

Report to: West Yorkshire Combined Authority

Date: 14 February 2019

Subject: **Corporate planning and performance**

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

1. Purpose of this report

- 1.1 To provide the West Yorkshire Combined Authority with an update on corporate performance including progress against corporate plan priorities, risk management and budget position.

2. Information

Corporate Plan 2018/19

- 2.1 The Combined Authority's annual Corporate Plan sets out the vision and mission for the organisation and also highlights the long term regional ambitions, which the Combined Authority will play a major role in contributing towards. These ambitions fall under the key themes of boosting productivity, enabling inclusive growth and delivering 21st century transport.
- 2.2 A set of 14 headline success measures has been developed in order to measure the Combined Authority's success in contributing towards these regional ambitions. An update on progress against these success measures is provided as part of the performance snapshot report which is provided at **Appendix 1**.

2.3 This shows that while the majority of indicators are assessed as on track to be met, there are currently three indicators assessed as red which can be summarised as follows:

- The delivery of refurbished floorspace through skills capital projects is currently not on track to be fully met in 2018/19, due to an unanticipated delay in the programme for one of the key projects.
- Supporting individuals to upskill in skills shortage areas is not on track to be met due to the confirmation of European Social Funding to deliver this activity being received later than expected on 30th October 2018. As a result of this delay, activity has commenced later than planned with 2018/19 outputs therefore being rolled forward to 2019/20.
- Supporting businesses to offer apprenticeships is also not on track to be met due to the delay in European Social Funding being received as described above. As a result of this delay, activity has commenced later than planned with 2018/19 outputs therefore also being rolled forward to 2019/20.

Corporate Plan 2019/20 development

2.4 Significant work has taken place to develop the integrated budget and business plan proposals for the 2019/20 financial year and these are presented in detail at agenda item 9. Once approved these documents will form the basis of the 2019/20 Corporate Plan.

2.5 It is currently expected that the 2019/20 Corporate Plan will continue to build on the three overarching corporate priorities of boosting productivity, enabling inclusive growth and delivering 21st Century transport. It is also proposed that a fourth objective be added around clean growth. This is intended to reflect the progress made towards the Strategic Economic Plan objective of a zero carbon economy and also in light of the approval of the regional Energy Strategy and Delivery Plan which was secured in December 2018.

Corporate risk update

2.6 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.

2.7 The Senior Management Team have recently reviewed the Corporate Risk Register and a number of minor changes have been made as a result. This has also resulted in two risks being reduced from 'very high' to 'high' in terms of their overall probability/impact assessment. These changes can be summarised as follows:

2.8 ***Failure to have the supporting infrastructure and processes in place to deliver against corporate priorities.*** This risk relates to the possibility of corporate priorities not being met as a result of outdated organisational infrastructure and processes. However the projects that are now moving forward at pace as part of the transformation programme and the corporate

technology programme are now actively addressing this risk and therefore the overall risk exposure is considered to have reduced.

- 2.9 ***Failure to have in place the capacity, skills and resource needed to deliver increased workload.*** This risk was identified during the period of significant restructuring that the organisation has recently gone through. Now that updated structures are now in place and largely filled this risk is considered to have reduced overall.
- 2.10 A summary of the updated corporate risk register is attached at **Appendix 1** as part of the performance snapshot report.
- 2.11 As reported to the December meeting of the Combined Authority a change to the current Risk Appetite Statement has been made in order to reduce the level of financial risk appetite. This is not related to any specific change in financial circumstances, but instead reflects feedback that the previous assessment of financial risk appetite was on reflection, not considered to fully reflect the current position.
- 2.12 The updated Risk Appetite Statement is provided at **Appendix 1**, this shows the new assessment of financial risk appetite at level 2 (having reduced from level 3).

Revenue budget position

2018/19

- 2.13 A summary of the 2018/19 current spend to budget as at December 2018 is attached at **Appendix 2**. A RAG rating has been included to identify budgets that need further review. There are no 'red' areas of concern to report.
- 2.14 The approved annual budget included a £1.4m deficit to be funded from general reserves. Latest forecasts suggest that expenditure is being managed within this figure. Item 9 earlier on this agenda considers in more detail the budget position for 2019/20 and 2020/21.

3. Inclusive Growth Implications

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

4. Financial Implications

- 4.1 The financial implications are covered in the body of the report and at the supporting appendices.

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 Combined Authority notes and provides comment on the information on corporate performance.

9. Background Documents

9.1 None.

10. Appendices

Appendix 1 – Corporate Performance Snapshot Report

Appendix 2 – Budget monitoring 2018/19