

Report to: West Yorkshire Combined Authority

Date: 25 April 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 Following approval of the 2019/20 business plans at the February meeting of the Combined Authority, work has been undertaken to develop the content for the external facing Corporate Plan for 2019/20. This plan confirms the vision and mission for the organisation and the practical steps for how these are to be progressed during the year.
- 2.5 As previously reported to the Combined Authority, the Corporate Plan will continue to build on the three overarching corporate priorities as presented in last year's plan (boosting productivity, enabling inclusive growth and delivering 21st Century transport) and will also introduce a fourth corporate priority of clean growth.
- 2.6 As in previous years, the Corporate Plan will set out the objectives and activities of the organisation as a whole. However this year it will also be designed such that information relating to the specific activities of the LEP can be pulled out separately. This is necessary in order to fulfil the requirements of the Strengthened Local Enterprise Partnerships report, which sets out a new requirement from 2019/20 for all LEP's to produce an annual delivery plan, clearly setting out proposals and targets for the year ahead.
- 2.7 The LEP Board considered the proposed content for the LEP Annual Delivery Plan at their meeting of 26th March and delegated authority to agree the final text to the LEP Chair and the Managing Director.
- 2.8 The proposed content for the 2019/20 Corporate Plan as a whole (including the LEP Annual Delivery plan) is presented at **Appendix 2** for consideration and feedback from Combined Authority members. It should be noted that at this stage the document has not been subject to a design process and this will follow once the content has been agreed.

Corporate risk update

- 2.9 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.
- 2.10 Senior officers have recently undertaken a detailed review of the corporate risk register and as a result of this have suggested a number of changes. These changes are included in the updated version of the register provided at **Appendix 1**. Four new risks which are assessed as 'high' have been added to the register as follows:
- Risk that the response to Brexit is not sufficiently well coordinated across local partners leading to loss or duplication of service, which is being addressed through continued dialogue with partners
 - Failure to generate sufficient business rates income to support corporate revenue projections, which is being mitigated through prudent forecasting of income and the ongoing work of the dedicated Enterprise Zones team
 - Potential business failure of local transport providers external to the Combined Authority, which is being addressed through open and ongoing dialogue with providers
 - Potential for significant transport disruption as a result of major transport investment programmes (e.g. Transpennine route upgrade, bus corridor improvements and other highways schemes). This is being addressed through the development of a travel demand management plan and close working with scheme sponsors
- 2.11 In addition to the inclusion of new risks, a number of existing risks have also been updated and in some cases de-escalated or replaced as follows:
- Consolidation of five previously separate financial risks into three
 - De-escalation of a risk relating to the potential impacts of the proposed Leeds Clean Air Zone to the Transport Services risk register

Revenue budget position

2018/19

- 2.12 A summary of the 2018/19 current spend to budget as at February 2019 is attached at **Appendix 3**. A RAG rating has been included to identify budgets that need further review. There are no 'red' areas of concern to report.
- 2.13 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 and currently indicating a £1.0m deficit by the year end.

2019/20 and Medium Term Financial Strategy

- 2.14 The 2019/20 budgets are being reviewed for changes since February 2019 meeting and any updates will be coming through in future reports. Work is underway on the Medium Term Financial Strategy and a progress report will

be brought to future meetings of the Combined Authority and to the members Budget Working Group.

3. Inclusive Growth Implications

- 3.1 The draft content for the Corporate Plan as provided at appendix 2, sets out further details regarding the organisations approach to enabling inclusive growth in 2019/20. It also provides details of progress in this area in the current financial year.

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.
- 8.2 That the Combined Authority endorses the 2019/20 corporate plan, with a final sign off delegated to the Managing Director, in consultation with the Chair of the Combined Authority and the LEP Chair.

9. Background Documents

- 9.1 None.

10. Appendices

Appendix 1 – Corporate Performance Snapshot Report
Appendix 2 – Draft Corporate Plan 2019/20 content
Appendix 3 – Budget monitoring 2018/19