or third-party private businesses) and other attendees as required will attend the PAT to supplement the decision-making process.

3.5 The PAT also plays an ongoing role in refining and developing the assurance processes to improve how it is implemented and in operationalising the Assurance Framework.

Meeting Format

3.6 The PAT will meet on a regular cycle (fortnightly or more frequently subject to the programme) with an agenda based around the assurance process activities. Projects/programmes being discussed at the PAT will be allocated time slots in which discussion and recommendations will be made.

3.7 Promoters will attend meetings by invite only. Where a promoter does attend to present their scheme, they will only be present to their allotted time slot. They will be asked to leave the meeting in advance of any recommendation being made by the PAT.

Records of Meetings

3.8 Meetings will be minuted, with draft minutes being included in the papers circulated to the PAT members for the following meeting at which the minutes will be formally agreed and considered signed off.

3.9 Actions and recommendations relating to each specific project/programme being discussed will be captured and communicated to case officers and promoters separate to the official minutes.

Conflict of Interest

3.10 Where conflict of interest issues arises during a meeting e.g. scheme comes forward for discussion which member of the PAT is the Senior Responsible Officer for, the SRO will leave the meeting and will not be part of any discussions and recommendations in relation to their scheme. Where this happens, this will be minuted.

Making Recommendations

3.11 The PAT's recommendations will depend on the decision point for any given scheme summarised in the Leeds City Region Local Assurance Framework.

3.12 The PAT may recommend a scheme to not progress through a decision point or for additional information in order for a scheme to progress at any given decision point.

3.13 All PAT recommendations are reported through the current West Yorkshire Combined Authority governance arrangements for a formal decision/approval.

Appendix 7 – Portfolio Management Group (PMG) terms of reference

a) Purpose

- 1.1 The purpose of the WYCA Portfolio Management Group is to review, monitor and report on WYCA's portfolio of capital programmes and projects.
- 1.2 The WYCA Portfolio Management Group is an internal group and has no formal decision-making powers. When required, the Portfolio Management Group make recommendations which are then reported through the current WYCA governance arrangements for a formal decision/approval.

b) Objectives of the WYCA Portfolio Management Group

- 2.1 To review, monitor and report on WYCA's portfolio performance and expenditure each quarter, which will include:
 - a) Reviewing, management and monitoring:
 - 2.1.a.1 Funding streams and spend against these
 - 2.1.a.2 Outputs and outcomes/ benefits
 - 2.1.a.3 Risks
 - 2.1.a.4 Issues
 - 2.1.a.5 Progress
 - b) Quarterly reporting on portfolio spend, outputs, outcomes/ benefits, risks, issues and progress to:
 - 2.1.b.1 Cities and Local Growth Unit
 - 2.1.b.2 WYCA Senior Management Team
 - c) Reporting on portfolio spend, outputs, outcomes/benefits, risks, issues and progress to Senior Leadership Team, Investment Committee, LEP Board and the Combined Authority, Directors of Development, Chief Highways Officers and Chief Executives as necessary.
 - d) Receiving and reviewing issues escalated from the funding stream portfolio boards and making recommendations for reporting through the appropriate WYCA governance arrangements for a formal decision/approval, if required.
 - e) Providing an interface between Leadership Team, Case Officers, and key partners/ stakeholders to escalate matters where required
 - f) Provide oversight and advice to Senior Leadership Team, Senior Management Team, Investment Committee, LEP Board and the Combined Authority on portfolio spend, outputs, outcomes/ benefits, risks, issues and progress
 - g) Communication- maximise opportunities for publicity and marketing and ensure clarity and consistency of messages

3. Membership / Attendance

3.1 Membership:

Note: Chair to circulate between the membership

- a) Director of Delivery
- b) Head of PMA
- c) Head of Implementation
- d) Head of Transport Policy
- e) Head of Research and Intelligence
- f) Head of Finance / Management Accountant
- g) Portfolio Lead (Monitoring and Reporting)

3.1 Attendance:

- a) Portfolio Support (PMA) – notes / action log

3.2 Attendance (by exception / as required):

- a) Head of Economic Policy
- b) Head of Business Support
- c) Portfolio Manager (Transport)
- d) Portfolio Manager (Growth Deal+)
- e) Evaluation Team Leader
- f) Growth Deal Priority Managers
- g) Non-Growth Deal Programme / Funding Managers
- h) Policy Managers (e.g. ESIF)

4. Meeting Format:

1.1 Frequency: monthly. Year-end information will be considered at the June meeting.

1.2 Agenda and Papers: Will be circulated at least two working days prior to the meeting.

1.3 Standard Agenda:

- a) Introduction and Apologies
- b) Action Log
- c) Discussion papers
- d) Issues escalated from the other portfolio boards and other funding stream review groups
- e) Dashboards: spend, outputs, outcomes/benefits, risks, issues and progress.
- f) Risk Review
- g) Items for reporting to Cities and Local Growth Unit, Leadership Team, Organisational Management Team, Investment Committee and the Combined Authority
- h) Communications
- i) AOB

5. Records of Meetings

5.1 Notes will be taken and an action log will be produced and maintained.

5.2 The notes and action log will be circulated after the meeting and reviewed at the following meeting.

6. Making Recommendations

6.1 The WYCA Portfolio Management Group is an internal group and has no formal decision-making powers.

6.2 Any recommendations required, will be reported through the current Combined Authority governance arrangements for a formal decision/approval.

Updated: 7 August 2019

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Appendix 8- Adult Education Budget

Is there reference to this anywhere in the main text?

Need something for PCC also???

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GLOSSARY

ASR	Appraisal Specification Report: A report produced by the scheme promoter, in conjunction with the West Yorkshire Combined Authority, setting out the agreed approach to appraisal of the scheme, as part of the assurance process.
AST	Appraisal Summary Table: A summary of the key consequences relating to the environmental, economic and social impacts of schemes. They are used to help determine which schemes should proceed and if they do, to decide which options to choose.
BCG	Business Communications Group: A group of people made up of key representatives from organisations in the City Region. They support business growth and act as an advisory group to the LEP Board.
BCR	Benefit Cost Ratio: An indicator used in cost-benefit analysis that attempts to summarise the overall value for money of a project or proposal.
BEIS	Business, Energy and Industrial Strategy: A ministerial department supported by 41 agencies and public bodies. It brings together responsibilities for business, industrial strategy, science, research and innovation, energy and clean growth, and climate change.
BGP	Business Growth Programme: The department for Business, Energy & Industrial Strategy set up grants for businesses that meet certain requirements. Businesses can apply to the Leeds City Region LEP to obtain these grants.
BIG	Business Innovation and Growth Panel: The panel consists of representatives from the private sector, universities, policy-makers and delivery partners. The panel reports to the LEP Board and the Combined Authority.
CBA	Cost Benefit Analysis: A systematic approach to estimating the strengths, weaknesses and alternatives for a decision to be made. It involves adding up the benefits of a course of action and then comparing these with the costs associated with it.
CSF	Critical Success Factors: A management term for an element that is necessary for an organisation or project to achieve its goals.
DfT	Department for Transport: A ministerial department supported by 23 agencies and public bodies. They work with agencies and partners to support the transport network and plan and invest in transport infrastructure.
ERDF	European Regional Development Fund: Aims to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions. The ERDF focuses its investments on several key priority areas and is designed to reduce economic, environmental and social problems in urban areas.
ESIF	European Structural and Investment Funds: Includes money from the European Social Fund, European Regional Development Fund and European Agricultural Fund for Rural Development.
EU	European Union:

	An association of European nations formed in 1993 for the purpose of achieving political and economic integration. Incorporating the European Community, the European Union's member states are Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom. In 2016 the United Kingdom voted by referendum to withdraw from membership in the European Union.
EZ	Enterprise Zone: An area in which state incentives such as tax concessions and infrastructure incentives are offered to encourage business investment. There are 24 enterprise zones in England.
FBC	Full Business Case: Provides the detail of the preferred solution for a project or programme. It confirms the benefit, cost and risk of delivering the preferred solution. FBC+ represents a full business case with finalised costs.
GPF	Growing Places Fund: Funding from the Ministry of Housing, Communities and Local Government that supports key infrastructure projects designed to unlock wider economic growth, create jobs and build houses in England. This fund comprises of £730 million.
GVA	Gross Value Added: Measures the contribution made to the economy and is a key indicator of the state of the whole economy. It measures the value of goods and services produced in an area.
Green Book	HM Treasury guidance for public sector bodies on how to appraise proposals before committing funds to a policy, programme or project.
HE	Homes England: Formerly known as Homes and Communities Agency. An executive non-departmental public body that is sponsored by the Ministry of Housing, Communities and Local Government. HE helps create successful communities by making more homes and business premises available to the residents and businesses who need them.
HMT	Her Majesty's Treasury: The government's economic and finance ministry, maintaining control over public spending, setting the direction of the UK's economic policy and working to achieve strong and sustainable economic growth.
LCR	Leeds City Region: A functional region around Leeds, West Yorkshire.
LEP	Local Enterprise Partnership: Locally-owned voluntary partnerships between local authorities and Businesses. Set up in 2011, they play a central role in deciding local economic priorities and undertaking activities to drive economic growth and create local jobs.
LGF	Local Growth Fund: Growth Deal funding provided to Local Enterprise Partnerships for projects that benefit the local area and economy.
LIS	Local Industrial Strategy: Led by Mayoral Combined Authorities or Local Enterprise Partnerships, to promote the coordination of local economic policy and national funding streams and establish new ways of working between national and local government, and the public and private sectors.

LVU	Land Value Uplift This is quantification of the net benefits of a scheme proposal. This measures the difference of value from the land's current use to when it is used for another purpose as an economic uplift and captures all private sector costs of development.
MCA	Mayoral Combined Authority: A combined authority with a mayor that is elected by the residents of the area. The mayor, in partnership with the combined authority, exercises the powers and functions devolved from government, set out in the local area's devolution deal.
MD	Managing Director: The person who is in overall charge of the running of an organisation or business. The Managing Director of the Combined Authority is also the Chief Executive Officer of the LEP.
MHCLG	Ministry of Housing, Communities and Local Government: Formerly known as Department for Communities and Local Government (DCLG). A ministerial department supported by 13 agencies and public bodies. They create great places to live and work, and to give more power to local people to shape what happens in their area.
NPV	Net Present Value: The difference between the present value of the future cash flows from an investment and the amount of investment. NPV is used to analyse the profitability of a projected programme or project.
Nolan Principles	The seven principles of public life, which are the basis of the ethical standards expected of public office holders.
OBC	Outline Business Case: This sets out the preliminary information regarding a proposed project/ programme. It contains information needed to help make a decision regarding the implementation of the project/ programme such as envisaged outcomes, benefits and potential risks associated.
Orange Book	HM Treasury guidance for public sector bodies on risk management.
PAT	Programme Appraisal Team: A team formed to ensure compliance with the assurance framework. It is a formal group of West Yorkshire Combined Authority officers who oversee the assurance process.
PCR	Project Closure Report: The final document produced for the project and is used by senior management to assess the success of the project, identify best practice for future projects, resolve all open issues and formally close the project.
PIMS	Portfolio Information Management System: A bespoke management system used to provide transparency, consistency, efficiency and focus on delivery.
PMA	Portfolio Management And Appraisal Team: A team formed to ensure a rigorous approach to the assurance process, including the appraisal of projects and monitoring and reporting on our portfolio, so we get the best schemes for our money
QRA	Quantified Risk Assessment: A structured approach to identifying and understanding the risks associated with hazardous activities. The assessment takes inventory of potential hazards, their likelihood and consequences.
RAG	Red, Amber and Green rating:

	Also known as the traffic light system and used as a visual cue to project performance.
REM	Regional Econometric Model: Incorporates aspects of four major modelling approaches; Input - Output, General Equilibrium, Econometric, and Economic Geography. It estimates the changes in total regional income and employment.
SA	Strategic Assessment: This determines the strategic context for a programme/project and provides an early opportunity for key stakeholders to influence the direction, scope and scheme content.
SEP	Strategic Economic Plan: A long-term plan that shows how the LEP and Local Authorities will grow the economy and how its ambitions will be achieved. The SEP will be replaced by SEF during 2020.
SEF	Strategic Economic Framework: An agile, long-term strategic framework, incorporating both the new Local Industrial Strategy (LIS) as well as a full range of policies and strategies, reflecting the scale of our ambitions and priorities for the City Region.
SME	Small and Medium Enterprises: A company is defined as an SME if it has a staff headcount of either <50 (small) or <250 (medium sized). The company also needs to have a turnover or balance sheet total of ≤€10m (small) or ≤€50m (turnover) or ≤€43m (balance sheet) (medium).
SOC	Strategic Outline Case (SOC) The purpose of the SOC is to confirm the strategic context for the project, to make the case for change and to determine 'the preferred way forward'
SUD	Sustainable Urban Development (part of the ESIF programme): Part of the European Structural and Investment Funds programme operating as an Integrated Territorial Investment Instrument, which demonstrates the value of place-based solutions in responding to social, environmental and economic challenges. The area to be covered by SUD is the City Region's urban core of West Yorkshire and York.
TfN	Transport for the North A statutory sub-national transport body, which is a partnership of public and private sector representatives working with central government and national transport bodies to develop and deliver strategic transport infrastructure across the North of England .
UDM	Urban Dynamic Model: A simulation of how transport interacts with population, employment and land-use over long periods of time, typically ten years or more. It helps understand how transport could contribute to economic regeneration.
VfM	Value for Money: The most advantageous combination of cost, quality and sustainability to meet customer requirements.
TAG	Web-based Transport Appraisal Guidance: Guidance on the conduct of transport studies. It provides advice on how to set objectives and identify problems, develop potential solutions, create a transport model for the appraisal of the alternative solutions and how to conduct an appraisal which meets the department's requirements.
West Yorkshire	An annual levy on the West Yorkshire authorities, which is used to invest in priority projects/programmes across West Yorkshire, helping to deliver a number of key transport priorities.

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APPENDIX 2 – Assurance Process

1 Introduction

- 1.1 The Leeds City Region Assurance Framework has been subject to an extensive review due to the West Yorkshire Devolution Deal for a Mayoral Combined Authority to be established.
- 1.2 As part of this process, the assurance process has been reviewed and amended based on feedback received as part of the consultation with stakeholders.
- 1.3 The updated process, shown in figure 1 below, has been presented to the Combined Authority's Senior Leadership Team, Directors of Development and Scrutiny Committee for feedback and comments to be received.
- 1.4 The proposed amendments to the process are as follows:

West Yorkshire Investment Strategy (WYIS)

- The programmes/projects will of work that enter the Assurance Framework and will flow from the WYIS.
- The detail of this is still to be agreed but this will set out the context, objectives and targets of the MCA and the transformational investments that the MCA will commit resources to over an agreed time period (possibly 5 years).
- The programmes / projects that enter the Assurance Framework will flow from the WYIS.

Stage 1: Assessment and Sequencing- led by Policy

- The main change in Stage 1 is that this will be led by Policy, in close consultation with Delivery and Corporate Services, and the deletion of the existing decision point 1 (approved by the Director of Delivery in consultation with the Director of Policy, Strategy and Communications).
- **Activity 1** will now provide an early stage light touch review to identify approaches / schemes that align with the transformational investments set out in the WYIS. This will be done through the use of Strategic Assessments or a similar tool as part of a sequencing / prioritisation process and will include political engagement. It is proposed that a Strategic Assessment Prioritisation Group (SAP) replaces SARG to provide this check and Challenge Review
- The main output of Stage 1 is now **Activity 2: Strategic Outline Case (SOC)**. This will be undertaken at programme level wherever possible, to allow full appraisal and consideration of impact of the programme. Where a programme SOC is submitted it will set out the projects to be included based on the programme criteria. Projects may still be submitted however and these will have their own SOC.

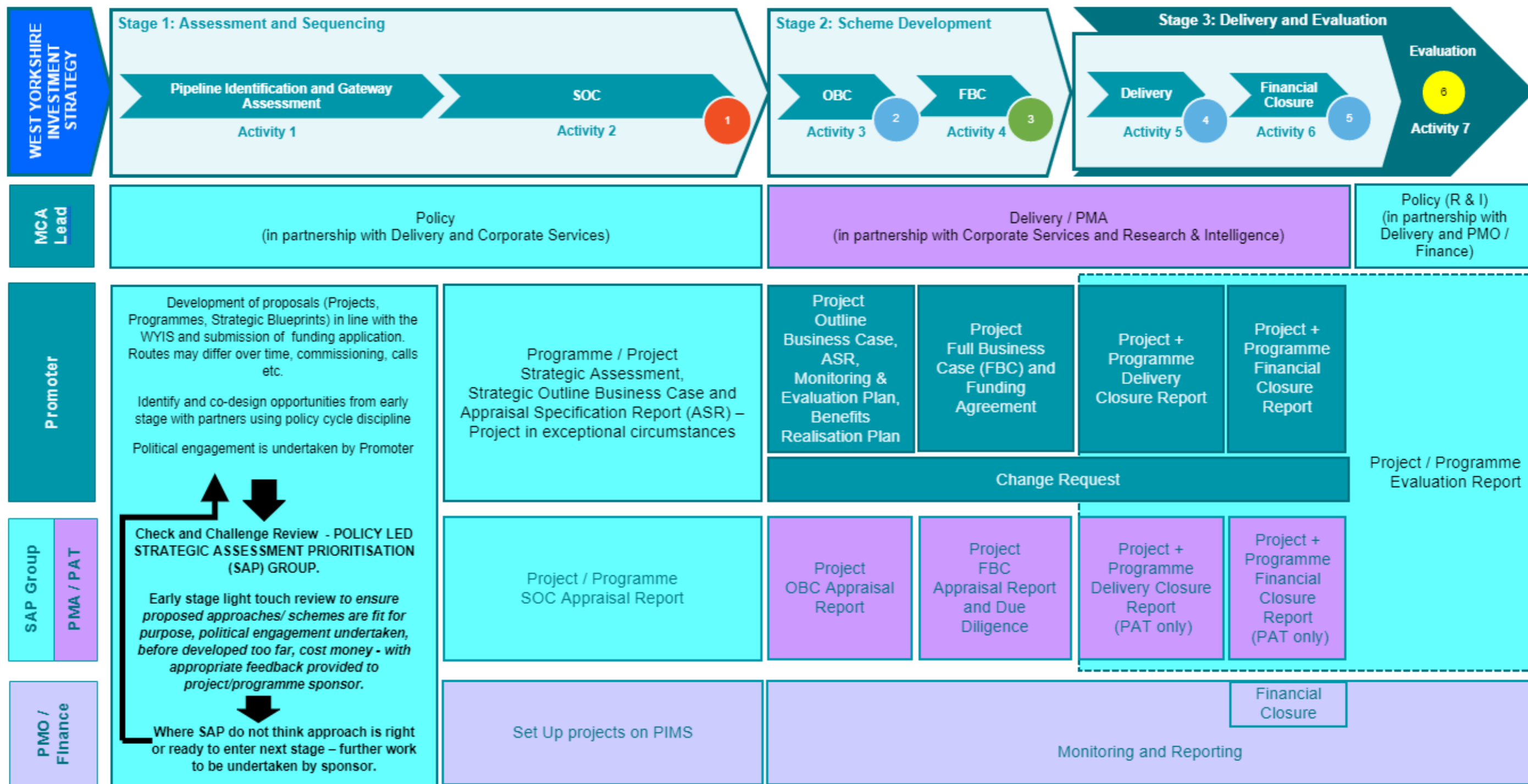
Stage 2: Scheme Development- led by Delivery

- The main change in Stage 2 is that the need for a Full Business Case with Finalised Costs has been removed.
- **Activity 3:** Outline Business Case (OBC) remains largely the same. Guidance will be provided around the level of detail expected at OBC compared to the Full Business Case (FBC) and work is ongoing with regards to proportionality of business cases. A Monitoring and Evaluation Plan and Benefits Realisation Plan are required as part of the Assurance Framework.
- **Activity 4:** Full Business Case. It is proposed that approval to progress is granted with conditions set regarding funding. When these conditions have been met, and the scheme costs have remained within the allocated budget post procurement, this is then approved to proceed into delivery by the Director of Delivery following a recommendation from the Portfolio Appraisal Team (PAT). If the conditions are not met, then the scheme would return to FBC for additional costs and impact to be considered.

Stage 3: Delivery and Evaluation- Activity 5 and Activity 6 led by Delivery and Activity 7 led by Policy (R&I)

- **Activity 5:** Delivery Closure Report and **Activity 6:** Financial Closure Report will still be undertaken as existing, but in a slightly different format.
- **Activity 7:** Evaluation will be led by Research and Intelligence. This is a reporting point as opposed to the previous decision points in the process, and will be undertaken when the Programme (or project in some circumstances), is completed for an evaluation of the benefits, outcomes and economic impact compared to the overall programme objectives set out in the SOC. Interim evaluations may also be undertaken as required as set out in the Monitoring and Evaluation Plan.

Figure 1: Assurance process



KEY: ● Key Decision Point (CA Approval Required) ● Key Decision Point (IC/CA Approval may be required) ● Decision Point (IC/CA Approval may be required) ● Reporting Points

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Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **Convention of the North and NP11 Spending Review
Submission and Covid-19 Statement**

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

Author(s): James Flanagan, Lead Policy Manager, Public Sector Reform

1. Purpose of this report

- 1.1 To inform and seek the views of the LEP Board in relation to the following policy documents prepared jointly by the Convention of the North and the NP11:
- Spending Review submission: the levelling up deal for the North; and
 - Covid-19 Statement
- 1.2 To note the Spending Review submission prepared by the Combined Authority / LEP, focussing on recovery.

2. Information

- 2.1 The Convention of the North brings together people and organisations from across the North, including business, trades unions, elected leaders and Mayors, and community and faith groups, to speak with one voice on pan-northern issues, in particular developing a positive vision of how we can lead economic and social transformation. Its Steering Group is chaired by the leader of Newcastle City Council and includes local representation by the Leaders of Bradford, Leeds and York Councils and the LEP Chair, also in his capacity as NP11 Chair.
- 2.2 The NP11 is the business-led voice for the North that brings together the 11 LEPs from across the North of England. It plays a leading role in realising the vision for an economically thriving Northern Powerhouse that drives prosperity, international competitiveness, and inclusive growth across the area.
- 2.3 In September 2019, The Convention of the North and NP11 met in Rotherham for the largest ever gathering of Northern leaders. The Prime Minister expressed his commitment to the Northern Powerhouse and levelling up. The manifesto that was then published was backed by every major newspaper group across the north.

Spending Review: the levelling up deal for the North

- 2.4 As a result of the pandemic, the meeting in Liverpool planned for the autumn to review our progress towards powering up the North has been cancelled. Instead a joint statement (the levelling up deal for the north, shown at Appendix 1) was prepared and submitted to the Chancellor of the Exchequer on 24th September, ahead of the anticipated Spending Review and Devolution White Paper. The call to action is to deliver levelling up and make good on the Prime Minister's promise to unite the country and back the North.
- 2.5 The statement sets out the deal, the recovery challenge, and the delivery priorities and associated asks of Government:
- The headline deal, as proposed, consists of the following elements:
 - What the North offers, including 'prime capabilities' such as advanced manufacturing and health innovation.
 - What the North will do, such as leading a fair and inclusive economic recovery.
 - What the North needs from Government, eg deeper and wider devolved powers and funding and investment.
 - The overall recovery challenge is to "build back better", based on the North's vulnerability evidenced by the £3.2bn paid in support grants so far and sudden economic contraction, and expectations that, based on experience from the financial crisis, the North will recover more slowly than the rest of England. The risk is also noted that existing socio-economic inequalities, which have been exacerbated by the pandemic, will not be addressed.
 - Finally, a number of priorities - and related asks - which will drive the levelling up ambition are articulated in the submission as follows:
 - **Clean growth** - A dedicated Net Zero North programme to develop transformational low carbon projects, such as the N8 Net Zero North proposition, backed by a Northern Investment Fund. Back a flexible, regional approach to energy innovation and regulation and set energy efficiency measures as a national infrastructure priority. Deliver proof of concept demonstrators and pilot utilising carbon pricing and natural capital accounting to inform viability assessments alongside reform of Green Book appraisal processes.
 - **Education, skills and work** - Give places the freedom to match education and skills provision to local opportunities, with the inclusion of skills as a minimum in all forthcoming Northern devolution deals. Address the underinvestment in early years provision and maintain and enhance the commitment to delivering a high performing technical education system. Commit to close the disadvantage gap in secondary education with a further investment of £1 billion a year in Northern schools and reform the Pupil Premium to better target funding for disadvantaged pupils.
 - **Productivity and innovation** - Rebalance UKRI R&D funding in line with the opportunities for growth presented by the North's key sectors and improve productivity in low-wage, low-productivity businesses and

sectors. Dedicated Northern innovation funding to unlock commercially-driven collaboration in regional strengths.

- **Trade and Investment** - Provide the North with additional ownership of, and freedom to lead investment and trade through a jointly owned midterm strategy with Department for International Trade. Establish a performance management framework for investment that aligns with the priorities of the Northern Powerhouse Independent Economic Review to attract investment and trade. Establish a pan-Northern capacity fund to support local authorities and partners to develop investment propositions at scale.
- **Transport** - A Northern Budget for transport to deliver the TFN plan, with long-term local transport budgets to support development of new and existing infrastructure, better connecting people to jobs. A 'new deal for rail', with progress on High Speed 2 and Northern Powerhouse Rail, and devolution of control and shared accountability for the North's rail network. Reform appraisal methodologies, and develop a national infrastructure strategy that responds positively to the recommendations from the National Infrastructure Assessment.
- **Digital** - Support a pan-Northern digital skills programme to retrain businesses and workers for an increasingly digital world. Support the creation of a digital poverty programme, which improves access to digital connectivity and devices for those that need it. Establish a Future Digital Fund - incentivising accelerated private sector delivery of full fibre and 5G wireless connectivity.
- **Culture, leisure and tourism** - Establish a national strategy and programme of activity to support the resilience of the Northern cultural and visitor economy. Work with Government to support the review of the DMO structure in England, leading to a better coordinated and more sustainable local approach to building back the tourism sector post Covid-19. Support to increase productivity across the North's visitor economy.
- **Housing** - Establish a new Housing Infrastructure Fund for the North, to improve viability through tackling the excess costs of development on previously developed land, and strategic town centre and local house building projects needed to unlock land values and growth. Incentivise forward looking local plans that support wider growth, by reviewing the standard method for establishing local housing need and include devolution of housing delivery powers and funding to Combined Authorities. Establish an innovation corridor across the North in Modern Methods of Construction to accelerate delivery, alongside high quality and best design standards.

2.6 The above priorities align closely and nest with the region's ambitions and policy response to Covid-19 which is considered elsewhere on the agenda, and also with the Combined Authority's spending review submission as summarised in the following section.

Combined Authority / LEP submission

2.7 Recognising the significant impact of COVID-19 on our places, the Combined Authority / LEP spending review submission focusses on three areas key to enabling a recovery that will also deliver on Government's levelling up agenda for the Leeds City Region and support the national recovery:

1. Investment into the West Yorkshire economy based on the economic recovery plan, including:
 - £60 million Health-tech proposition
 - £194 million Transition to Net Zero proposition
 - £159 million Lives Transformed by Digital proposition
 - £340 million Entrepreneurship proposition
 - £50 million Culture and creative industries proposition
 - £465 million Economic recovery skills ask
2. Long-term transport investment based on the transport recovery plan, including:
 - Accelerating delivery of a low carbon, innovative WY Mass Transit System
 - An enhanced partnership for buses in West Yorkshire
 - Supporting a new integrated ticketing and information offer for passengers
 - Commitment to an integrated rail plan for the North & Midlands
 - Support for a West Yorkshire connectivity plan and pipeline
 - Support for a West Yorkshire decarbonisation pipeline
 - Support for Transport for the North's Economic Recovery Plan
3. Further asks to deliver sustainable funding for levelling up, including:
 - Funding for Local Authorities and Combined Authorities to address past legacies of underinvestment in services and infrastructure
 - Next steps on devolution
 - £115 million per year through the UK Shared Prosperity Fund
 - Support for the adequate long-term funding of LEPs

2.8 In connection with the Combined Authority's submission, support was also provided to the specific representations for:

- Leeds City Region MIT REAP – a request for £17m over 2021-24 to implement a comprehensive package of 'ready to scale' interventions and programmes which will deliver economic growth.
- Act Early North - £10m over five years to create a global centre of prevention research in Bradford that will provide policy makers with the evidence they need to inform cost-effective preventative health policy and early years interventions in the lives on young people.

Covid-19 Statement

2.9 On 8th October, the Convention of the North and NP11 prepared a joint statement in response to the recent surge in Covid-19 cases across the UK, to call for urgent dialogue with the Government on a joint plan of action around

the following: management of any restrictions; financial support, including for business, employees, and places; an integrated and localised test and trace system; clear and consistent communications between local leaders and government; and supporting innovation in the retail and hospitality sectors to manage and adapt to Covid-19 transition.

- 2.10 Given the pace and magnitude of recent events, including the implementation of new tiered restrictions, regional deals, and national announcements around financial support, a verbal update will be given at the meeting on the status and progress that has been made on the joint plan.

3. Clean Growth Implications

- 3.1 Delivering clean growth is central to the ambition of the Convention for the North and NP11 as set out at Section 2.5 of the report. The LEP / CA submission included the propositions from the Economic Recovery Plan including an ask of £194m for the Transition to Net Zero.

4. Financial Implications

- 4.1 None arising directly from this report.

5. Legal Implications

- 5.1 None arising directly from this report.

6. Staffing Implications

- 6.1 None arising directly from this report.

7. External Consultees

- 7.1 None arising directly from this report.

8. Recommendations

- 8.1 The LEP Board is asked to:
- Note the CA / LEP Spending Review Submission
 - Note the Spending Review submission: the levelling up Deal for the North; and Covid-19 Statement as set out in Section 2 of this report.
 - Discuss opportunities to progress the priorities set out in the Spending Review submission and summarised at Section 2.5.
 - Consider the types of financial support needed for the region as proposed in the Covid-19 Statement, including for business, employees; and support needed for innovation in the retail and hospitality sectors to manage and adapt to Covid-19 transition, as summarised at Section 2.9.

9. Background Documents

9.1 None

10. Appendices

10.1 Appendix 1 – Convention of the North / NP11 Spending Review Submission

10.2 Appendix 2 – Convention of the North / NP11 Covid-19 Statement

The Levelling Up Deal for the North

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Convention of the North

September 2020

Spending Review Submission

The North at a Glance

Key Facts



- Population of 15.5m
- Size of the economy: £351.5bn of GVA
- 174 • Net zero opportunity: 50% of England's renewable energy, 35% of jobs in low carbon goods and services
- £59bn Northern goods exported in 2018 – more than Scotland, Wales & NI combined
- 331 newly secured FDI projects, which created 10,256 new jobs between 2019-2020

Our Assets



Distinct Economic & Industrial Strengths, including our prime capabilities outlined in the Northern Independent Economic Review.



Proud People with a reputation for endeavour, wit and grit, and communities which embrace inclusivity and diversity.



Devolution of Power & Decision-making to and within the North, so that initiatives are developed with the North, rather than for the North.



Phenomenal Natural Assets with nearly half of England and Wales' national parks, and a stunning coastline.

Our Principles



Strong Sense of Identity rooted in a culture that celebrates our individual places and our common Northern heritage.



Working Together where this makes sense for our region, but enabling our towns, counties and city regions to shape their own places, recognising that the whole is greater than the sum of the parts.



Actions Not Just Words. A strong desire to get on with the job and take ownership of our future.



A Positive Vision of how the North can lead the way in growing an inclusive economy for all our people and the country. Powering up the North and all of the UK is the way to improve the country's economy and living standards.

The Levelling Up Deal for the North

The Convention of the North was set up to create a powerful unifying voice for the North, with a positive vision of how we can lead economic and social transformation. Last September, we met, with NP11, in Rotherham, for the biggest ever gathering of Northern leaders, drawn from Councils and City Regions, Youth Parliaments, businesses, LEPS, universities and voluntary sector organisations across the North. We heard from the Prime Minister about his commitment to the Northern Powerhouse and levelling up and we discussed and debated ideas for transforming our economy. The manifesto that we then published was backed by every major newspaper group across the North.

We had been due to meet again this autumn in Liverpool to review progress towards our ambition of powering up the North. Unfortunately, we can't do this because of COVID-19, so instead we are publishing this autumn statement ahead of the spending review. It is our call to action to deliver levelling up and make good on the Prime Minister's promise to unite the country, and back the North.

The pandemic has both widened the levelling up challenge and made addressing it even more critical. The North has already been hit disproportionately hard by COVID-19, sadly with over 15,000 deaths, and we now face rising cases, more local restrictions, and surging youth unemployment. Even with the welcome Winter Economy Plan, this will still be a period of great hardship and economic vulnerability, underlined by the fact that 2 million Northern employees were on the furlough scheme this summer. But we are determined not to let history repeat itself with the scarring effects of recession that we saw in the 1980s. This time we must recover faster and not let the growth and productivity gap widen further. We need to build back better. As we enter an autumn that will require major decisions on economic recovery and managing the ongoing health crisis, the question is not whether but how levelling up should be delivered.

The North is a confident, optimistic region, with a diverse, passionate and proud people - great businesses, fantastic natural and economic assets, and strong governance and partnership working. We can lead the transition to the economy of the future, but to do this we need to overcome the barriers that are holding us back. Levelling up is about supporting the North to achieve its potential, as we create the post-COVID-19 economy.

We've seen a promising start. The furlough scheme has been essential, the review of the Green Book shows good intent, and pressing ahead with HS2 was a key decision. But the scale of what is required demands so much more. We are past the time for the right words about levelling up, what we need now is action to make it happen. We need a plan for levelling up for the North, that is about investing in people to close the opportunity and inequality gap, as well as investing in net zero growth and infrastructure, to close the productivity gap.

That requires a commitment to work with the North to build a fair and sustainable recovery. We stand ready to do our bit; to catalyse post-COVID-19 recovery through leading the transition to the hydrogen powered, digital, 4.0 economy of the future. The Convention gives us a powerful collective voice and we have a network of Mayoral Combined Authorities across the North, which we hope will be expanded and further strengthened through the next phase of devolution.

But for devolution to truly unlock the potential of the North, we need the investment, power and resources to get on with the job. This requires a new partnership between the North and central government working together in a common endeavour to build back better. That's why we have set out our CSR submission as a levelling up deal between the North and the UK Government.

What the North Will Do

We will lead a fair and inclusive economic recovery, building back better, with good business and good employment, working with LEPS, business, HE and FE to support the implementation of Kickstart and other employment support programmes, as well as creating a wider ecosystem of support for skills and education improvement to close the productivity gap. And we will continue to work closely with Government to co-ordinate the COVID-19 health response in our towns and cities, communicating with our residents, managing local restrictions, supporting our local public health test and trace systems, and liaising with schools, businesses and shops about safe opening.

We will lead the transition to the net zero economy of the future, catalysing our prime capabilities in energy, off-shore and renewables to power a sustainable future for the UK economy. We will tackle climate change, creating green jobs to retrofit existing housing and developing ambitious plans like the Northern Forest, and improving our flood defence and mitigation infrastructure.

We will lead the expansion of investment and export led growth, using the Northern Powerhouse brand to promote our strengths in health innovation, digital and advanced manufacturing and materials, including through the establishment of a Trade and Investment Leadership Board, and developing new initiatives like Freeports.

We will work with our businesses and universities to accelerate our innovation capacity across the North, improving institutional leadership by bringing together innovation leaders to ensure that we close the £4bn a year R&D investment gap, and working with the N8 Universities to support their ambitious Net Zero North plan to boost innovation, research and skills to drive the transition to clean growth.

We will support and promote the North's cultural and visitor economy, the renaissance of many of our towns and cities has been led by culture and the creative industries. We are determined to protect and develop this critical legacy as part of our recovery strategy, and across the region our fantastic visitor offer has been at the heart of the staycation upsurge this summer.

What We Need From Government

A new partnership with the North for recovery and levelling up, a cross departmental commitment to working in partnership with the North on every aspect of recovery, extending the approach of the Economic Recovery Group and the new Northern Transport Acceleration Council, where Mayors, Leaders and Ministers work together to broker practical solutions. That means on Kickstart, and other employment programmes, trusting Combined Authorities and LEPS to get on with the job of implementing their own local schemes. The substantial relocation of Government functions to places across the North will be important in building this partnership at policy and practice level. And the new Northern Powerhouse Growth body, will need to build on further devolution of powers to Mayoral Combined Authorities, be representative of all parts of the North, and add value on export, investment, recovery and levelling up strategy.

Deeper and wider devolution to give the North the tools and resources to get on with the job of delivering recovery, using the Devolution White Paper as an opportunity to extend Mayoral Combined Authorities across the North, so that the benefits of devolution are felt by all Northerners. But also deepening devolution to existing Combined Authorities, so that they are fully equipped to lead economic recovery, with full post 16 skills responsibility and funding, devolution of city region infrastructure budgets, linked to greater investment flexibilities and direct allocation of Shared Prosperity Funding.

Investment at scale to lead the net zero transition, with a new investment fund to drive future growth, closing the output gap requires long-term strategic investment, moving beyond traditional competitive bidding and HMT Green book processes, to establish a dedicated and substantial investment fund for the North, to fund innovation, and to provide equity capital for new tech and clean growth businesses. Backed up by new centres of excellence and dedicated Northern funding to unlock commercially-driven collaboration in regional strengths.

Investment in people not just buildings to level up opportunity and outcomes, with substantial social infrastructure investment in public health, prevention funds, early intervention, early years and family support and an extra £1bn a year on Northern schools to close the education and opportunity gap, that COVID-19 has further widened.

Full delivery of Transport for the North and more devolution over budgets and local services, with a transport budget for the North, protection and regulation of local buses, further improvements to last mile service and intra regional lines, and implementation of the Prime Minister's commitment to greater local control of local lines and stations in Northern metropolitan areas.

The Deal On A Page

What the North Offers

We will work with Government to unite the country, as we build back better, leading the transition to the hydrogen powered, digital, 4.0 economy of the future, through catalysing our 4 pan-Northern prime capabilities:

Advanced Manufacturing



Health Innovation



Energy



Digital



What the North Will Do

Lead a fair and inclusive economic recovery

Lead the transition to the net zero economy of the future

Lead the expansion of investment and export led growth

Work with our businesses and universities to accelerate our innovation capacity across the North

Support and promote the North's cultural and visitor economy



What We Need from Government

A new partnership with the North for recovery and levelling up

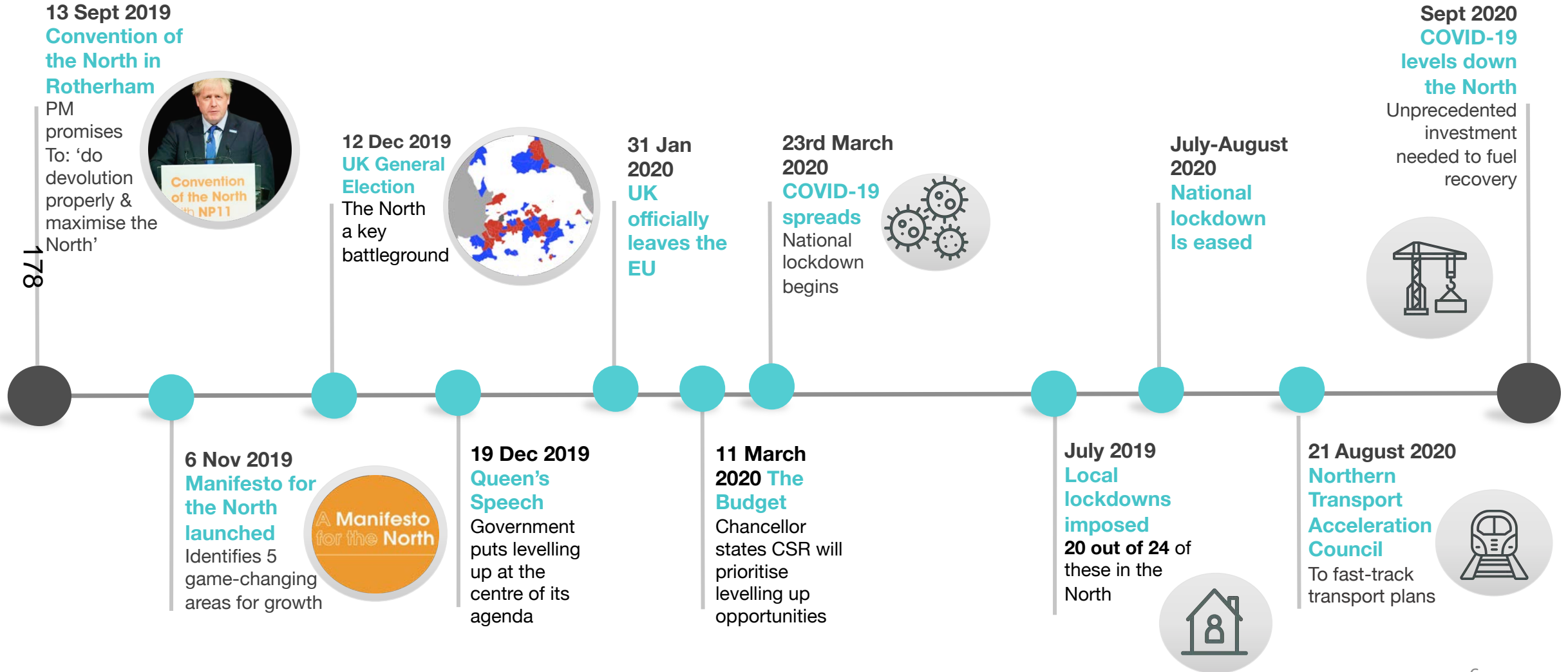
Deeper and wider devolution to give the North the tools and resources to get on with the job of delivering recovery

Investment at scale to lead the net zero transition, with a new investment fund to drive future growth

Investment in people not just buildings to level up opportunity and outcomes

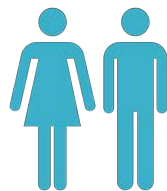
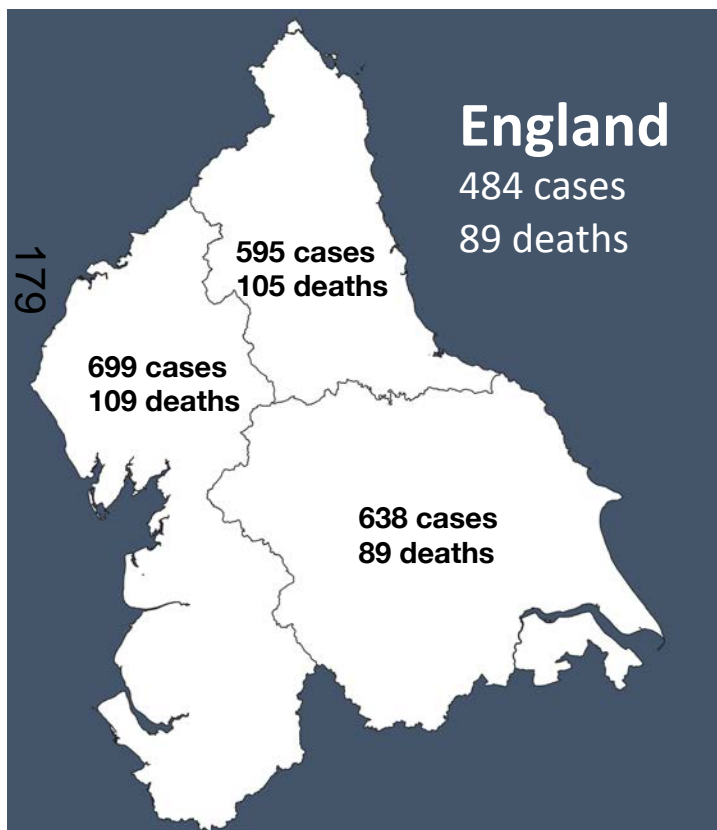
Full delivery of Transport for the North and more devolution over budgets and local services

Timeline 2019 – 2020 in the North



COVID-19's Impact on the North's People

Northern Regions have a higher incidence per 100,000 people ...



102,333 Confirmed Cases

15,532 Deaths

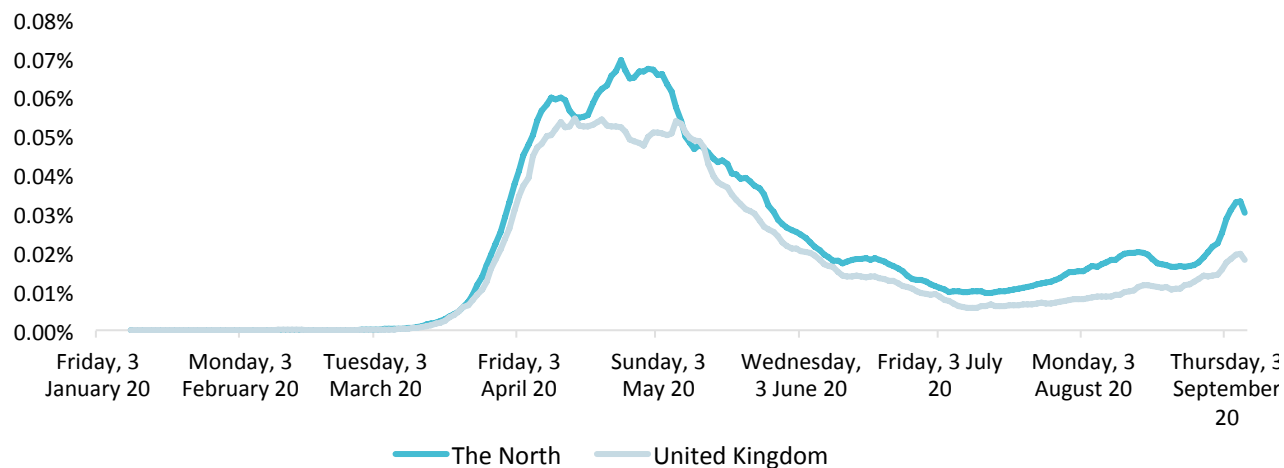


20 of England's 24 local lockdowns have been imposed in the North



2 in 3 in the North have been impacted by local lockdowns, compared to 1 in 5 in the Midlands and 1 in 140 in the South*

... and a higher proportion with COVID-19 at any one time

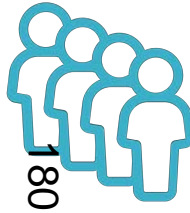


Data Sources: Deaths data – Metro Dynamic analysis of ONS data, Deaths involving Covid-19 by local area and deprivation; cases & COVID-19 infections data (proxy) - Public Health England, 7th September 2020; and local lockdowns data: Department of Health & Social Care as of 20th September 2020. South= South East, South West, London & East of England.*

Covid-19 Impact: The Recovery Challenge



An estimated 20.7% decline in GVA between 2019 and 2020 Q2



Over 2million of the North's workforce on furlough



Higher Universal Credit claims per 1,000 population

North East: **101**
North West: **98**
Yorkshire & the Humber: **88**
England: **86**

The underlying vulnerability of Northern businesses is highlighted by the £3.2bn paid in support grants so far...

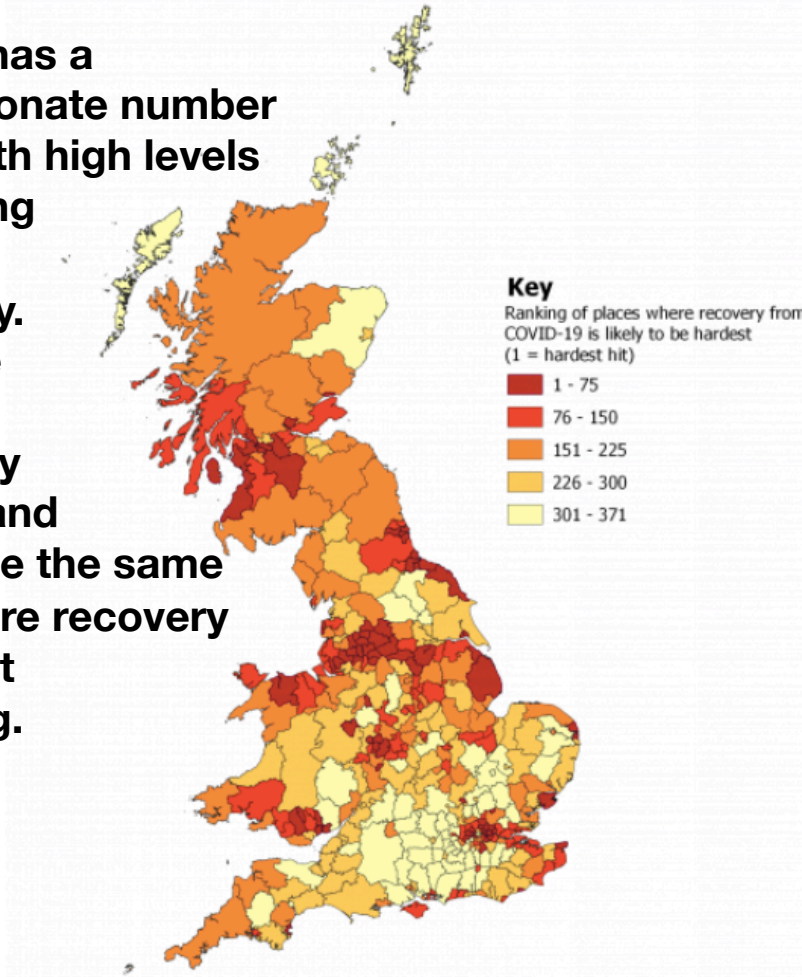


Only 11% of Future Fund money has gone to firms in the North, compared to 72% in the South & SE. To meet the scale of the recovery challenge we need allocations closer to the 40% of the Getting Building Fund that Government announced for the North in August.

Data sources: GVA estimates - MD analysis of ONS Regional GVA (Balanced) by Industry, 2018; Universal Credit data - Department for Work and Pensions, 31st August 2020; furlough figures, claims as of 31st July - HMRC Coronavirus job retention statistics, 21st August 2020; Business grant support - BEIS Coronavirus grant funding, as 31st August 2020; Future Funds - House of Commons Treasury Select Committee, The Economic Impact of Coronavirus: The Challenges of Recovery, September 2020; and Getting Building figures - MHCLG statement, 4th August 2020.

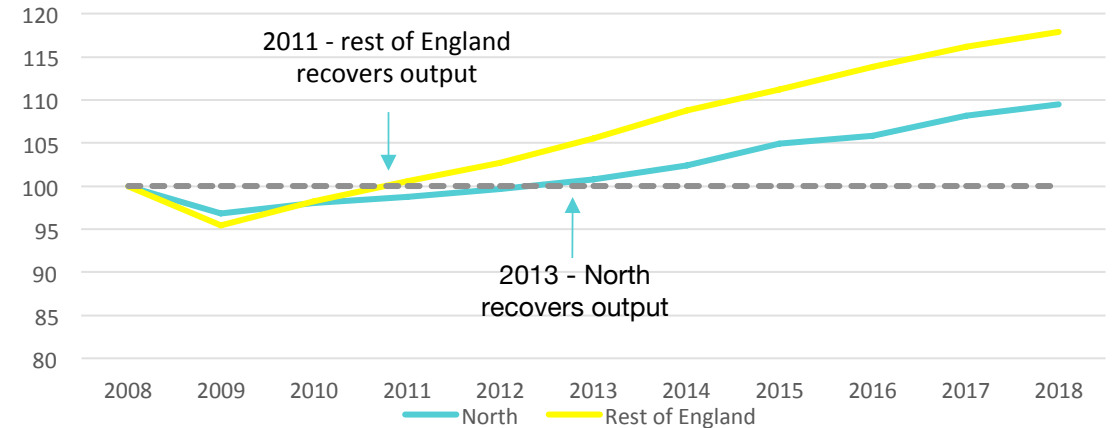
Covid-19 Impact: The Threat of Levelling Down

The North has a disproportionate number of areas with high levels of underlying economic vulnerability. These have been badly impacted by COVID-19 and are set to be the same places where recovery will be most Challenging.



Data sources: Map - Joseph Rowntree analysis of OBR Coronavirus Analysis using OS data; GVA data - Metro Dynamics analysis of ONS (balanced) GVA by industry - NUTS1, NUTS2 and NUTS3 (chained volume measure).

In 2008, following the recession, recovery in the North was much slower than the rest of the UK...



... and post-crash output in the North **remains 8% lower than the rest of England**, relative to 2008

The North now needs investment at scale to recover & rebalance its economy - to avoid falling further behind and exacerbating existing socio-economic inequalities

Northern Recovery

The Need for Action

As the COVID-19 pandemic evolves from a health crisis to an economic one, the need for a unified voice making the case for investment in the North is even more crucial.

The North has not fared well as a result of UK economic policy: the pandemic has shed further light on the long-standing structural challenges and imbalances across the area. Intervention and support from Government to support place as a central component in economic rebalancing coupled with the promotion of inclusive growth is warmly welcomed in the shape of Government's ongoing commitment to 'levelling up economic opportunity across all regions of the country by investing in infrastructure, innovation and people.

Despite the economic, social and human costs, COVID-19 provides a significant opportunity for the North to build on our strengths including in highly productive sectors such as advanced manufacturing, health innovation, energy and digital.

We have strong and ambitious plans for a Northern recovery that will establish a just and fair society for future generations. The interventions proposed to address the imbalances are not entirely new - action has been long championed by the North. COVID-19 has accelerated the need for action, not reshaped it.

Devolved

COVID-19 has had asymmetric impacts on places and people, but much of the national response was, inevitably, place blind. This makes the need for place based and people centred approaches to the North's recovery ever more important.

Living with COVID-19 means business and communities are increasingly reliant on strong local leadership and robust public services. Yet local government is under serious financial threat through a combination of increased spending and reduced income, which has only been partially met by government support. Northern authorities, already under increased cost pressures, are significantly affected. They must be adequately funded to deal with the ongoing challenges of living with COVID-19, ranging from temporary lockdowns, to an increased demand for care, to the need for local leadership of renewal.

Fair & Inclusive

COVID-19 has shown how systemic shocks exacerbate the deep inequalities in our society. The pandemic and the economic shock it has created has had a disproportionate impact on our most disadvantaged communities and particular groups including black and minority ethnic residents, women, migrants, people in poverty and the elderly.

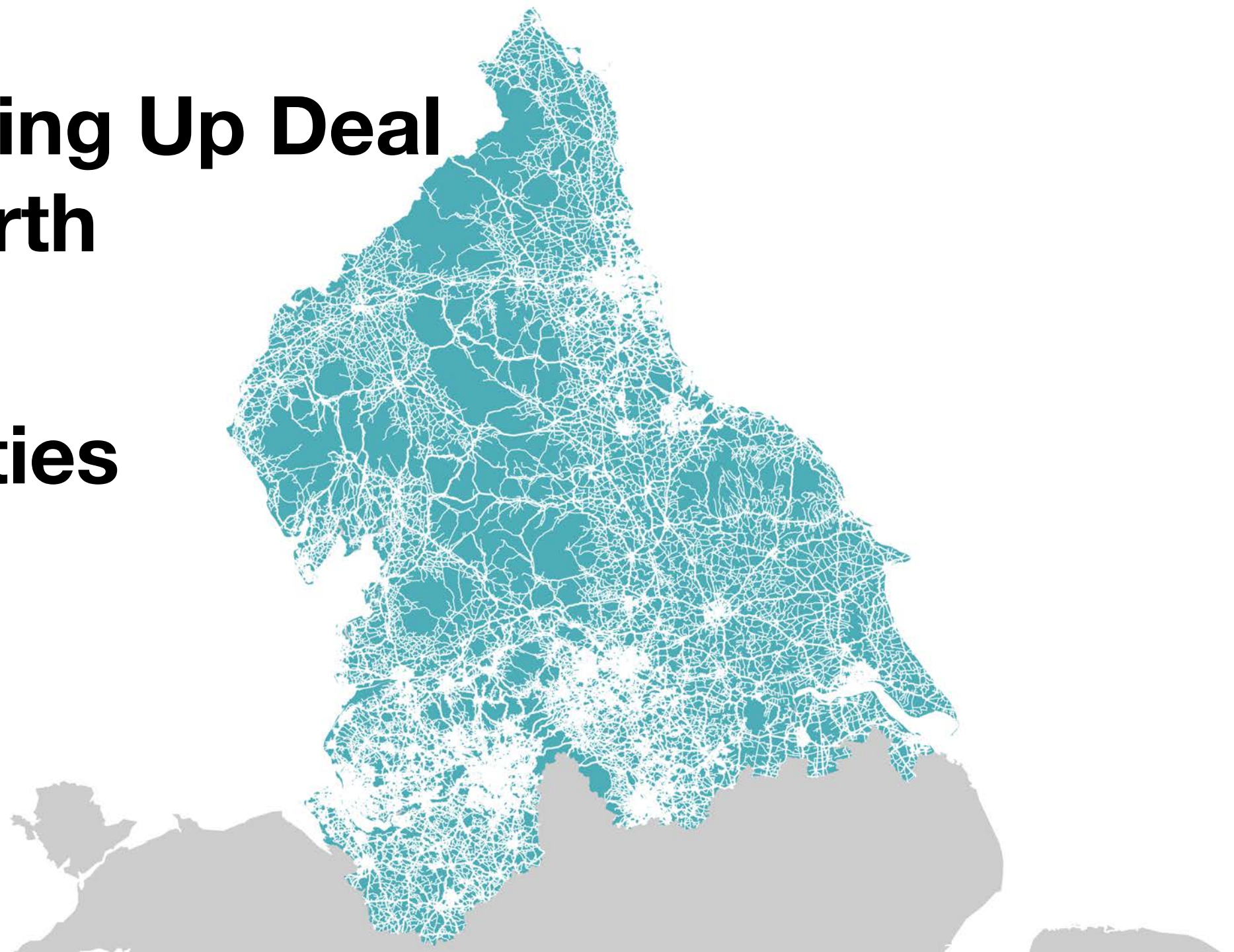
As we continue to respond to the ramifications of the pandemic there is a clear recognition in our recovery plans that we owe it to our communities to build back better. We need a fair, inclusive and sustainable recovery that puts people at the heart of our plans.

This approach is widely supported by policymakers - the EU has published ambitious proposals for a recovery plan to build "a more sustainable, resilient and fairer Europe" and global leaders have also recognised that the UN Sustainable Development Goals (SDGs) can support global responses that leave no-one behind.'

All of the Northern recovery plans that were reviewed set out the need for a truly inclusive recovery. That means that our dialogue with Government should explicitly focus on tackling the economic and social inequality and exclusion that existed before COVID-19, but have been exacerbated by it.

The Levelling Up Deal for the North

Our Priorities





Clean Growth

The North of England has made significant contributions to the energy needs of the British economy since the industrial revolution. The North is the UK's Powerhouse: it generates over 40% of the UK's electricity, and almost a fifth of the electricity produced is exported to the rest of the UK. We know that the North generates over 90m tonnes of CO2 per annum: reflecting the significance of manufacturing and energy to the Northern economy.

Councils across the North have declared ambitious climate emergency targets: our plans have the potential to deliver both jobs and growth while putting global greenhouse gas emissions into structural decline. Our analysis shows the potential to deliver a 50% reduction in carbon levels by 2032, and add 100,000 new jobs and £2bn pa to the economy by 2050. Exploiting this opportunity will cement and extend our nationally and internationally competitive position in the field; fuelling industries of the future. As the hosts of COP26, this opportunity to accelerate global progress on climate change and demonstrate our leadership in this area should not be missed.

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What the North Will Do

- Deliver Net Zero North - Our industry, our capabilities, energy infrastructure and location makes the North the ideal location to lead and deliver on the Net Zero carbon commitment made by Government.
- Reduce energy consumption – COVID-19 has created an opportunity for a large-scale retrofit programme led by the North which will have profound environmental, social and economic benefits through improved health and well-being and skilled jobs in the area.
- Encourage industrial transitioning – supporting the production and use of low carbon goods, services and processes and energy clusters. Plus, stimulate demand for energy efficient and low carbon energy generation and storage.
- Take a whole systems approach to wider changes – strengthen local government energy planning, green development finance and capitalise on natural assets to promote sustainable land use.

What We Need From Government

- Support for our Net Zero North programme to develop transformational pan-Northern projects, including: low carbon transport, Carbon Capture Utilisation and Storage, Small Modular Nuclear Reactors, hydrogen, tidal power and decarbonised heat infrastructure; at-scale circular economy opportunities; and local actions plans for smart grid enabled clusters.
- Back a flexible, regional approach to energy innovation and regulation to allow the North to lead the low carbon energy revolution.
- Set energy efficiency measures as a national infrastructure priority, capable of attracting patient finance, incentivising the retrofitting of homes.
- Capture the full supply chain from energy investment, whether it be battery technology linked to offshore wind or the work needed when nuclear power stations come offline.
- Deliver proof of concept demonstrators, including for new technologies such as tidal power, low carbon transport, heating and smart grid enabled clusters.
- Pilot utilising carbon pricing and natural capital accounting to inform viability assessments alongside reform of Green Book appraisal processes, to enable local action on land-use and investment.



Education, Skills & Work

As COVID-19 took hold, the UK labour market was already characterised by some fundamental weaknesses. Despite high employment rates, there was persistent in-work poverty, poor productivity growth and work was failing to provide security for many workers.

As mechanisms like the CJRS are wound down, unemployment, poverty and inequalities are likely to rise. People and places with the lowest incomes are the most vulnerable. Young people, BAME workers, women, low paid and disabled workers have been most negatively impacted underlining the importance of an inclusive recovery. The need to give people the skills to succeed is even more urgent.

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Investing in education and skills is also vitally important to improve local productivity, and close the longstanding productivity gap between the North and the UK. The North needs all of our residents to be connected to good job opportunities and training, including vocational and academic education that suits their individual circumstances. We want to work with Government to ensure that those displaced and in danger of being displaced from work are supported to quickly transition into new roles that are rewarding, productive, and support our ambitions for sectorial development. This is especially important in supporting and accelerating our plans around a greener economic recovery.

As well as targeted action to improve the skill levels of the North's existing population retaining and attracting more skilled individuals back to the North is equally important. Our plans also focus on further investment in jobs, infrastructure, and innovation to create an environment in which the highly skilled want to live and work.

What the North Will Do

- Establish a cross-sector vision for a well-educated and skilled North where talent is nurtured and in-work training is available and accessible for all.
- Establish a world leading vocational and technical education system.
- Adopt good employment charters – set a common definition of Good Work for the whole of the North and encourage more employers to commit to high standards.
- Establish an enhanced schools catch-up programme to help pupils make up lost learning to ensure that young people are not permanently disadvantaged.
- Promote better support systems and networks to help people learn and work productively and healthily focussing on good physical and mental health in the workplace.

What We Need From Government

- Support efforts to establish a labour market that reduces the persistent dependence on precarious and low-paid work.
- Give places the freedom to match education and skills provision to local opportunities, with the inclusion of skills as a minimum in all forthcoming Northern devolution deals, whilst giving influence over all post 16 skills funding to those who seek it.
- Address the underinvestment in early years provision, reflecting the critical importance of this phase of education in shaping the life chances of our citizens.
- Maintain and enhance the commitment to delivering a high performing technical education system.
- Commit to close the disadvantage gap in secondary education with a further investment of £1 billion a year in Northern schools through reforms and further additional investment in the pupil premium.
- Resolve the challenges around apprenticeship provision and funding, particularly for smaller businesses.
- Reform the Pupil Premium to better target funding for disadvantage pupils by allocating more to those eligible for free school meals throughout their schooling, addressing the most entrenched barriers to social mobility.



Productivity & Innovation

The emerging 'One Nation' Research and Development strategy recognises that for too long there has been a grave misallocation of R&D spending, damaging the opportunities for the North to drive economic growth. Furthermore, research estimates that many parts of the UK have missed out on government R&D spending, to the tune of £4bn each year, which could have leveraged a further £8bn from the private sector.

Additional investment is essential - as the impact of the pandemic takes hold and Northern businesses will have less access to capital. The gaps in the availability of capital and shortage of productive and innovative firms in the North of England to contribute, in part, to the differences in productivity between London, the Greater South East and the North of England.

186 Innovative and high-growth firms are most affected, particularly within regions that are peripheral and have large rural areas with sparse bank branch networks. There is evidence that innovative firms in peripheral regions are more likely to have their applications for finance rejected, and that geography matters in the financing of innovative firms. Developing capital investment in small businesses is a long-term mission and requires effective state intervention and support.

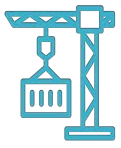
Productivity remains the key long-term route to improved living standards, but must be achieved in a way that unlocks good work and good growth. We know that our innovation expertise positions us to drive economic growth and deliver social change in major global themes such as the increased use of AI/Big Data, the shift towards clean growth, and an ageing society. Northern higher education institutions are also playing an increasingly active role in supporting innovation and knowledge transfer in the local economy supporting our ambitions to build a thriving North that balances economic, health and environmental outcomes.

What the North Will Do

- Improve institutional leadership by bringing together innovation leaders.
- Identify opportunities to boost R&D spending, scale up innovation projects and share information between sectors, partners and universities.
- Increase private sector-led R&D investment, ensuring that it develops and commercialises frontier technologies within the North's prime capabilities.
- Develop knowledge exchange and supply chains and drive applications into global markets.
- Establish a long-term approach for delivering transformational impact on productivity, identifying industrial alignment and skills shortages.

What We Need From Government

- Rebalance UKRI R&D funding in line with the opportunities for growth presented by its key sectors, working with Northern partners to align academia, research, SMEs, and industrial priorities.
- Develop a roadmap to demonstrate how levelling up public funding in research will contribute to the national target to increase the UK's spend on research and development (R&D) to 2.4% of GDP by 2027.
- Introduce a dedicated Northern funding to unlock commercially-driven collaboration in regional strengths.
- Increase the scale of investment in skills and infrastructure.
- Introduce supportive fiscal measures to help recapitalise businesses at risk or incapable of growth due to equity erosion.
- Support investment in research, innovation and commercialisation to drive long-term prosperity, particularly in the implementation of the UK Innovation Roadmap.
- Improve productivity in low-wage, low-productivity businesses and sectors.



Trade & Investment

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The North has great potential to grow, with much to offer investors, and is committed to better capitalising on our assets to fulfill ambitions. Exports currently account for 24% of Northern Powerhouse GDP – the UK average is 30%, and only 7.5% of businesses in the North export, relative to a UK average of 9.5%. Foreign Direct Investment (FDI) projects create or safeguard just 90 jobs per 100,000 population in the North, compared to a UK average of 180 per 100,000.

The North has economic strengths in high-value, high tech industries. Our four prime capabilities are international class clusters of sectorial, academic, occupational and infrastructural strengths and we are actively using these to attract investment and promote exports.

We have created a Trade and Investment Proposition, with analysis that shows the potential by 2030 for an additional £53bn-£61bn of GVA and 15,000 jobs per annum created or safeguarded through inward investment. 10,500 of these would be managerial, professional and technical-grade jobs. The transformational context in which we now operate, makes this proposition even more relevant and will position the Northern economy well to thrive in this era of transition.

To achieve this, we have proposed a programmed of operational activity – including significantly extended account management, scaled-up programmes, and dedicated overseas posts—and strategic improvements, including strengthened international connectivity.

What the North Will Do

- Establish a framework for collaboration at a pan-Northern level.
- Develop an intelligence led approach to export and investment that will target businesses with export capabilities and latent export potential, directing them to the funding and support they need.
- Target international businesses in our prime capabilities to further enhance their global value chain position.
- Build the Northern brand internationally.
- Collaborate to find and exploit opportunities to market the North.

What We Need From Government

- Provide the North with additional ownership of, and freedom to lead investment and trade through a jointly owned midterm strategy with Department for International Trade.
- Enhanced resources and greater local control over existing resources to market the North and its businesses.
- Establish a performance management framework for investment that aligns with the priorities of the Northern Powerhouse Independent Economic Review to attract investment and trade.
- Work with the North to identify and deliver the scale of investment required to level up the North's exports and inward investment.
- Establish a pan-Northern capacity fund to which local authorities and partners may bid to develop investment propositions of scale.

Transport

The potential economic value of transformational growth in the North is huge. Better transport will unlock it, with increased investment influencing the functioning of labour markets, business productivity and competitiveness in the area.

Transformational improvements to the North's transport connectivity are critical to help us achieve the vision of a globally competitive area that can sustain economic growth, making the North a more attractive and buoyant marketplace. Improving connectivity within and between important economic centres will ensure the North's people and businesses are better connected to their work and better able to do business.

Devolution of increased funding is also a key driver in promoting growth and reducing regional disparities. The National Infrastructure Commission recommended that Transport for the North could be extended to hold the full Northern Powerhouse strategic transport budget. This would ensure transport connectivity is removed as a barrier for growth and in turn reduce regional disparities. The establishment of a new Northern Transport Acceleration Council is a welcome step to help deliver tangible improvements that the North needs, but it will need genuine powers and decision-making abilities to be truly effective.

Our Strategic Transport Plan (STP) aims to rebalance decades of underinvestment and transform the lives of people in the North. It outlines how up to £70 billion of investment to 2050 could contribute towards an additional £100 billion in economic growth.

What the North Will Do

- Back a 'new deal for rail' with commitment to HS2 and the entire Northern Powerhouse Rail programme.
- Devolved control of transport systems will support our ambitions.
- Prioritise improvements for passenger and freight rail users to deliver transformational growth.
- Adopt new technologies to support a greener cleaner economy and accelerate plans to support the decarbonisation of transport.
- Back local control of bus services and deliver better bus services for our communities.

What We Need From Government

- Fund a Northern Budget for transport alongside long-term local transport budgets to underpin both new and further development of existing infrastructure to better connect people to jobs.
- Provide clarity about the Northern Powerhouse growth body purpose and its relationship to Government Departments and existing Northern structures.
- Provide a 'new deal for rail', with progress on High Speed 2 and Northern Powerhouse Rail. That means the devolution of transport funding to local areas as well as a Transport Budget for the North, enabling full delivery of the Transport for the North plan, and supporting the devolution of control and shared accountability for the North's entire rail network programme.
- Devolve control of transport systems to our places to enable London-style transport management with a financial settlement to enable expanded, extensive and better funded bus services.
- Reform appraisal methodologies, which reward high wage areas with evidence of congestion rather than opportunities for wider economic benefit and opportunity for future growth, encouraging growth in less productive places, help encourage transformational investments and support as a priority low carbon public transport.
- Provide financial support to assist drivers and small businesses to switch to greener alternatives, emphasising the potential of active and green travel.
- Develop a national infrastructure strategy that responds positively to the recommendations from the National Infrastructure Assessment.



Digital

The COVID-19 pandemic has challenged our ways of living and working together, highlighting the importance of digitisation across the North. New technologies have kept our businesses and services running, supported education and helped families stay connected. This is likely to trigger structural changes with increased home working, e-commerce and digital health services. Connectivity is a key driver of digital transformation and opportunity and, with the unprecedented national shift to working home-working, the demand for digital access and infrastructure has never been higher.

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Meanwhile, the North's digital economy is thriving and the pace of change following the pandemic is accelerating exponentially. There are numerous digital specialisms across the North and our tech businesses produce £9.9bn in GVA, which equates to 5.2% of the North's total economic output.

We have ambitious plans to nurture Northern talent to facilitate the sector's continued growth, which in turn will drive the UK's world-class digital capabilities and economic performance.

What the North Will Do

- Expand our thriving digital economy to drive world-class capabilities, capitalising on opportunities across the Grand Challenges.
- Develop a Northern skills programme to upskill businesses and workers for a digital world, driving improved productivity.
- Collaborate to develop innovative ways of strengthening digital inclusion so all Northern communities can benefit from the digital economy.

What We Need From Government

- Support a pan-Northern digital skills programme to retrain businesses and workers for an increasingly digital world.
- Work with us to create a digital poverty programme, which improves access to digital connectivity and devices for those that need it.
- Establish a future digital fund - incentivising accelerated private sector delivery of full fibre and 5G wireless connectivity.
- Prioritise the North for 5G investment focused on connected health, prevention and climate change.



Culture, Leisure & Tourism

The North has a strong sense of identity, proud people, and phenomenal natural assets. The coronavirus pandemic highlighted the significant contribution of culture, leisure and tourism to the vitality of our societies. Councils are one of the biggest funders of culture and leisure, spending around £2.2 billion a year on these services and have recognised the sector as an integral component to overall Northern recovery.

As we work to recover, we have a unique opportunity for the North to work with Government to launch a recovery programme that recognises that each area faces different challenges and has lost different elements of its cultural offering.

Whilst Government intervention to date with initiatives like the CJRS has helped to support the sector in the short term, we are looking to a longer term focus on reinventing the sector with a clear emphasis on fairness and inclusivity including ensuring fair and equal access to cultural opportunities and support for independent workers, artists and venues.

With creative industries powering the growth of the UK's workforce, adding new posts at twice the rate of the rest of the economy, it is also essential that the sector is supported as a significant employer in the North.

What the North Will Do

- Build on the North's cultural heritage and phenomenal natural assets and develop a more inclusive thriving and vibrant society that ensures equal access to cultural opportunities.
- A commitment to level up the visitor economy in the North, including the establishment of a pan northern collaboration to enhance the cultural and visitor economy.
- To support DMO's in the North leading to a better coordinated and more sustainable local approach to building back the tourism sector post-COVID-19.

What We Need From Government

- Establish a national strategy and programme of activity to support the resilience of the Northern cultural and visitor economy.
- Provide immediate, short term funding to strengthen the resilience and capacity of DMOs to support industry recovery.
- Work with Government to support the review of the DMO structure in England, leading to a better coordinated and more sustainable local approach to building back the tourism sector post-Covid-19.
- Support to increase productivity across the North's visitor economy.



Housing

The North is a great place to live, with proud heritage and culture, and an outstanding natural environment. Building on our strong track record of rebalancing, regenerating and repurposing local areas, we are pursuing an ambitious house building agenda to build high-quality, affordable housing and integrate it fully with the wider growth and renewal of local places. This will create new jobs and local supply chains quickly, and over the longer term attract and retain a skilled workforce and grow the North's share of the working population, relieving pressure on land elsewhere.

We're leading innovation in construction technologies to decarbonise new homes and are continuing to drive reductions in carbon emissions by improving our housing stock and living environments.

Our vision is to create great places for people to live, which in turn enables the the North to become a magnet for new business and talented people. We are already making a difference. In the last 3 years the North delivered 56k thousand homes pa, above a 10 year trend of 35k. But research for Homes for the North by CEBR and QUOD suggests that the North needs 65k homes per year to support our transformational growth plans. Current rules around investment funding and needs assessment actively reduce the amount of money available for housing in the North.

We want to work with Government to address the issues that hold back housing growth in the North, from lower land values, poor viability and infrastructure gaps, correcting market failures that are particularly concentrated in many Northern communities.

What the North Will Do

- Establish a Northern Housing strategy, working with Government and Homes England – making the case for growth and maximising capacity in the North.
- Launch an ambitious house building agenda with housing investment at the heart of repurposing and renewing our town centres and high streets, creating new jobs as well as making towns and places more attractive to retain and attract talent, with culture as well as connectivity.
- Lead on sustainable regeneration, driving reductions in carbon emissions and fuel poverty by improving housing stock and living environments whilst creating new green jobs and local supply chains.
- Provide safe and affordable homes for all, located where they are most needed to drive economic renewal.

What We Need From Government

- A new, scaled up Housing Infrastructure Fund for the North, to improve viability through tackling large scale infrastructure projects, the excess costs of development on previously developed land, and strategic town centre and local house building projects needed to unlock land values and growth. This would subsume the existing Brownfield Land Fund.
- Embed this approach in Homes England investment strategy and a new appraisal and investment framework – designed to enable quality housing development and ensure that the North can build homes and regenerate neighbourhoods to align with the economic growth needs set out in the NPIER.
- A new domestic “green deal” to support retrofit and a scaled up decarbonisation fund.
- Incentivise forward looking local plans that support wider growth, by reviewing the standard method for establishing local housing need and include devolution of housing delivery powers and funding to combined authorities.
- Establish an innovation corridor across the North in Modern Methods of Construction to accelerate delivery, alongside high-quality and best design standards.
- Commit to demanding standards for energy efficiency in new homes, supporting Government's net zero target, bringing forward the Future Homes standard for new housing from 2025 to 2023.

Summary of Key Asks to Government

Clean Growth

A dedicated Net Zero North programme to develop transformational low carbon projects, such as the N8 Net Zero North proposition, backed by a Northern Investment Fund.

Back a flexible, regional approach to energy innovation and regulation and set energy efficiency measures as a national infrastructure priority.

Deliver proof of concept demonstrators and pilot utilising carbon pricing and natural capital accounting to inform viability assessments alongside reform of Green Book appraisal processes.

Education, Skills & Work

Give places the freedom to match education and skills provision to local opportunities, with the inclusion of skills as a minimum in all forthcoming Northern devolution deals.

Address the underinvestment in early years provision and maintain and enhance the commitment to delivering a high performing technical education system.

Commit to close the disadvantage gap in secondary education with a further investment of £1 billion a year in Northern schools and reform the Pupil Premium to better target funding for disadvantaged pupils.

Productivity & Innovation

Rebalance UKRI R&D funding in line with the opportunities for growth presented by the North's key sectors and improve productivity in low-wage, low-productivity businesses and sectors.

Dedicated Northern innovation funding to unlock commercially-driven collaboration in regional strengths.

Trade & Investment

Provide the North with additional ownership of, and freedom to lead investment and trade through a jointly owned midterm strategy with Department for International Trade.

Establish a performance management framework for investment that aligns with the priorities of the Northern Powerhouse Independent Economic Review to attract investment and trade.

Establish a pan-Northern capacity fund to support local authorities and partners to develop investment propositions at scale.

Transport

A Northern Budget for transport to deliver the TFN plan, with long-term local transport budgets to support development of new and existing infrastructure, better connecting people to jobs.

A 'new deal for rail', with progress on High Speed 2 and Northern Powerhouse Rail, and devolution of control and shared accountability for the North's rail network.

Reform appraisal methodologies, and develop a national infrastructure strategy that responds positively to the recommendations from the National Infrastructure Assessment.

Culture Leisure & Tourism

Establish a national strategy and programme of activity to support the resilience of the Northern cultural and visitor economy.

Work with Government to support the review of the DMO structure in England, leading to a better coordinated and more sustainable local approach to building back the tourism sector post-Covid-19.

Support to increase productivity across the North's visitor economy.

Digital

Support a pan-Northern digital skills programme to retrain businesses and workers for an increasingly digital world;

Support the creation of a digital poverty programme, which improves access to digital connectivity and devices for those that need it

Establish a Future Digital Fund -incentivising accelerated private sector delivery of full fibre and 5G wireless connectivity

Housing

Establish a new Housing Infrastructure Fund for the North, to improve viability through tackling the excess costs of development on previously developed land, and strategic town centre and local house building projects needed to unlock land values and growth. .

Incentivise forward looking local plans that support wider growth, by reviewing the standard method for establishing local housing need and include devolution of housing delivery powers and funding to combined authorities.

Establish an innovation corridor across the North in Modern Methods of Construction to accelerate delivery, alongside high quality and best design standards.

Convention of the North

The NP11 is the business-led voice for the North that brings together the 11 Local Enterprise Partnerships (LEPs) from across the North of England. It plays a leading role in realising the vision for an economically thriving Northern Powerhouse that drives economic prosperity, international competitiveness, and inclusive growth that benefits everyone across the North's great towns, cities and rural communities.

Its members include:

Roger Marsh, Chair of Leeds City Region LEP and Chair of NP11; Clare Hayward, Chair of Cheshire & Warrington LEP; Lord Richard Inglewood, Chair of Cumbria LEP; Mo Islap, Co-Chair of the Greater Manchester LEP; Lou Cordwell, Co-Chair of Greater Manchester LEP; Cllr Stephen Parnaby OBE, Interim Chair of Humber LEP; Steve Fogg, Chair of Lancashire LEP; Asif Hamid MBE, Chair of Liverpool City Region LEP; Lucy Winskell OBE, Chair of North East LEP; James Muir, Chair of Sheffield City Region LEP; Paul Booth OBE, Chair of Tees Valley LEP; and David Kerfoot MBE, Chair of York & North Yorkshire LEP.

The Convention of the North brings together people from across the North, including businesses, trade unions, elected leaders, and community and faith groups, to speak with one voice on pan-Northern issues.

This year, due to the COVID-19 health pandemic, the Convention of the North is unable to gather in Liverpool as planned. Nevertheless, the Convention continues its work with this collective statement and plans to be back with a physical event next year.

Its steering group includes:

Nick Forbes, Leader of Newcastle City Council and Chair of the Convention; Susan Hinchcliffe, Leader of Bradford Council; Sir Richard Leese, Leader of Manchester City Council; Nigel Murphy, Deputy Leader of Manchester City Council; Carl Les, Leader of North Yorkshire County Council; Geoff Driver, Leader of Lancashire County Council; Keith Iddon, Deputy Leader of Lancashire County Council; Michael Green, Cabinet Member for Economic Development at Lancashire County Council; John Merry, Deputy Mayor of Salford; Karl Aspen, Leader of York City Council; Ben Houchen, Mayor of Tees Valley; Judith Blake, Leader of Leeds City Council; Julie Dore, Leader of Sheffield City Council; Greater Manchester Mayor Andy Burnham; Liverpool City Region Metro Mayor Steve Rotheram and Sheffield City Region Mayor Dan Jarvis; Roger Marsh, Chair of Leeds City Region Enterprise Partnership and Chair of NP11.

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Convention of the North and NP11 Covid 19 Statement

In the face of the recent surge in COVID-19 infection rates across the UK, Northern leaders and businesses have come together to call for urgent dialogue with the Government on a joint plan of action. As leaders of Councils and Business led Local Economic Partnerships across the North, we are deeply concerned about the rapidly growing health and economic impact of the pandemic, and we now we want to work with government to jointly devise a path forward that protects our communities and economies.

A new approach on both fronts is now needed, with infection rates having increased, not decreased, in 19 of the 20 areas where local lockdowns have been imposed. We support restrictions where these are effective at reducing the spread of the virus, but we want to see these kept to a minimum, both in scope and duration and we need greater transparency about the evidence on which they are based. The unclear and inconsistent rationale underpinning measures like the 10pm curfew, is causing widespread confusion, hitting local businesses but also having potentially unintended and harmful health impacts. This risks undermining the concerted national effort the Prime Minister is calling for. As we head into what will be a challenging winter, government must now engage with the North to create a more effective response.

The North's Economy on a Knife Edge

- **2 in 3 Northerners impacted by local lockdowns only 1 in 140 in the South**
- **20.7% decline in GVA between 2019 and 2020 Q2**
- **2m of the North's workforce furloughed in the summer**
- **Unemployment already doubled in many northern cities**
- **Big increase in 16-24 year olds on unemployment benefits, up as much as 475% in the worst hit areas**
- **1.4m people out of work by Christmas before any further restrictions**
- **Footfall in city and town centres down between 45-75%**
- **Up to a third of hospitality, retail, culture & tourism businesses closed in some places, with the sector vulnerable to any further restrictions**

This is a moment of great fragility for our local economies. The partial recovery we saw in the summer is already at risk of evaporating, as we face further restrictions, and the end of furlough. The North has been doubly hard hit by Covid, having to bear the lions share of local restrictions, and suffering a harsher economic impact - jeopardising the UK's future wellbeing and economic prosperity.

Both the Convention of the North with NP11 and Government want to ensure that this does not generate the scarring effects on people and communities that we saw in the 1980s. That's why we are united in our commitment to levelling up. The immediate challenge is to avert mass job losses and business closures. We now need urgent and far-reaching action to prevent a permanent and devastating levelling down effect.

In his speech at the Conservative Party conference, the Prime Minister reiterated his commitments to levelling up, and building back better and set out his ambition for the UK to become the *'the world leader in low cost clean power generation'*. We welcome these commitments and the North stands ready to play our part in making them happen.

The Convention of the North with NP11 set out in our Spending Review Submission (The Levelling up deal for the north) our offer to work in partnership with the government to deliver levelling up and clean growth. *We already generate 50% of England's renewable energy, and we can drive the UK's transition to the green economy of*

the future. But we can only pivot to this future opportunity if our local economies can survive through Covid, and right now many of them are on a knife's edge.

Council leaders from the UK Core Cities have already written to government setting out their plan for a new approach. This statement builds on that, representing a partnership of Councils, Mayoral Combined Authorities, and Local Enterprise Partnerships that covers a population of 15 million, across the North. We need urgent co-ordinated action to safeguard our communities and to protect our local economies from falling over. Our offer is to work with Government to develop an approach to the health and economic management of the pandemic which saves lives, protects jobs and maintains confidence in the social solidarity that will be required across all communities in the North.

The basis of this co-ordinated plan should be:

1. **An urgent dialogue between Mayors, local leaders and government to agree the basis of any new system of local restrictions**, including any potential tiered framework for local lockdown. This should include full sharing of data and evidence that underpins the case for any further restrictions. No decisions should be made or announced before this has happened.
2. **A Financial support package for places, businesses, organisations and employees**. This should be tailored to the severity of the restrictions, and their likely impacts on specific sectors, as well as on local jobs. It should support affected businesses to remain viable and to be able to adapt to Covid and support people to remain in work. Measures should include full financial support for those employees who need to isolate, local extensions of furlough support for at risk sectors, enhancing and extending the Covid business grant scheme, and local retraining and reskilling employment support packages for at risk employees. -
3. **An integrated and localised test and trace system** that uses vital local knowledge and respects diverse community needs, as well as local control of infection rate monitoring.
4. **Clear and consistent communication between the North leaders, Mayors and government**, where business voices are heard, and local leaders and Mayors act as the main channels of communication with the public and as the systems leaders, coordinating and managing interventions in their local areas.
5. **A pathway that goes beyond lockdown with ideas to help businesses in vulnerable sectors manage and adapt to COVID-19 transition**. Given the importance of critical retail and hospitality milestones like Christmas, we want to be able to help local businesses plan and innovate within a rational framework of town and city centre management. This could include an Innovation Fund to support the development of localised Covid Kitemark schemes for hospitality businesses linked to innovation in safety and outdoor provision.

This is a constructive agenda for joint dialogue on how the North and government can work in partnership to avert the worst effects of this pandemic. Together we can ensure the North is in the strongest possible position to build back better and to lead the transition to an economy based on clean growth.

Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **Governance Arrangements**

Director: Angela Taylor, Director of Corporate Services

Author(s): Julie Haigh, Senior Executive Support Officer

1. Purpose of this report

- 1.1 To receive the recommendations in Appendix 1 in relation to private sector membership of the advisory panels and to recommend these to the Combined Authority.

2. Information

- 2.1 The Combined Authority currently appoints a number of Panels which advise both the Combined Authority and the LEP, with Panel Chairs reporting directly to the LEP Board. The Panels are as follows:
- Business Innovation and Growth Panel
 - Employment and Skills Panel
 - Green Economy Panel
 - Inclusive Growth and Public Policy Panel
 - Place Panel
- 2.2 A number of existing Panel members' terms of office are due to come to an end imminently. It is proposed that their terms are extended as a reflection of the valuable contribution they make to the work of the Panels and the LEP as a whole and the importance of ensuring continuity whilst work is ongoing further to the West Yorkshire devolution deal and in accordance with being MCA ready.
- 2.3 As a consequence, it is proposed to extend the Panel members' terms of office by **one further year** at this time, recognising that the current decision making structures and procedures of the Combined Authority and the LEP may change going forward. Further advice will be provided to the LEP Board about what this might mean for the Panels in due course.

2.4 The LEP Board is therefore asked to receive the recommendations as set out at **Appendix 1** to this report and recommend these to the Combined Authority at its next meeting.

3. Clean Growth Implications

3.1 None arising directly from this report.

4. Financial Implications

4.1 None arising directly from this report.

5. Legal Implications

5.1 None arising directly from this report.

6. Staffing Implications

6.1 None arising directly from this report.

7. External Consultees

7.1 None arising directly from this report.

8. Recommendations

8.1 The LEP Board is asked to:

- note the contents of this report
- consider the recommendations in relation to private sector members of the advisory panels as at Appendix 1
- propose these to the Combined Authority at their next meeting.

9. Background Documents

9.1 [HM Government \(2018\), *Strengthened Local Enterprise Partnerships*](#)

10. Appendices

10.1 Appendix 1 – Private Sector representatives on advisory panels

Private Sector representatives on advisory panels (as at November 2020):

Panel	Private Sector Representative	Organisation	Sector	Current term of Office	Recommendation:
199 Business Innovation and Growth Panel	Andrew Wright (Chair)	Hainsworth Ltd	Manufacturing	30 April 2023	
	Martin Booth	Witt UK Gp	Manufacturing	31 December 2023	
	Will Roebuck	eRadar	Urban/rural digital	14 December 2020	To endorse his membership of the panel and to extend the term of office to 31 December 2021
	Mike Danby	Advanced Supply Chain	Distribution	31 December 2020	To endorse his membership of the panel and to extend the term of office to 31 December 2021
	Philip Wilson	Slipstream Design	Digital	31 December 2020	To endorse his membership of the panel and to extend the term of office to 31 December 2021
	Simon Wright	Yorkshire Bank	Financial Services	31 December 2020	To endorse his membership of the panel and to extend the term of office to 31 December 2021
	Richard Paxman	Paxman Coolers Ltd	Manufacturing	30 April 2023 (with a further 3 year option)	
	David Sidlow	BorgWarner Ltd	Manufacturing	30 April 2023 (with a further 3 year option)	

Private Sector representatives on advisory panels (as at November 2020):

BIG Panel	Private Sector Representative	Organisation	Sector	Current term of Office	Recommendation:
	Andy Peterson	Communis	Digital Comms solutions	30 April 2023 (with a further 3 year option)	
	Amir Hussain	Yeme Architects	Creative	30 June 2023	
	Stephen Barker	Tarmac	Construction	30 June 2023 (with a further 3 year option)	
200 Employment and Skills Panel	Rashik Parmar (Chair)	IBM Academy of Technology	Digital	30 April 2022	
	Martin Booth	Witt Group Uk	Manufacturing	31 December 2023	
	Glynn Robinson	BJSS	Digital	31 December 2020	To endorse his membership of the panel and to extend the term of office to 31 December 2021
	Mark Cowgill	Exa Networks	Digital	30 April 2023 (with a further 3 year option)	

Private Sector representatives on advisory panels (as at November 2020):

	Private Sector Representative	Organisation	Sector	Current term of Office	Recommendation
ESP Panel	Orlagh Hunt	Yorkshire Building Society	Financial services	30 April 2023 (with a further 3 year option)	
	Richard Mason		Manufacturing & retail	30 April 2023 (with a further 3 year option)	
	Liz Needleman	BT	Communications & digital	30 April 2023 (with a further 3 year option)	
	Amanda Stainton	Portakabin Ltd	Manufacturing	31 May 2023	
	Claire Paxman	Paxman Coolers Ltd	Manufacturing	30 June 2023 (with a further 3 year option)	

Private Sector representatives on advisory panels (as at November 2020):

Panel	Private Sector Representative	Organisation	Sector	Current term of Office	Recommendation
202 Green Economy Panel	Simon Pringle (Chair)	Project Rome	Commercial strategy/innovation	30 April 2023	
	Bill Firth	emr group	Infrastructure/energy	31 December 2020	To endorse his membership of the panel and to extend the term of office to 31 December 2021
	Natasha Luther-Jones	DLA Piper	Legal	31 December 2020	To endorse his membership of the panel and to extend the term of office to 31 December 2021
	Alice Owen	University of Leeds	Higher Education	31 December 2020	To endorse his membership of the panel and to extend the term of office to 31 December 2021
	Richard Goodfellow	Addleshaw Goddard	Legal	30 April 2023 (with a further 3 year option)	
	Ben Tongue	NHS Digital	Health/Digital	30 April 2023 (with a further 3 year option)	
	Leah Stuart	Civic Engineers	Engineering	30 April 2023 (with a further 3 year option)	

Private Sector representatives on advisory panels (as at November 2020):

Panel	Private Sector Representative	Organisation	Sector	Current term of Office	Recommendation
Inclusive Growth and Public Policy Panel	Kate Hainsworth	Leeds Community Foundation	Third Sector	30 April 2023 (with a further 3 year option)	
	Claire Harrison	Care Quality Commission	Digital / Health & Social Care	30 April 2023 (with a further 3 year option)	
	Sam Keighley	Yorkshire Sport Foundation	Culture	30 April 2023 (with a further 3 year option)	
	Karl Oxford	African & Caribbean Business Ventures Ltd	Third Sector	30 April 2023 (with a further 3 year option)	
	Kamran Rashid	30 Chapel Street Ltd	Third Sector	31 December 2023 (with a further 3 year option)	
	Kully Thiarai	Leeds2023	Culture	31 December 2023 (with a further 3 year option)	
Place Panel	Andrew Latchmore	Shulmans	Legal/ Professional services	14 December 2023	
	Amir Hussain	Yeme Architects	Creative	30 June 2023	
	Helen Featherstone	Yorkshire Sculpture Park	Culture	31 December 2023 (with a further 3 year option)	

Private Sector representatives on advisory panels (as at November 2020):

Business Investment Panel	Simon Wright	Yorkshire Bank	Financial Services	31 December 2020	To endorse his membership of the panel and to extend the term of office to 31 December 2021
	Michael Allen	NatWest	Financial Services	3 January 2021	To endorse his membership of the panel and to extend the term of office to 3 January 2022
204	Jonathan King	Medusa Holdings Ltd	Manufacturing	3 January 2021	To endorse his membership of the panel and to extend the term of office to 3 January 2022
	Gareth Yates	Ward Hadaway	Professional Services	3 January 2021	To endorse his membership of the panel and to extend the term of office to 3 January 2022
	Colin Glass	WGN	Professional Services	26 September 2021	

Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 17 November 2020

Subject: **Corporate Performance Report**

Director: Angela Taylor, Director, Corporate Services

Author(s): Jon Sheard, Head of Finance

1. Purpose of this report

- 1.1 To provide the LEP Board with an update on a range of corporate and governance matters.

2. Information

- 2.1 As previously agreed, a corporate performance report is now being submitted to each meeting of the LEP Board, to provide information on budgets, performance management, risk, audit, scrutiny and any other matters that emerge. This is in line with recommended practice as set out in the Strengthened Local Enterprise Partnerships document and in line with the commitments in the Assurance Framework.

Revenue Budgets 2020/21

- 2.2 A summary of the 2020/21 spend as at August 2020 compared to the approved revenue budget is attached at **Appendix 1**. A RAG rating has been included to identify budgets that need further review.
- 2.3 There are a number of emerging and continuing 'red' areas of concern to report. These are related to the Covid-19 pandemic. Key impacts are being felt across commercial income, bus station costs, commission from travel card / MCard sales, bus revenues (for gross cost contracts) and transport service costs.
- 2.4 Work continues to develop a balanced budget position by the financial year end, taking into account the budget gap caused by Covid-19, which has only been met in part by additional government funding.

2020/21 LEP Annual Delivery Plan and Corporate Plan

- 2.5 The LEP Annual Delivery Plan, as approved at the September meeting of the LEP Board has been designed as a standalone document, but also forms an

integral part of the organisation's overarching Corporate Plan, which sets out the priorities for the LEP and the Combined Authority as a whole.

- 2.6 The wider Corporate Plan is structured around four overarching corporate priorities of boosting productivity, delivering 21st Century transport, enabling inclusive growth and supporting clean growth. A comprehensive suite of performance indicators has been developed to measure the organisation's specific contribution towards achieving these four corporate priorities. An assessment of progress against these indicators for the financial year to date has been undertaken and a summary of the results of this is provided in **Appendix 2** as part of the wider corporate performance snapshot.
- 2.7 The analysis of performance against objectives to date reflects a positive position overall. Most of the indicators are assessed as green, indicating objectives supporting the strategic aims and themes for the region have been achieved.

Business planning and budget 2021/22

- 2.8 Work has commenced on the development of budgets and business plans for the 2021/22 financial year. These will be set in the context of the wider financial pressures caused by the Covid-19 pandemic and the new funding framework and responsibilities that will be introduced through the Mayoral Combined Authority model.
- 2.9 The four overarching strategic priorities of boosting productivity, 21st Century transport, enabling inclusive growth and tackling the climate emergency will continue to form the basis of the 2021/2022 business plans, in addition to considering objectives which are centred around delivering value for money and improving efficiency.
- 2.10 It will however also be necessary to build some flexibility into business plans for 2021/22, in order to take account of issues arising from both the Covid-19 recovery and the formal exit from the European Union. These matters give rise to significant risk and uncertainty that need to be taken into account in the budget setting process. Additionally future funding remains uncertain, including continuation of some existing LEP funding streams and it is hoped that the one-year Comprehensive Spending Review on 25 November may bring some clarity.

Corporate risk update

- 2.11 In line with the provisions of the corporate risk management strategy, regular review of the key strategic risks affecting the organisation continues to be undertaken and the corporate risk register updated accordingly.
- 2.12 A summary of the headline strategic risks is included at **Appendix 2** to this report. This summary also includes the key strategic risks related to the ongoing Covid-19 pandemic. These strategic risks are supplemented by detailed operational risks which are being managed through the organisation's

Gold command incident response structure, which is coordinating the response to, and recovery from, the Covid-19 pandemic.

Internal Audit

- 2.13 The internal audit plan as approved by the Governance and Audit Committee of the Combined Authority covers the activities of the whole organisation. To date no audit assignments specifically on LEP activities have yet been completed for 2020/21, with a significant proportion of audit resource this year being focussed on supporting the work on becoming a mayoral combined authority.

Overview and Scrutiny Committee

- 2.14 At its last meeting the Overview and Scrutiny Committee considered the response to Covid-19 including the work of the Economic Recovery Board, as well as information on corporate performance. A number of working groups have also met to consider specific elements of the mayoral preparation workstreams, including the revised assurance framework, finances and organisational preparedness.

3. Clean Growth Implications

- 3.1 None arising directly from this report.

4. Financial Implications

- 4.1 As set out in the report.

5. Legal Implications

- 5.1 None arising directly from this report.

6. Staffing Implications

- 6.1 None arising directly from this report.

7. External Consultees

- 7.1 None.

8. Recommendations

- 8.1 That the LEP Board note the corporate performance information provided.

9. Background Documents

- 9.1 None.

10. Appendices

10.1 Appendix 1 - 2020/21 Revenue budget monitoring

10.2 Appendix 2 - 2019/20 Corporate performance update

Agenda Item 12

Appendix 1

West Yorkshire Combined Authority Revenue Budget 2020/21	42%		Utilised %	Notes / Commentary	RAG Rating
	Budget £	Actuals 31st August 2020 £			
Employee Costs	28,220,649	9,559,194	33.9%	High staffing vacancies, net of pay award not agreed.	
Indirect Employee Costs	1,359,584	428,166	31.5%	Spend to date - as expected due to timing of pension invoice.	
Premises Costs	6,088,828	1,857,588	30.5%	Spend to date - as expected due to premises invoices paid in arrears	
Supplies and Services	5,639,485	701,730	12.4%	Spend to date - lower than expected due to Covid 19 and invoices in arrears	
ICT Related Costs	2,669,678	1,211,102	45.4%	Spend to date - as expected due to certain ICT costs paid in advance	
Travel, Subsistence & Transport Costs	325,280	102,676	31.6%	Less staff travel due to Covid-19 plus also claims are in arrears	
Tendered Bus Services	25,435,452	12,340,073	48.5%	Spend in line with Government requirements during lockdown - though expecting additional costs due to Covid-19	
Concessions	55,157,492	22,643,616	41.1%	Spend in line with Government requirements during lockdown	
Prepaid Tickets Costs	35,800,000	2,436,704	6.8%	Mcard payment significantly reduced - Covid-19 - offset by Mcard sales ##	
Grants and Agency costs	813,735	650,753	80.0%	Spend as expected	
Consultancy and Professional Services	3,581,578	786,597	22.0%	Spend as expected	
Financing Charges	6,676,400	465,610	7.0%	Spend as expected - accrued at the Year End	
Total Expenditure	171,768,161	53,183,810	31.0%		
Income - Transport	(11,576,000)	(1,198,007)	10.3%	Covid19 - Impact on bus station & bus services income	
Income - Grants / Funding	(13,101,349)	(5,750,373)	43.9%	Grants received as expected	
Enterprise Zone Receipts	(2,307,000)	(5,153)	0.2%	EZ receipts expected to be received in arrears	
Interest Received	(1,386,000)	(211,063)	15.2%	Investment Interest in arrears - however high Covid19 impact on returns	
Income - Operational	(2,612,924)	(371,980)	14.2%	As expected - revenue project claims in arrears	
Capitalisation / Internal Recharges	(12,786,888)	(2,711,532)	21.2%	Income as expected	
Pre Paid Ticket Income	(35,800,000)	(2,436,704)	6.8%	Mcard sales significantly reduced - Covid-19 - offsets by payments ##	
Transport Levy	(92,198,000)	(40,551,661)	44.0%	Levy receipts as expected	
Total Income / Funding	(171,768,161)	(53,236,473)	31.0%		
Net Expenditure Total	(0)	(52,664)			

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Corporate performance snapshot

Corporate risk summary

		Probability	Impact	Mitigation summary	
211 Very high	CRR-SD1	<p>There is a risk that we fail to fully deliver projects and programmes (i.e. Growth Deal) within timescales or budget, or with the anticipated level of benefits, due to over-optimistic profiles, capacity within both the Combined Authority and District partners and recruitment and retention challenges.</p>	Possible 3	Critical 5	<ul style="list-style-type: none"> • Significant monitoring and controls in place through PMO • Continuing support through 'District Pool' project resource • Ongoing Review of WY+TF portfolio with Chief Highways Officers
	CRR-SD2	<p>There is a risk that there are challenges and disruption to the way in which the Combined Authority provides services and the resources available to deliver those, due to uncertainty surrounding the UK's future relationship with the EU.</p>	Possible 3	Critical 5	<ul style="list-style-type: none"> • Organisation wide Brexit action plan in place • Ongoing liaison with Bus Operators for reassurance on preparation for fuel or labour shortages • Communications and media campaign focusing on effective signposting and support • Monitoring of legislative developments • Additional grant funding available to support local businesses • Secured additional resources, and refocussed existing ones, to support more businesses to prepare for Brexit and to gain a better understanding of impacts/opportunities on the economy. • Identifying any projects which may be vulnerable to shortages in skilled labour or supply chain disruption
	CRR-SD5	<p>There is a risk that there will be a major impact on achievement of organisational objectives and/or a need to reconsider objectives and divert resources, due to a major unanticipated change in national policy (Brexit; major change in govt policy).</p>	Possible 3	Critical 5	<ul style="list-style-type: none"> • Continued dialogue with Government • Policy and Strategy directorate continuing to monitor emerging national trends • Continued work with local LEPs and Combined Authorities
	CRR-SD6	<p>There is a risk that key corporate objectives cannot be met due to the long term impacts of the COVID-19 pandemic on the regional economy and on travel habits.</p>	Possible 3	Critical 5	<ul style="list-style-type: none"> • Research and Intelligence team modelling potential impacts and long term scenarios • Working closely with partners and representative groups to identify possible long term impacts and develop joint responses • Updating business plans to identify key areas for re-prioritisation

		Probability	Impact	Mitigation summary
CRR – FR3	There is a risk that the immediate, medium and long term financial health of the Combined Authority will be adversely affected due to the financial impacts of the COVID-19 pandemic	Possible 3	Critical 5	<ul style="list-style-type: none"> • Financial scenario planning undertaken and being continually updated • Continued liaison with Government to understand funding opportunities • Budget Working Group meeting to oversee response
CRR-SD8	There is a risk that there will be a significant increase in unemployment across the region, due to the ongoing economic disruption caused by the COVID-19 crisis and the end of the national Job Retention Scheme (furlough)	Likely 4	Serious 4	<ul style="list-style-type: none"> • Joint intelligence gathering on the employment impacts– including the demographic, sectoral and geographical impact • Current programmes – particularly the Employment Hub and [re]boot – have been flexed to support redundant and furloughed workers • Lobbying government for Combined Authorities to be resourced to support people into work and for a national job creation/wage subsidy scheme. • Recovery Plan developed including a focus on creating employment and self-employment opportunities.
CRR-FR4	There is a risk that the Combined Authority is placed under pressure to fund the reinstatement of commercial bus services threatened with withdrawal, due to premature withdrawal of emergency government funding support	Possible 3	Critical 5	<ul style="list-style-type: none"> • Continued liaison with Government on funding • Close liaison with bus companies to identify cost neutral/effective solutions • Review and adapt current mechanism to appraise social and commercial value of threatened services

		Probability	Impact	Mitigation summary	
21 High	CRR-DR1	There is a risk that a major contractor/supplier/recipient of Combined Authority funding encounters significant financial difficulties, or enters administration or liquidation, and are therefore unable to deliver agreed projects, due to current uncertainties within the construction industry.	Possible 3	Serious 4	<ul style="list-style-type: none"> Contractual KPIs & penalty clauses Agreed escalation routes in contracts Ability to de-scope via change requests with partner buy-in Embed security measures into as many contracts as possible e.g. bond, legal charge, priority in lending hierarchy Regular financial checks in place through Procurement & contract/loan monitoring External consultants procured to advise on future investment strategy/due diligence processes for more commercial deals
	CRR-FR2	There is a risk that there is insufficient floorspace to generate projected business rates income, due to challenges in bringing forward Enterprise Zone sites within Growth Deal funding and occupier incentive timescales.	Possible 3	Serious 4	<ul style="list-style-type: none"> Progress policy gap workstreams in parallel with Delivery Progress detailed due diligence & potential funding/overage agreement negotiations Identify other potential land/property income streams for GD monies
	CRR-SS1	There is a risk that a major accident or injury occurs at a Combined Authority facility, due to the high volume of people and inherent operational risks present in a bus station, transport interchange or Combined Authority facility.	Unlikely 2	Critical 5	<ul style="list-style-type: none"> Health and safety policies, procedures and processes in place Staff training Ongoing review of Health and Safety risks Working with district emergency planning units to share knowledge and develop joint plans Continued working with police on preventative measures Business Continuity and Disaster Management workshops taking place at corporate level
	CRR-DR2	There is a risk that significant travel disruption arises from the implementation of major transport investment programmes, due to their intrusive nature, and a lack of effective communication or co-ordination.	Possible 3	Serious 4	<ul style="list-style-type: none"> Close working with programme sponsors on phasing out of construction Mitigating travel arrangements Creation of a 'travel demand management plan' to inform and influence travel behaviours Economic analysis taking place to further assess current situations and potential future risks
	CRR-SD3	There is a risk that there is a substantial reduction or alternation of services to customers, due to the business failure, sale, or substantial change in bus/rail providers.	Possible 3	Serious 4	<ul style="list-style-type: none"> Close relationships with operators to obtain early warnings Dialogue with DFT, TFN Work commissioned and in progress to consider future bus options
	CRR-SD7	There is a risk that frontline services and business as usual activities cannot be adequately provided due to staffing availability issues as a result of the Covid pandemic	Possible 3	Serious 4	<ul style="list-style-type: none"> Staffing levels being monitored and individual circumstances being regularly reviewed Additional staff trained and redeployed into frontline positions Productivity being actively monitored

		Probability	Impact	Mitigation summary
CRR-SS2	There is a risk that a cyber security malware infection could infiltrate the organisation, due to the growth of cyber crime and organisation targeting which is increasing due to covid19	Possible 3	Serious 4	<ul style="list-style-type: none"> • Systems protected through firewalls • Additional cyber security software in place • Increased training for ICT staff • Regular testing
CRR-SD10	There is a risk that the Mayoral Order may not be prioritised for parliamentary time and the May 2021 election deadline missed, due to the significant number of other pressing matters within the parliamentary timetable (e.g. Covid19 response, Brexit) that are beyond our control.	Possible 3	Serious 4	<ul style="list-style-type: none"> • Ongoing dialogue with government • Consistent messaging to ensure that importance of timelines are recognised
CRR-SD11	There is a risk that the corporate processes, systems and structures needed to support the MCA will not be in place by May 2021, due to the scale of work required within challenging timescales and the need to maintain business as usual activities.	Possible 3	Serious 4	<ul style="list-style-type: none"> • Comprehensive resource mapping exercise taken place across the Corporate Services directorate, and action taken to address key pressure points • Areas identified where consultancy support can be used to relieve pressure on staff

				RED	significantly off track and at risk of not being achieved
				AMBER	at risk of not being fully achieved, intervention measures in place
				GREEN	considered to be completion track to be complete/achievable
West Yorkshire Combined Authority - Corporate Performance Report 2020 - 2021 (Apr - Sept 2020)					
Boosting Productivity: Helping businesses to recover from the COVID-19 pandemic and helping people find and retain good jobs					
	Indicator / Measure	Target	YTD results (Apr -Sept 2020)	Progress update and RAG status	
1. Develop and implement our COVID-19 Economic Recovery Plan	Successfully work with the West Yorkshire Economic Recovery Board to develop long term plans using robust economic and labour market intelligence, and to inform Government on investment required to drive the region's recovery	Economic Recovery plans supported by market intelligence and endorsed by Combined Authority at meeting in July. Secure Govt funding for delivery of 3 stages of the Economic Recovery Plan	On track	The West Yorkshire Economic Recovery plan has been developed in partnership with the West Yorkshire Economic Recovery Board, bringing together Local Authority leadership, public partners, trade unions and the private and third sector and presented to the Combined Authority in July. Plans and Performance indicators are being developed as part of the Rescue stage, to support Action Areas: Good jobs & resilient businesses, Skills and Infrastructure detailed in the Economic Recovery Plan.	
2. Support business to respond to the challenges & opportunities of Brexit & COVID-19. Providing intensive support to over 1,000 businesses	Number of businesses receiving intensive support for growth and/or business resilience - supported through Growth Service/BGP/SBG/IR/Brexit voucher	Increased from 1000 to 2000	1,131	543 businesses have received intensive support from Local Authority based Growth Managers, 201 businesses have received capital investment grants and 53 businesses have received business resilience advisory support through the Strategic Business Growth and Investment Readiness programmes.	
3. Take forward the Future Ready Skills Commission, delivering better skills and training opportunities to local people	Skills Commission: Complete delivery and agree recommendations. Publish/launch final report (September 2020)	Publish/launch final Skills Commission report by end of September 2020 then goes on to be influencing campaign	Complete	The Future-Ready Skills Commission is an independent, national Commission supported by the West Yorkshire Combined Authority and made up of experts and leading thinkers from business, education, local government and think tanks. Its primary scope is to understand how the skills system, from post-16 education through to adult skills and career development, could be shaped to better meet the needs of local economies with greater devolution across England, while meeting future challenges and opportunities in the workplace. Launched on 24 September, work is now underway on the post launch implementation plan	
4. Develop specialised business support programmes tailored to COVID-19 recovery	Alignment of programmes to the long term Economic Recovery Plan with support from West Yorkshire Economic Recovery Board and success demonstrated through market intelligence and consultation with local businesses and enterprise	Adaptable teams able to respond to the needs of businesses and local economy recovery, advising Government on regional business support requirements and managing, facilitating the issuing of grants and signposting businesses to available support	On track	Increased capacity of the Business Support Service at pace to accommodate 80% increase in business enquiries, introduced a Business Coaching scheme for small firms to gain free access to two hours of coaching support from private sector intermediaries. Developed a new Digital Resilience Voucher scheme to provide funding of up to £5k for small firms that need to invest in ICT to enable secure and effective remote working - over 500 applications received in its first week. Adapted the Investment Readiness programme to incorporate webinars on key recovery topics, such as access to finance, cashflow management and customer/supplier relations. Extended Strategic Business Growth programme by two months to provide additional intensive COVID-19 recovery support to 300 high growth SMEs. Further products are in development, including Peer to Peer Network, small firms' membership scheme and cyber security support.	
5. Invest in digital connectivity	Digital Infrastructure: developing a full fibre infrastructure programme across the region, focusing on hard to reach areas	External funding secured: Working with Department for Digital, Culture, Media & Sport (DCMS) / Building Digital UK (BDUK) on the new Outside In Programme to ensure the priorities of our region are represented and delivery of 100% coverage of gigabit capable broadband by 2025 (in line with national targets)	On track	Collaboration is ongoing with Department for Digital, Culture, Media & Sport (DCMS) / Building Digital UK (BDUK) with initial meetings taking place in August and September 2020, which gave local partners the opportunity to highlight local priorities that should be taken into account in the new national programme.	
6. Deliver another 170,000 square footage of commercial space through the Enterprise Zone programme.	Square footage of commercial floor space created through the Enterprise Zone programme	170,400 sq' ft	72,400 sq' ft	Construction progresses ahead of programme at South Kirby with a further 46,000 sq ft of accommodation to be completed by December 2020. Activity also continues at Gain Lane, with delivery of 72,000 sq ft of accommodation on programme to be completed by March 2021.	
Enabling Inclusive Growth: Enabling as many people as possible to contribute to, and benefit from economic growth especially those disproportionately affected by the pandemic					
	Indicator / Measure	Target	YTD results (Apr -Sept 2020)	Progress update and RAG status	
1. Provide a bus network that meets the needs of local communities in the context of COVID-19 recovery	The Bus Strategy contains measurements of accessibility to a bus service, patronage levels, modal and market share and environmental standards	The pre COVID headline target is to grow bus patronage by 25% from a 2018 baseline	Bus patronage is 55% of 2019 levels due to COVID	<ul style="list-style-type: none"> Bus Alliance (Voluntary Partnership) agreed with bus operators Initiatives in development to transform bus network to meet the changed economy- network navigation, MCard Mobile app and flexible ticketing Pre COVID work on bus network review will inform the Connectivity Plan which will be consulted on during winter 2020/21 Proposition to Government Spending review to devolve emergency bus funding to CA In principle agreement to develop an Enhanced Partnership to manage bus network jointly with operators 	
2. Support people to access employment & retrain, particularly those affected by the COVID-19 crisis	No. of people reached with information on careers linked to labour market information to promote better informed choices.	250,000	642,843	This month we have seen an acceleration through the reach of our campaigns. Social media still continues to be the highest driver of traffic to the FutureGoals website, with the biggest driver of traffic through Facebook advertising which has engaged 77% of the website's traffic. A successful social media campaign targeting individuals who are unemployed or looking for adult training has also increased the number of enquiries on the website significantly. Along with the increase in views there has been an increase in downloads of our FutureGoals resources, the numbers have doubled this month along with the unique views of new resources and the Creative Toolkit. These resources were developed in response to the pandemic. The increase is partly due to the schools returning and information being shared through the network.	
3. Work closely with schools and colleges to support our most disadvantaged young people	Disadvantaged schools and colleges from deprived areas engaged to improve performance towards good careers benchmarks.	92	21	Despite the restrictions on schools and colleges operating within the COVID-19 parameters, Enterprise Coordinators have had a positive start to the new academic year. The team have engaged with Careers leaders virtually to support strategically with their careers strategy and complete action plans. Overall we are ahead of target on action plans. Its anticipated things will become more difficult as schools focus in on continuation of curriculum with absence by 'bubble groups' causing instability to learning and staffing. We are addressing this by regional workshops to support and share good practice and working with our Enterprise Advisers on a new offer of support, to keep careers on the agenda.	
4. Continued delivery of [re]boot & Employment Hub	Individuals supported to upskill through: [re]boot, Employment Hub and teacher Continuing Professional Development (CPD) sessions.	1,000	429	Employment Hub data is due at the end of October. [re]boot has recorded 45 individuals supported with online learning this month. As schools return to learning CPD activity in schools has now resumed.	
5. Connect homes & businesses to superfast broadband	Number of premises connected to Superfast Broadband as a direct result of the Broadband programme	44,623	39,856	The West Yorkshire and York Broadband Contract 2 is on track for delivery despite Covid-19 impact causing some minor slowdown on the fibre delivery by our supplier, Openreach. However the team and supplier have worked together to achieve Q1 2020-21 target build, 1083 premises were connected within Q1 & Q2 as part of the current Broadband Programme. The Q2 contractual milestone of 39,846 was exceeded and we are on track to meet our next contractual target at the end of Q4 2020-21.	
6. Embed inclusive growth in all our policies	Ensure our pipeline of (new and existing) interventions, covering all policy areas, draws on and deliver against the Inclusive Growth Framework (once adopted).	Adoption of the Inclusive Growth Framework by Combined Authority and LEP in July 2020		The adoption process for the Inclusive Growth Framework has been paused pending the development and ongoing sign off process for the WY Economic Recovery Plan. The Plan has a strong focus on addressing socio-economic inequalities and delivering an inclusive economic recovery. Its proposed interventions are aligned with the draft Framework's strategic ambitions and goals. New target date to be confirmed.	
Delivering 21st Century Transport: Ensuring our transport network recovers to provide the services that people need, while laying the foundations for future improvements					
	Indicator / Measure	Target	YTD results (Apr -Sept 2020)	Progress update and RAG status	
1. Restore the bus network to meet changing demand in light of the COVID-19 pandemic and adapt to a new financial environment	Bus mileage is a measure of the level of provision Bus patronage is a measure of the level of bus use	To return the bus network to 100% of 2019 mileage and patronage	Bus mileage restored to 100% of 2019 levels Bus patronage at 55% of equivalent month in 2020	Whilst bus mileage has been restored to 2019 levels, demand for bus travel remains constrained by COVID restrictions and bus capacity is constrained by COVID safety/ social distancing. The funding gap created by the missing fare revenue is jointly covered by DfT and the Combined Authority paying concessions at 2019 levels. DfT funding is on a rolling 8 week notice period and the CA's revenue budget is at risk of overspend due to COVID. There is a risk to the bus network if emergency funding withdrawn prematurely.	
2. Refresh travel information to reflect changing travel behaviour	Adapt the travel information system and data provided to passengers to include occupancy information	Bus occupancy data on real time system available by September 2020	November 2020	This has not been progressed as swiftly as possible due to delays with achieving feeds from a significant operator's ticket machines. We are now anticipating that delivery will be achieved in November 2020.	
3. Introduce a Fare Deal for under 19s with a simple fare structure	Approval of Fare Deal for Young People under 19 approach and scheme by Combined Authority in March 2020, implementation September 2020	Combined Authority approval in March 2020, implementation September 2020	January 2021	COVID-19 related restrictions on bus capacity have resulted in our not bringing forward the Fare deal for young people at this stage, the objective of which is to grow bus patronage in this market. We are currently working towards a January 2021 implementation, although this will be subject to Covid restrictions being relaxed.	
4. Launch an MCard mobile ticketing app offering new products to a changed market	Launch a new MCard app	Launch a new MCard app by May 2020	MCard App launched	The MCard app was launched for bus only products in October 2020 and will be extended to include bus and rail ticket products from November 2020.	
5. Continue to develop plans for a Mass Transit system for West Yorkshire.	Mass Transit: Secure sufficient funding and develop effective plans	Milestones Secure funding from Combined Authority (June 2020), Strategic Outline Business Case (June 2021)		Proposals to make £2 million available to support the further development of a mass transit system have been approved by members of the West Yorkshire Combined Authority Investment Committee in July. The funding will help support the development of route options and the modes of transport that would be the most appropriate for each.	
6. Work with our partners to secure HS2 and Northern Powerhouse Rail for our region.	Strategic Rail: Influence Government to deliver HS2 Phase 2b in full and Northern Powerhouse Rail with a City Centre station in Bradford	Milestone (Government announcement dependent) - Agree petitioning approach and work with Transport for the North (TFN) on an Strategic Outline Business Case for March 2021 (subject to the review of HS2)	In progress	Government announced the prioritisation of the HS2 western leg work over the eastern leg, pending the outcome of the Integrated Rail Plan (IRP). We are prioritising influencing the IRP through for example, evidence to the National Infrastructure Commission and have worked with Leeds City Council to champion the project with other eastern leg authorities. Work on NPR continues with TFN on phasing and siting of options with a new target date of an SOBC for March 2021. Positive support for NPR route via central Bradford secured at September 2020 TfN Board meeting - crucial meeting will be November 2020 on route choices.	
7. Start delivery of the Transforming Cities Fund (TCF), to reduce reliance on the car and promote public transport, cycling and walking.	TCF 2020/21 spend achieved in accordance with agreed target	No projects commencing work in FY 2021 tbc / Spend targets to be confirmed and reported quarterly	TBC / £2,671,990	The majority of Transforming Cities Fund Programme projects achieved Decision Point 2 approval in Quarter 2, with 2 further projects progressing through Decision Point 3. Spend has initially been slow but forecast indicates this will increase over the next two quarters.	
Tackling the Climate Emergency: Ensuring a green recovery and accelerating our plans for a net zero carbon economy by 2038 at the latest					
	Indicator / Measure	Target	YTD results (Apr -Sept 2020)	Progress update and RAG status	
1. Publish a roadmap setting out how we achieve our ambition of becoming a net zero carbon economy by 2038 at the latest	Tackling the Climate Emergency: Sectoral pathways agreed and delivery plans developed	Milestones / Progress measure: Draft pathways produced (May 2020), final pathways produced (June 2020), number of delivery plans in place (tbc)	On track	Carbon Emission Reduction Pathways (CERP) study split into 3 tasks: 1. Pathways; 2. Implementation Roadmap; 3. Policy Recommendations / Actions. Task 1 completed and endorsed by CA 27 July. Currently engaging with partners and stakeholders to gain their input into Tasks 2 and 3 by early November. Aim to take these outputs to CA in February 2021 to endorse. Will also seek approval to consult with the public on the outputs with the view to judging appetite / acceptance and informing priorities. Progress has been slower than planned due to COVID-19 delaying planned input from partners and stakeholders.	
2. Deliver priority projects in the Energy Strategy	Energy Strategy: Performance against the Energy Strategy and Delivery Plan (performance dashboard capturing progress of projects in development and will be amalgamated into an overall RAG)	The dashboard of progress on projects to be Green and on track	On track	Of the 39 projects highlighted on the performance dashboard over half are either in progress or have been completed. A further 6 projects are pending the outcomes of the CERP. 11 projects have stalled and are not being progressed at this time. Resources to deliver the full programme of activity outlined in the dashboard continues to be the factor limiting progress. Extensive engagement with partners and stakeholders has and is being undertaken to shape the outcomes of the projects highlighted in the dashboard. Significant progress is being made to develop a long term plan to improving energy efficiency across the City Region's homes. The Combined Authority has also started a new project to strengthen decision making in the light of the Climate Emergency. A new carbon impact assessment tool is being developed.	
3. Help 150 businesses to lower their carbon impact through the Travel Plan Network and the RE: Biz resource efficiency programme.	No. of businesses intensively supported through TPN and RE: Biz	150	54	The Travel Plan Networks ability to support businesses continues to be affected by both the number of employees in the region working from home and key contacts (workplace co-ordinators) within businesses, either being redeployed into different departments or placed on the furlough scheme. As a result we remain behind on our overall targets but in response to this we have developed TPN communications to include more contact via social media and developed a new online platform on LinkedIn, in order that members can communicate more regularly and access business support effectively moving ahead. As a result we predict we will be able to work more intensively with businesses in the coming months. The Innovation Growth Managers are now working with a pipeline of businesses and working to complete diagnostics with all the referrals. This should continue to gather pace during the coming months	
4. Enable 8 schemes to enter the Energy Accelerator	Number of Low Carbon Projects supported through the Energy Accelerator to Gateway 2 (achieving signed Sponsorship Agreement) by 2021	8	3	7 agreements are currently being supported and are progressing well, with 3 projects also completed.	
5. Establish a connectivity plan & pipeline, promoting active & decarbonised travel for all communities	Establish a connectivity plan and pipeline promoting active and decarbonised travel	Milestones: Input into Spending Road (July 2020), Road Map and Action Plan is finalised Spring 2021.	On track	Completed Phase 1 of the West Yorkshire Emission Reduction Pathway Study, Phase 2, which is the co-design of the roadmap and action plan, including stakeholder and public engagement was delayed due to COVID-19. Stakeholder session are planned for September 2020. The Road Map and Action Plan is expected to be finalised by Spring 2021.	
6. Reduce carbon from the Combined Authority's assets	Carbon Reduction Initiatives in Bus Stations, Travel Centres and Offices	Bus Station/Travel Centres: to reduce energy and water consumption by 3% against 2019/20 baseline and increase recycling by 10%. Offices: Reduce energy and water consumption by a further 10%, increase recycling by a further 30% and switch to green/sustainable energy suppliers by April 2021	On track	Carbon reduction and increased recycling measures are being incorporated into scheme to improve Leeds Bus Station for delivery during 2021 and worked into scheme development for other bus stations and travel centres. Office targets will be revised as workforce have been remote working during lockdown, with a phased return planned at the end of 2020. Refurbishment works have commenced with carbon reduction measures being implemented.	

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**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD REMOTELY ON FRIDAY, 4 SEPTEMBER 2020**

Present:

Councillor Susan Hinchcliffe (Chair)	Bradford Council
Councillor Tim Swift MBE (Deputy Chair)	Calderdale Council (to minute 36)
Councillor Andy D'Agorne (Substitute)	York Council
Councillor Judith Blake CBE	Leeds City Council (to minute 39)
Councillor Stewart Golton	Leeds City Council
Councillor Jack Hemingway (Substitute)	Wakefield Council
Councillor Steven Leigh MBE	Calderdale Council
Roger Marsh OBE DL	Leeds City Region Local Enterprise Partnership
Councillor Shabir Pandor	Kirklees Council
Councillor John Pennington	Bradford Council

In attendance:

Ben Still	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Brian Archer	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Dave Pearson	West Yorkshire Combined Authority
Dave Haskins	West Yorkshire Combined Authority
Lindsey Daniels	West Yorkshire Combined Authority
Ruth Chaplin	West Yorkshire Combined Authority

30. Apologies for Absence

Apologies for absence were received from Councillors Keith Aspden and Denise Jeffery.

31. Declarations of Disclosable Pecuniary Interests

There were no pecuniary interests declared by Members at the meeting.

32. Exclusion of the Press and Public

There were no items that required the exclusion of the press and public.

33. Minutes of the Meeting of the Combined Authority held on 27 July 2020

Resolved: That the minutes of the meeting of the West Yorkshire Combined Authority held on 27 July 2020 be approved.

34. Covid-19

The Combined Authority considered a report of the Director, Economic Services on COVID-19.

Members were given an update on progress with the delivery and development of products and services in response to the crisis and discussed the current position.

The Authority endorsed the first complete version of the West Yorkshire Economic Recovery Plan which had been published in draft on the Authority's website. The plan focusses on three action areas of good jobs and resilient businesses, skills and training and accelerated infrastructure and will continue to be kept under review as the implications of the pandemic continue to develop.

In respect of the transport response, it was reported that Government had announced the continuation of the COVID-19 Bus Services Subsidy Grant (CBSSG) on a rolling eight week basis. Transport arrangements have been made to support the return to school/college which will need around 60 additional buses. The Department for Education has awarded £1.9 million to the Combined Authority to meet the cost of the additional school transport provision over the first half term.

Resolved:

- (a) That the progress on the delivery and development of the response to the COVID-19 crisis be noted.
- (b) That the first version of the West Yorkshire COVID-19 Economic Recovery Plan and supporting detailed propositions be endorsed.

35. Capital Spending and Project Approvals

The Combined Authority considered a report of the Director, Delivery on the progress and funding for the following schemes through the Combined Authority's assurance process:

- Transforming Cities Fund (TCF): Dewsbury-Batley-Tingley Sustainable Travel Corridor
- Corridor Improvement Programme (CIP) Phase 2 Delivery
- Brownfield Housing Fund Programme
- Active and Sustainable Travel across Bradford City Centre
- Connecting employment and skills centres in Dewsbury
- South Bradford Park & Ride and Expressway
- Network Navigation – West Yorkshire

- Transforming access to Bradford Interchange from employment areas – Bradford Interchange Station Access
- Transforming access to Brighouse and Elland Railway Stations
- Transforming bus and active travel opportunities between Dewsbury and Bradford (A638)
- West Bradford – Cycle Superhighway
- City Connect Phase 3 Canals
- Tong Street A650 Highway
- A660 Headingley Hills
- Enterprise Zone, Langthwaite
- A61 North

In addition, it was noted that since the last meeting, decisions on the following schemes have been made by the Investment Committee:

- Halifax, Walking Cycling and Bus Transformation Package – Halifax Bus Station
- Real Time Bus Information

In respect of the Growing Places Fund, the Authority considered and approved to delegate authority to the Section 73 officer to approve and vary any terms of repayment of individual Growing Places Fund loans, with any variations to be subsequently reported to the Business Investment Panel for information.

Members considered the need to deliver schemes within the tight timescales for Tranche 2 Emergency Active Travel Funding. It was agreed that because there is no Combined Authority meeting scheduled until 10 November 2020, authority be delegated to the Investment Committee to approve the pathway and to consider and give as appropriate approvals and decisions in relation to the allocation of the funding allocated by the Department for Transport.

Details of all the schemes were provided in the submitted report.

Resolved:

- (a) In respect of TCF: Dewsbury–Batley–Tingley Sustainable Travel Corridor –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Dewsbury–Batley–Tingley Sustainable Travel Corridor package project proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case)
- (ii) That an indicative approval to the total project value of £6 million is granted from the Transforming Cities Fund, with full approval to spend being granted once the scheme has progressed

through the assurance process to decision point 5 (full business case with finalised costs).

- (iii) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the package remaining within the tolerances outlined in the report.

(b) In respect of CIP Phase 2 Delivery –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the CIP Phase 2 Programme proceeds through decision point 2 (strategic outline case) and work commences on individual schemes to activity 3 (outline business case).
- (ii) That an indicative approval to the total programme value of £47.35 million is given from the West Yorkshire plus Transport Fund with full approval to spend being granted once the schemes have progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) That approval be given to development costs of £4 million from the West Yorkshire plus Transport Fund of which £3 million to fund business case development costs in order to progress schemes within CIP Phase 2 to decision point 3 (outline business case) and £1 million to be allocated to support programme resilience and contingency.
- (iv) That the Combined Authority enters into a funding agreement with: Kirklees council for expenditure up to £600,000; Calderdale council for expenditure up to £600,000; Bradford council for expenditure up to £670,000; Wakefield council for expenditure up to £1.13 million; all from the West Yorkshire plus Transport Fund.
- (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 4 (full business case) and decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.

(c) In respect of Brownfield Housing Fund Programme –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Brownfield Housing Fund programme proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case) and activity 4 (full business case) for individual schemes coming through the programme.
 - (ii) That an indicative approval to the total scheme value of £66.779 million is given from the Brownfield Housing Fund with full approval to spend being granted once individual schemes have progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (iii) That development costs of £5 million from the Brownfield Housing Fund are approved in order to develop and manage the programme and design and develop individual schemes to the next decision point.
 - (iv) That delegation of allocation of development costs and to enter into funding and legal agreements with Bradford, Kirklees, Wakefield, Calderdale and Leeds Councils and associated development activity as outlined in this report to a total combined value of £5 million from the Brownfield Housing Fund, is given to the Combined Authority's Director of Delivery to enable programme development and individual projects to progress to the next decision point.
 - (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at the next decision point through delegation to the Investment Committee and at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.
- (d) In respect of Active and Sustainable Travel across Bradford City Centre –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Active and Sustainable Travel in Bradford City Centre package project proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case).
- (ii) That an indicative approval to the total package value up to £30 million is given from the Transforming Cities Fund with full approval to spend once the package has progressed through the assurance process to decision point 5.

- (iii) That development costs of £1.67 million to complete outline business case development be approved. This will bring the total project approval to £2.15 million.
 - (iv) That the Combined Authority enter into an amended funding agreement with Bradford Council for development costs of £1.67 million from Transforming Cities Fund, taking the total project approval to £2.15 million.
 - (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the package remaining within the tolerances outlined in the report.
- (e) In respect of Connecting employment and skills centres in Dewsbury
- That following a recommendation from the Investment Committee, the Combined Authority approves:
- (i) That the Connecting Employment and Skills Centres in Dewsbury/ Active and Sustainable Travel in Dewsbury package project proceeds through decision point 2 and work commences on activity 3 (outline business case) for the Dewsbury Bus Station Replacement and Dewsbury town centre pedestrian and cycle improvement projects.
 - (ii) That an indicative approval to the total package value of £16 million is given from the Transforming Cities Fund with full approval to spend once the package has progressed through the assurance process to decision point 5.
 - (iii) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Portfolio Appraisal Team. This will be subject to the package remaining within the tolerances outlined in the report.
- (f) In respect of South Bradford Bus Park & Ride and Expressway –
- That following a recommendation from the Investment Committee, the Combined Authority approves:
- (i) That the South Bradford Bus Park and Ride and Expressway project proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case).

- (ii) That an indicative approval to the total package value of £20 million is given from the Transforming Cities Fund with full approval to spend once the package has progressed through the assurance process to decision point 5.
- (iii) That £335,000 of development costs have been approved to date for this scheme and a further £1.02 million development funding is to be approved from the Transforming Cities Fund are requested to take the scheme to decision point 3 (outline business case) bringing the total funding approved to £1.36 million.
- (iv) That the Combined Authority enters into an amended funding agreement with Bradford Council for this scheme up to £1.02 million from the Transforming Cities Fund bringing the total scheme approval to £1.34 million.
- (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the package remaining within the tolerances outlined in the report.

(g) In respect of Network Navigation - West Yorkshire –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Network Navigation project proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case).
- (ii) That an indicative approval to the total package value of £15.20 million is given from the Transforming Cities Fund and £300,000 from Integrated Transport Block funding with full approval to spend once the package has progressed through the assurance process to decision point 5.
- (iii) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the package remaining within the tolerances outlined in the report.

(h) In respect of Transforming Access to Bradford Interchange from employment areas - Bradford Interchange Station Access –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Transforming Access to Bradford Interchange package proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case).
 - (ii) That an indicative approval to the total Combined Authority funding of £13.2 million is given from the Transforming Cities Fund with full approval to spend once the package has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (iii) Development costs of £350,000 have been approved for this project to date. A further £2.69 million from the Transforming Cities Fund be approved to progress to decision point 3 (outline business case).
 - (iv) That the Combined Authority enter into an amended funding agreement with Bradford Council for additional development costs of up to £2.69 million from the Transforming Cities Fund, taking the total amount approved to £3.04 million.
 - (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the package remaining within the tolerances outlined in the report.
- (i) In respect of City Connect Phase 3 Canals –
- That following a recommendation from the Investment Committee, the Combined Authority approves:
- (i) That the CityConnect Phase 3 canals project proceeds through decision point 3 (outline business case) and work commences on activity 5 (full business case with final costs).
 - (ii) That an indicative approval to the total project value of £1.363 million is granted from the West Yorkshire plus Transport Fund, with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (iii) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.

- (j) In respect of Transforming Access to Brighouse and Elland Railway Stations –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Transforming Cycling and Walking Access in Brighouse and Elland Railways Stations package project proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case) for the Brighouse Cycling and Walking Improvement Scheme and activity 4 (full business case) for the Elland Station Access scheme.
- (ii) That an indicative approval to the Combined Authority's contribution of £7.40 million, £5.42 million which will be funded from the Transforming Cities Fund and £1.98 million from the West Yorkshire plus Transport Fund (Elland station and access package) is given with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the package remaining within the tolerances outlined in the report.

- (k) In respect of Transforming bus and active travel opportunities between Dewsbury and Bradford (A638) –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Transforming bus and active travel opportunities between Dewsbury and Bradford (A638) package proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case).
- (ii) That an indicative approval to the total value of Combined Authority funding £16 million is given from the Transforming Cities Fund to spend once the package has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) That the Combined Authority approve further development costs to progress this scheme to decision point 3 (outline business case) of £80,000, taking the total approved to £350,000 and enter into an amended funding agreement with Kirklees Council for an additional £80,000 from the Transforming Cities Fund.

- (iv) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the package remaining within the tolerances outlined in the report.

(l) In respect of West Bradford - Cycle Superhighway –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the West Bradford – Cycle Superhighway package proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case).
- (ii) That an indicative approval to the total package value of £17.5 million is given from the Transforming Cities Fund with full approval to spend being granted once the package has progressed through the assurance process to decision point 5.
- (iii) Development costs of £175,000 have been approved for this project to date. A further £1.25 million from the Transforming Cities Fund be approved for development costs in order to progress the project to decision point 3 (outline business case).
- (iv) That the Combined Authority enter into an amended funding agreement for this scheme with Bradford Council for an additional £1.25 million for development costs from the Transforming Cities Fund, taking total approved to £1.43 million.
- (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the package remaining within the tolerances outlined in the report.

(m) In respect of Tong Street A650 Highway –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Tong Street A650 Highway scheme proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case).
- (ii) That an indicative approval to the Combined Authority's contribution of up to £20 million to be funded through the West Yorkshire plus Transport Fund be given, with full approval to spend being granted once the scheme has progressed through

the assurance process to decision point 5 (full business case with finalised costs). The total project cost is estimated to be up to £24.49 million.

- (iii) That additional development costs of £2.53 million be approved in order to progress the scheme to decision point 4 (full business case), taking the total scheme approval to £2.715 million.
 - (iv) That the Combined Authority enter into an addendum to the existing funding agreement with Bradford Council for expenditure of up to £2.715 million from the West Yorkshire plus Transport Fund.
 - (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.
- (n) In respect of A660 Headingley Hills –
- That following a recommendation from the Investment Committee, the Combined Authority approves:
- (i) That the A660 Headingley Hill scheme proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case).
 - (ii) That an indicative approval to the total project value of £5.1 million is granted from a funding source to be identified before the next decision point, with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (iii) That development costs of £825,807 from the West Yorkshire plus Transport Fund be approved in order to progress the scheme to decision point 4 (full business case with finalised costs).
 - (iv) That the Combined Authority enters into a funding agreement with Leeds City Council for £825,807 from the West Yorkshire plus Transport Fund.
 - (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.

(o) In respect of Enterprise Zone – Langthwaite –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Langthwaite Enterprise Zone scheme proceeds through decision point 3 (outline business case) and work commences on activity 5 (full business case with finalised costs).
- (ii) That an indicative approval to the total scheme value of £5.55 million is given made up from the Local Growth Fund (£1.26 million) and Getting Building Fund (£4.29 million) with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) That approval be given to development costs of £1.26 million from the Local Growth Fund to develop the scheme to decision point 5 (full business case with finalised costs), including funding to Wakefield Council to deliver the road, pre-construction enabling works and project development funding for the Combined Authority to develop and progress the scheme to the next decision point.
- (iv) That the Combined Authority enters into a funding agreement with Wakefield Council for an amount within the £1.26 million development costs from Local Growth Fund, the amount to be confirmed by the Programme team.
- (v) That funding reallocation between the Getting Building Fund and Local Growth Funding element be approved, to maximise efficient and timely use of the Local Growth Fund where allowed.
- (vi) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.

(p) In respect of A61 North –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the A61(North) scheme proceeds through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs).

- (ii) That an indicative approval to the total scheme value of £4.41 million be given from the Leeds Public Transport Improvement Programme fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5.
 - (iii) That development costs of £117,607 be approved in order to progress the scheme to decision point 5 taking the total scheme approval to £923,062 and approval of £892,141 for construction work undertaken at risk on package three, the Moortown Corner junction element, taking the total scheme approval to £1,815,203.
 - (iv) That the Combined Authority enters into a variation of the existing LPTIP Funding Agreement with Leeds City Council for expenditure of up to £1,815,203 from the LPTIP fund.
 - (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.
- (q) In respect of Additional Approval – Growing Places Fund –
- The Combined Authority approves that authority is delegated to the Combined Authority's Section 73 officer, upon receipt of a written request from a loan holder and giving consideration to all relevant matters, to approve and vary any terms of repayment of individual Growing Places Fund loans, with any variations to be subsequently reported to the Business Investment Panel for information.
- (r) In respect of Tranche 2 Emergency Active Travel Funding –
- The Combined Authority delegates authority to the Investment Committee to approve:
- (i) The Tranche 2 Emergency Active Travel Assurance Framework pathway and approvals.
 - (ii) The expenditure of Tranche 2 Emergency Active Travel funding that is allocated to the Combined Authority. Presently, this is £10.053 million, but this could vary as the final allocation is dependent on satisfactory plans being submitted to government that set out the proposals to be delivered.
 - (iii) The allocation of the DfT Emergency Active Travel funding between the Combined Authority and the five West Yorkshire partners.

36. Getting Building Fund

The Combined Authority considered a report of the Director, Delivery on the Getting Building Fund.

Members considered the proposals for the progress of, and funding for, a number of West Yorkshire Combined Authority supported projects that have been approved by Government for funding through the Getting Building Fund. These included:

- Business Growth Programme, West Yorkshire
- Huddersfield George Hotel redevelopment
- Enterprise Zone Expansions: Parry Lane, Bradford and Langthwaite, Wakefield
- Brighouse A6025 reconstruction
- Leeds City Centre 'Grey to Green' economic infrastructure and public realm
- Bradford One City Park
- Holbeck, Leeds Phase 2 Victorian Terrace retrofit
- Beech Hill Phase 2, Halifax – multi-tenure housing group repair scheme
- Wakefield Warm Homes Fund – energy efficient heating solutions
- Dewsbury Arcade
- Bradford 'City Village' Phase 1 – accelerating city centre regeneration
- Leeds Liverpool Canal Towpath/Cycleway
- Temple Green, Leeds Park & Ride Expansion
- Wakefield Business Gigabit Voucher Scheme
- Knottingley Skills, Business and Service Hub

It was noted that the Getting Building Fund schemes had to be substantially complete by 31 March 2022 and all the grant must be spent by that date. The projects have already been assessed and agreed as part of the programme by Government and the Investment Committee was in full support of the proposals.

The Authority agreed to over-programme by up to £1 million to cover the management costs of the Combined Authority. In addition to this, an initial approval of £2.63 million was agreed to support the development costs of the projects to ensure resources are in place to bring projects forward as a matter of urgency.

Resolved: That the Combined Authority approves:

- (a) That the Getting Building Fund programme proceeds through decision point 2 (strategic business case).
- (b) That each project commences work on activity 4 (full business case) or where relevant a change request is brought forward where the

project is an extension to an existing Combined Authority project/programme.

- (c) That an indicative approval to the Combined Authority's contribution of up to £52.60 million to be funded through the Getting Building Fund is given, with full approval to spend being granted once each of the projects has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (d) That programme development costs of up to £1 million (2%) and project development costs of £2.63 million (5%) are approved in order to progress the projects to decision point 4 (full business case) and allocation of these development costs to the individual projects is delegated to the Director of Delivery.
- (e) That the Combined Authority enter into funding agreements with Bradford Council, Calderdale Council, Kirklees Council, Leeds Council and Wakefield Council and other partners, including Canal and River Trust, as necessary for expenditure of up to £2.63 million collectively from the Getting Building Fund (the allocation per project/partner council to be delegated to the Director of Delivery).
- (f) That the assurances tolerances:
 - Any programme cost increase remains within 2% as set out in the submitted report and reallocation of funding between the projects is delegated to the Combined Authority's Managing Director.
 - Delivery timescales remain within those set out in the submitted report.
- (g) That future approvals are made by the Investment Committee at decision point 4 and through a delegation to the Combined Authority's Managing Director at decision point 5 following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

37. Devolution implementation

The Combined Authority considered a report of the Director, Policy Strategy and Communications on devolution implementation.

Members discussed the outcome of the public consultation on the Scheme which had been undertaken jointly by the Constituent Councils and the Combined Authority. In response to comments raised in respect of future decision making for issues such as planning, housing and spatial development strategy, it was clarified that decisions in relation to the spatial development strategy would need the unanimous consent of each member of the Combined Authority appointed by a Constituent Council (excluding political balancing members). Decision that directly impact upon a council area (eg. compulsory purchase) would require the consent of the member for the area affected (excluding political balancing members). A summary of

the consultation responses has been published on the website and it was agreed that this be submitted to the Secretary of State by 11 September 2020. In order to ensure that the submission incorporates any issues which may be raised by any Constituent Council or the Combined Authority before 11 September 2020, it was agreed that authority be jointly delegated to the Combined Authority's Managing Director, in consultation with the Leader and Chief Executive of each Constituent Council and the Chair of the Combined Authority, to finalise and submit documents subject to any technical issues which may arise.

The report set out the next steps for implementing the deal and a revised timetable was attached at Appendix 2 to the submitted report. It was agreed that the decisions taken in respect of the report be exempt from call-in by the Overview and Scrutiny Committee. This was on the grounds of urgency as any delay caused by the call-in process would prejudice the Combined Authority's and Constituent Councils' interests as delaying the submission to the Secretary of State, which would have a significant detrimental impact on the proposed timeline set out in Appendix 2.

With regard to the transfer of Police and Crime Commissioner (PCC) functions, it was reported that consultants had been appointed to undertake a comprehensive risk assessment of the transfer and a critical path if this is to be achieved by May 2021. A final report is anticipated in the near future and this will be progressed with a view to resolution prior to the 'consent stage' (due in November 2020) for Constituent Councils and the Combined Authority if any issues arise from the due diligence work that require further action.

It was reported that Combined Authority officers are working closely with the Electoral Services Manager at Leeds City Council in order to prepare for the election of the Mayor in May 2021. It was agreed that the Chief Executive of Leeds City Council, Tom Riordan, be appointed as the Combined Authority Returning Officer (CARO), supported by the Combined Authority's Managing Director, Ben Still, as one of the Deputy Combined Authority Returning Officers.

Members considered the invitation for the Combined Authority to become a full member of the Yorkshire Leaders Board. It was noted that a financial contribution would be required to support regional working in line with that of Sheffield City Region Combined Authority and the larger constituent local authorities. The West Yorkshire Mayor would represent the Combined Authority once elected but prior to May 2021 the Combined Authority's Managing Director would be the representative.

Resolved:

- (a) That the report be noted.
- (b) That the Summary of Consultation Responses be submitted to the Secretary of State by 11 September 2020, and that approval be given to jointly delegate authority to the Managing Director of the Combined Authority, in consultation with the Leader and Chief Executive of each

Constituent Council and the Chair of the Combined Authority, to finalise and submit documents subject to any technical issues which may arise.

- (c) That the updated timetable set out in Appendix 2 to the report and the next steps which are subject to the consent being given by the Constituent Councils and Combined Authority, to the draft Order in November 2020 so that a mayoral combined authority model and associated changes may be adopted and implemented by May 2021, as set out in the Deal be noted.
- (d) That this decision is exempt from call-in on the grounds of urgency, for the reasons set out in paragraph 6.1 of the report.
- (e) That Tom Riordan, Leeds City Council Chief Executive be appointed as the Combined Authority Returning Officer (CARO) in respect of the West Yorkshire Combined Authority Mayoral election, due to take place on Thursday 6 May 2021, subject to this appointment being confirmed by the Combined Authority following the devolution Order being made in early 2021.
- (f) That the West Yorkshire Combined Authority becomes a full member of the Yorkshire Leaders Board, including providing a financial contribution to support regional working in line with that of the Sheffield City Region Combined Authority and larger constituent local authorities.

38. Adult Education Budget Devolution

The Combined Authority considered a report of the Director, Policy Strategy and Communications on the Adult Education Budget (AEB) Devolution.

The report provided an update on work to develop the AEB Strategy and summarised the method, contents and implications of the draft AEB Strategy consultation. The strategy was being developed as part of preparation to deliver the fund from 1 August 2021. A summary of the key findings was provided in the submitted report and the strategy has been revised based on the consultation responses.

Members discussed and approved the draft AEB Strategy which has been reviewed with the Employment and Skills Panel and relevant officers across West Yorkshire. This will now allow the Authority to agree grant allocations as outlined in the commissioning approach and begin procurement on 1 October 2020 which is essential for meeting delivery deadlines ahead of August 2021.

A governance proposal regarding the funds will be brought to the next meeting.

Resolved: That the Adult Education Budget (AEB) Strategy be approved.

39. Strategic Economic Framework

The Combined Authority considered a report of the Director, Policy Strategy and Communications on the Strategic Economic Framework (SEF).

It was noted that since 2016, the Strategic Economic Plan (SEP) has set out the Authority's priorities for growth and development and will continue to be used for Growth Deal programmes until it ends in March 2021. Members were advised that the Strategic Economic Framework (SEF) has now been developed to reflect the growing range of policy areas that the Combined Authority operates in, changing national political and economic circumstances and the need to incorporate the future mayor's manifesto commitments.

Members discussed the SEF which will form the new overarching economic strategy for the region, setting out the vision and priorities for achieving this. The SEF will be a digital document with five sections: Our Vision, Our Priorities, Our Policies and Strategies, Our Partnerships, and Monitoring and Impact and details were outlined in the submitted report.

The SEF will inform the production of the Single Investment Fund strategy and the updated Assurance Framework. The Combined Authority endorsed the SEF and it was proposed that it be formally reviewed every six months. Any new policies, strategies or major amendments will be considered by the Combined Authority following consideration by the appropriate advisory panel.

Resolved:

- (a) That the Combined Authority endorse and adopt the concept and content of the Strategic Economic Framework (SEF) and welcome the launch of the SEF as the new overarching economic framework for the region's policies and strategies.
- (b) That the draft text setting out the vision for West Yorkshire, attached at Appendix 1 to the report be approved.
- (c) That the Combined Authority agree that the SEP expires at the end of March 2021, and continues to be used for Growth Deal programmes until then.
- (d) That the Combined Authority agree to the intention for future policies, strategies and changes to the SEF to be brought to the advisory panels, LEP Board and Combined Authority for consideration as appropriate.
- (e) That regular reviews and updates on the SEF be brought back to the Combined Authority every six months and that future reports on policies indicate whether a consequential change is required to the SEF.

- (f) That further detail on proposed indicators for individual policy areas be brought to future meetings.

40. Statement of Common Ground

The Combined Authority considered a report of the Director, Policy Strategy and Communications on the Statement of Common Ground (SoCG).

Members considered the revised Statement of Common Ground which had been updated to reflect the Authority's joint policy position on matters including mass transit and climate emergency declarations.

The Authority endorsed the SoCG which had been prepared in partnership with all participating authorities and a copy was attached at Appendix 1 to the submitted report.

Resolved: That the revised Statement of Common Ground (2020) be endorsed.

41. Corporate Planning & Performance

The Combined Authority considered a report of the Director, Corporate Services which provided an update on corporate performance including progress against corporate plan priorities, risk management and budget position.

Members noted the summaries of the performance against the key performance indicators and strategic organisational risks which were provided in Appendix 1. A summary of the 2020/21 spend as at July 2020 compared to the approved revenue budget was attached at Appendix 2.

It was reported that regular forecasts will continue to be undertaken during the year to assess the full impact of COVID-19. The recent government funding announcements on bus are being assessed and updates will be brought to future meetings as well as informing the budget planning process.

It was noted that some flexibility would be built into the 2021/22 budget and business planning. This was because it will be the first year of the Mayoral Combined Authority and the need to take account of any issues arising from the COVID-19 recovery and the formal exit from the European Union. It was proposed that an early draft of the budget would be considered by the Budget Working Group and a report brought to the next meeting of the Combined Authority.

Resolved: That the information provided on corporate performance be noted.

42. Minutes for Information

The Combined Authority noted the minutes of the committees and panels that have been published on the West Yorkshire Combined Authority's website since the last meeting.

Resolved: That the minutes of the Combined Authority's committees and panels be noted.

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