

**MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE  
HELD ON FRIDAY 22 MARCH 2019 AT COMMITTEE ROOM A, WELLINGTON  
HOUSE, LEEDS**

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**Present:**

Councillor Liz Smaje (Chair)	Kirklees Council
Councillor Stephen Baines MBE	Calderdale Council
Councillor Glenn Burton	Wakefield Council
Councillor Ian Cuthbertson	City of York Council
Councillor Ashley Evans (Substitute)	Calderdale Council
Councillor Dot Foster	Calderdale Council
Councillor Tina Funnell	City of York Council
Councillor Graham Isherwood	Wakefield Council
Councillor David Jenkins	Leeds City Council
Councillor Marielle O'Neill	Kirklees Council
Councillor Mike Pollard	Bradford Council
Councillor Denise Ragan	Leeds City Council
Councillor Betty Rhodes	Wakefield Council
Councillor Rosie Watson	Bradford Council

**In attendance:**

Khaled Berroum	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Councillor Kim Groves (Minute 52)	Chair, Transport Committee
Dave Pearson (Minute 52)	West Yorkshire Combined Authority
Alan Reiss (Minute 52)	West Yorkshire Combined Authority
Ben Still (Minute 53)	West Yorkshire Combined Authority
Henry Rigg (Minute 53)	West Yorkshire Combined Authority

**47. Apologies for absence**

Apologies for absence were received from Councillors James Baker, Helen Douglas, Peter Harrand and Paul Kane. Councillor Ashley Evans was in attendance as substitute for Councillor James Baker.

**48. Declarations of Disclosable Pecuniary Interests**

There were no declarations of disclosable pecuniary interests.

**49. Possible exclusion of the press and public**

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

## 50. Minutes of the meeting held on 18 January 2019

**Resolved:** That the minutes of the meeting held on 18 January 2019 be approved.

## 51. Chair's update

The Chair informed the committee that:

- She had advised the Combined Authority on the adoption of a new conflicts of interest policy and protocol that would cover the resolution of conflicts including those arising from LEP board and panel members applying for LEP business grants and loans. Previously, the policy required the Chair of Overview and Scrutiny to be consulted when conflicts on LEP grants arose.
- The Leeds City Region LEP and the York, North Yorkshire & East Riding LEP were not yet in a position to put forward final recommendations to their respective boards regarding the creation of a new LEP. Discussions are still ongoing regarding decision making structures, secretariat and officer support functions, accountable body and legal personality.
- The 'One Yorkshire' devolution proposal put forth by 18 of the region's council leaders last year had been rejected by the government. The leaders are due to meet with ministers later this year to discuss a new way forward.

Members expressed frustration and disappointment with the reported developments on devolution. They expressed concern that the continuing absence of a deal will mean that the region will continue to miss out on needed funding and fall further behind other regions with devolution in place.

**Resolved:** That the Chair's update be noted.

## 52. Strategic transport priorities

The Committee considered a joint report of the Director of Transport Services and Director of Policy, Strategy and Communications providing an overview of strategic transport priorities. The following were in attendance for this item:

- Councillor Kim Groves, Chair of Transport Committee
- Dave Pearson, Director of Transport Services
- Alan Reiss, Director of Policy, Strategy and Communications

Members expressed concern about reports that planned changes to Combined Authority guidelines for the provision of school bus services would lead to a reduction in services that many students and communities rely on. Some Members informed the Committee that they and many of their constituents had not been aware of the plans or the consultation until

hearing about it on the news. The Committee was informed and assured that:

- The reduction in the transport levy paid by the West Yorkshire councils had created a challenge for the Transport Committee to find efficiency savings without affecting progress towards strategic aims.
- The draft guidelines were approved by Transport Committee in May 2018 pending consultation. The consultation was still underway and is expected that the Transport Committee will review the feedback in May 2019 prior to setting new guidelines.
- The Combined Authority would take a pragmatic approach and consider all options, as an increase in car use and road traffic was contrary to strategic transport aims.
- The consultation on Combined Authority school bus service guidelines would not affect existing criteria set by district councils, who currently determine eligibility criteria for some support schemes.

The Committee discussed the challenge of connecting communities, ensuring that services are customer focused and linking housing, employment and transport policy more effectively. It was reported that:

- The Combined Authority supported the establishment of the Bus Alliance which would provide the Transport Committee with a forum to tackle issues of mutual concern, such as connectivity, and foster greater cooperation between stakeholders in this area.
- It is understood by all partners that current connectivity links could be improved and that there was a lot of work to do.
- The Bus Alliance's number one priority is to consider different, possible models to redesign bus operations to better deliver services to, and connect, all communities.
- There is a challenge in bringing bus operators together in the context of existing legislation on bus deregulation and the absence of devolved powers with regards to bus franchising and services which limits the possible models that can be considered.
- The efficiency savings required by the reduction in the transport levy paid by the West Yorkshire councils had created an additional challenge as this necessitates a reduction in services funded by the Combined Authority.
- The Transport Committee is currently considering reviewing the format of its District Consultation Sub-Committees (one for each district) in order to improve the interface it provides between public transport users and transport operators.

In other strategic transport work, the Committee learned that:

- The Rail Forum and Bus Alliance – both overseen by the Transport Committee – aim to share information to ensure that disruptions to service use arising from infrastructure projects can be managed, such as any rail works that might disrupt a rail service and lead to an increase in use of particular bus services.
- Although 'Northern Powerhouse Rail' is a Transport for the North (TfN) / Department for Transport project, the Combined Authority has been involved in the strategic conversations and supported TfN to develop the strategic business case.

- The Combined Authority has allocated a resource to lead work on developing a West Yorkshire air quality strategy and coordinate with district councils to ensure strategic alignment.
- Although the Transport Strategy 2040 acknowledges that road freight and Heavy Goods Vehicles (HGVs) will continue to be a presence on roads, the Combined Authority and TfN are working to improve rail freight to help alleviate road traffic issues and reduce the disproportionate amount of pollution HGVs emit.

Following questions and discussion, the Committee **concluded** that:

- A possible topic for scrutiny to consider further and investigate is how different regional partners approach, coordinate and market consultations to the public. Although it appeared that there were many consultations being conducted by many different partners, many people are still not aware of them while they are ongoing and do not get a chance to put forth their views.
- Any planned revision of guidelines to the provision of school bus services should take care not to lead to a reduction in services that many students in poorly connected communities rely on or an increase in car usage which would be contrary to strategic ambitions relating to inclusivity, connectivity, clean growth and air quality.
- Too many people are not sufficiently connected to economic and educational opportunities and, although the Combined Authority is not a planning authority and does not build and manage housing stock, it could possibly play a strategic, enabling role in ensuring there is sufficient intersection between housing, transport and skills policy and to ensure that stakeholders are taking into account all possibilities.
- Some examples of issues arising out of a possible lack of coordination between housing, transport and employment policy areas include:
  - On some routes, the issue of wheelchair versus pushchair priority and limited space on buses is a bigger issue due to the demographic profile of the housing developments they service. Some are communities with many young families and disproportionately higher pushchair use or older communities with higher use of mobility aids.
  - In some areas bus services stop running after a certain time, often as early as 6.00 pm, despite those areas having large number of shift workers who often work on employment sites which are already relatively inaccessible via public transport.
  - Population growth and projections seemingly not influencing bus / rail timetables and services during revision, leaving some services at some stations to be perpetually overcrowded.
- The absence of devolution sees the region continue to miss out on vital funding and powers. New devolved powers with regards to the bus network and franchising would likely allow for a different

approach to coordinating bus services to fulfil strategic aims and community needs. Half of the total funds committed by the government in the Transforming Cities Fund to improve transport connectivity was reserved for certain mayoral authorities such as Greater Manchester and West Midlands, leaving the West Yorkshire Combined Authority to have to competitively bid for part of the remaining half of funds.

The Committee also **requested** that:

- A possible item on how regional partners approach, coordinate and promote consultations to the public be added to the scrutiny work programme.
- Scrutiny members are briefed on the Transport Committee's emerging work on cycling & walking when suitably progressed.
- The 'Your Voice' web link for the current consultation on the Connectivity strategy / plan be shared with scrutiny members so they can input their views.
- Further information on the consultations on the provision of school bus services and the connectivity strategy be provided when available.
- Scrutiny's Transport Working Group continue to consider the issues of mobility and digital inclusion in transport and report back to a future meeting.

**Resolved:**

- i) That the report be noted and the Committee's feedback and conclusions be considered further.
- ii) That the additional information requested by the Committee be circulated to Members following the meeting.

### **53. Business grants criteria and inclusive growth**

The Committee considered a report of the Executive Head of Economic Services providing a follow up to the business grants item considered by the Committee on 14 September 2018. The report included:

- a performance analysis of the first six months of inclusive growth criteria for the Business Growth Programme (BGP),
- an assessment of the implications of extending inclusive growth criteria to all business grants programmes and;
- the proposed options for new core and inclusive growth criteria (appended to the report) for the Committee's consideration.
- an update on implementation of the Committee's other recommendations, suggestions and ideas on business grants put forward at the 14 September 2018 committee meeting.

The following were in attendance for this item:

- Ben Still, Managing Director
- Henry Rigg, Head of Business Support

Following questions, the Committee **discussed**:

- How the current policy within the Apprenticeship Grants for Employers (AGE) scheme to promote higher wages for apprenticeships than the legal minimum and not penalise young people was welcome.
- The importance of helping to combat the trend of apprentices being used as cheap, menial labour and protect apprenticeships as valuable alternative learning opportunities that lead to meaningful, long term work as a primary outcome.
- That further work may be needed to analyse the profile of the businesses currently applying for and receiving grants to ensure that the right businesses, with the right practices and circumstances, are being captured by the grant programmes and allow any gaps to be remedied in future programmes.

The Committee requested additional information on:

- How many grants have been given and jobs pledged for the Digital Inward Investment Fund since the publication of papers.
- How many of the apprenticeships currently on the AGE programme are higher level apprenticeships and how many apprenticeships on the previous iteration of the AGE programme ( 2015-17) were higher level apprenticeships.

Regarding the new proposed inclusive growth criteria for business grants due for consideration at the LEP Board meeting on 26 March 2019, the Committee concluded that the LEP should consider the following **recommendations**:

1. The Committee's previous recommendation that inclusive growth criteria should be extended to all current and future business grant programmes at all grant award levels be maintained.
2. In order not to discourage some businesses from applying because the real living wage requirement is too difficult, an additional programme of support and assistance could be put in place to help applicants rise to a level where they are able to meet the necessary wage requirement (within a certain time period). Another option is offering a reduced grant or withholding the full amount to applicants unable to meet the real living wage requirement (within a certain time period).
3. In order to better support small businesses, the commitment to "pay all suppliers within 30-60 days" should be significantly strengthened and the required timescale be reviewed with a view to reducing it if possible. It was noted that some partner councils have adopted two weeks as the maximum payment window.
4. Although a reduction in the required payment timescale might have a knock-on effect on a supply chain if a small businesses is required to pay their suppliers sooner than they are paid themselves, this issue was worth pushing for and Combined Authority and LEP could also

take a leading advocacy role to promote the practice of paying suppliers on time to ensure the overall health of local supply chains.

5. There should be a programme of support in place for each commitment to help applicants meet requirements and ensure there is greater uptake of the 'harder' commitments with a highly inclusive social outcome – such as employing people with disabilities or health issues. There is a danger that, if given a choice, applicants will opt for 'softer' commitments or commitments which come with further support and grants to help them further, such as the "energy audit" and "working with colleges / schools" – as the data from the first six-months review suggests.
6. The commitment to "employ local people with disabilities or health issues" should be more strongly promoted to applicants and strengthened with a programme of additional support for businesses seeking to commit to that option. That commitment is one of the most necessary and inclusive options on the list with a high value social outcome.
7. There should be a stronger commitment to promote, incentivise, support and monitor higher level apprenticeships paid at living wage levels that conclude in long term, good employment for young people.

**Resolved:**

- i) That the report be noted and the Committee's feedback, conclusions and recommendations be considered further.
- ii) That a supplementary note outlining the recommendations made by the Committee regarding business grants criteria be tabled at the LEP Board meeting on 26 March 2019.
- iii) That the additional information requested by the Committee be circulated to Members following the meeting.

**54. Scrutiny Work Programme 2018/19**

The Committee received a report of the Scrutiny Officer outlining the Scrutiny Work Programme for the 2018/19 municipal year. A revised version of section 3.8 ("Scrutiny") of the assurance framework, drafted by Scrutiny's LEP working group, outlining a new process for pre-decision scrutiny was also appended to the report for agreement.

The Committee requested that:

- Due consideration be given to the importance of the energy strategy and work relating to alleviating fuel poverty in the scrutiny work programme.
- The Combined Authority and LEP make available to scrutiny a longer term forward plan so scrutiny can better maintain an overview of key

work and decision timescales so that scrutiny can better decide which decisions, policies and strategies to scrutinise further.

- Key decisions be published as soon as they are known to be key decisions and not only at the 28 day statutory minimum.
- There be a greater follow up on issues scrutiny has considered in the past to ensure the committee is kept briefed on progress and developments and to allow scrutiny to more formally monitor the implementation of recommendations made by scrutiny.

In response, the Committee was informed that while projects often have shifting and tentative timescales, work was underway to improve the processes by which project development is reported to scrutiny. Members of scrutiny's LEP working group are due to review examples of project documentation from different development stages so members can assess where scrutiny can best add additionality. The Working Group also reported the progress of their ongoing work in developing a process to engage more closely with the assurance process and strengthen pre-decision scrutiny of projects.

The Chair informed members that the Combined Authority's Senior Leadership Team (SLT) has been asked to support scrutiny's work programming next year by outlining key pieces of work and significant decisions planned or expected in the 2019/20 municipal year. It was also suggested that 2019/20 work programming take place in a workshop setting to give members more time to form the Committee's work going forward.

The Chair noted that some members were standing down as Councillors at the upcoming local elections. The Committee thanked them for their contribution to the Committee's work over the years and wished them the best going forward. Members and substitutes standing down were Councillors Helen Douglas, Tina Funnell, Marielle O'Neill, Anne Reid and Sam Lisle.

**Resolved:**

- i) That the agenda forward plan and scrutiny work programme for the 2018/19 municipal year as outlined in **Appendix 1** be noted.
- ii) That the changes in membership and substitute arrangements highlighted in 2.24 be noted.
- iii) That the Committee's feedback and requests be considered further and reported back.
- iv) That the LEP scrutiny working group's proposed wording for Section 3.8 (entitled: "Scrutiny") of the Assurance Framework (Appendix 2) be supported and approved.

**55. Date of the next meeting – 24 May 2019**