

Annual Report 2018/19

Overview and Scrutiny Committee

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Introduction

This annual report provides a general summary of overview and scrutiny work undertaken during the 2018/19 municipal year and any conclusions and recommendations made.

What is 'Overview and Scrutiny'?

Overview and Scrutiny (shortened to 'scrutiny') acts as a 'check and balance' to decision makers at the West Yorkshire Combined Authority, Leeds City Region Enterprise Partnership (LEP) and their partners and holds them to account for:

- the policies they adopt
- the money they spend
- the services they provide

Scrutiny **investigates, influences, reports** and **recommends** ways to strengthen policies, improve services, ensure best value for money and secure long-lasting positive outcomes for local people.

Although scrutiny does not have the power to make or block any decision of the Combined Authority (or LEP), it does have the power to:

- 'call-in' decisions and make a case for them to be formally reconsidered or changed.
- oblige the Combined Authority to respond to its recommendations publicly within two months.
- require any Member (or senior officer) of the Combined Authority to appear before it.

All scrutiny work is led by an independent, politically-balanced committee of elected councillors known as the Overview and Scrutiny Committee.

Membership 2018/19

Chair: Councillor Liz Smaje (Nov 2018 – present).

She took over from Councillor Robert Light (June 2015 – Nov 2018) in November 2018 when he stood down as a councillor to pursue new opportunities.

Members 2018/19

Bradford	Cllr Sarfraz Nazir Cllr Mike Pollard Cllr Rosie Watson
Calderdale	Cllr Stephen Baines Cllr James Baker Cllr Dot Foster
Kirklees	Cllr Paul Kane Cllr Robert Light (until Nov 2018) Cllr Marielle O'Neill Cllr Liz Smaje (From Nov 2018)
Leeds	Cllr Peter Harrand Cllr David Jenkins Cllr Denise Ragan
Wakefield	Cllr Glenn Burton Cllr Graham Isherwood Cllr Betty Rhodes
York	Cllr Jenny Brooks (Until March 2019) Cllr Ian Cuthbertson Cllr Helen Douglas (From March 2019) Cllr Tina Funnell

Chair's Foreword

I would like to thank all members of the committee and all those who kindly gave evidence during the year.

As can be seen from the work programme and conclusions in this report, the issues considered by scrutiny this year covered a number of key areas including inclusive growth, grants to businesses and the corporate plan.

It is vital for good governance at the Combined Authority and LEP that scrutiny is accepted as a "critical friend" and able to provide constructive feedback.

Going forward, we need to strengthen pre-decision scrutiny and continue to strive for best practice in line with newly published government guidance, so that scrutiny can continue to adapt to any future changes in the Combined Authority and LEP.

I would also like to say a big thank you to my predecessor as chair, Robert Light. He chaired the committee during a time of major change for the Combined Authority and LEP.

I echo the sentiments of scrutiny members who thanked him for his fair stewardship and willingness to engage all members in discussions and work planning.

As Chair, he oversaw the Committee's work on two major inquiries into the region's handling of the 2015 Boxing Day Floods and the LEP's high profile loan to Oxford GB2 to build a hotel near Leeds Arena.



Councillor Elizabeth Smaje
Chair, Overview and Scrutiny Committee



Work Programme 2018/19

Scrutiny determines its work programme at the beginning of each new municipal year in June when members choose which issues from previous years to revisit and which issues coming up in the year ahead they will need to look at more closely.

The Combined Authority and LEP support scrutiny's work programming by outlining the key pieces of work and significant decisions planned or expected throughout the year.

Every year the Combined Authority and LEP agree a **Corporate Plan**¹ which outlines their ambitions and targets. In 2017 and 2018, the Combined Authority and LEP committed themselves to three long term ambitions:

1. Enabling Inclusive Growth
2. Delivering 21st Century Transport
3. Boosting Productivity

A fourth objective to secure 'clean growth' and a zero-carbon economy was added to the 2019/20 Corporate Plan.

As a result, this year scrutiny's work programme focused on a general theme of 'inclusivity' and looked into how long term inclusive outcomes and opportunities are being achieved by the Combined Authority and LEP's economic and transport services, policies and projects and where improvements could be made.

The work programme of the main committee and its working groups are outlined below and highlights from some of the main issues considered are outlined in more detail in the following section.

Summary of Work Programme

13 July 2018	<ol style="list-style-type: none">1. Policy Framework and Local Inclusive Industrial Strategy2. Devolution
14 September 2018	<ol style="list-style-type: none">1. Ministerial review of LEPs2. Business grants3. Business planning and Budget 2019/204. "West Yorkshire... and beyond – Calderdale Council's contribution to the Combined Authority"
16 November 2018	<ol style="list-style-type: none">1. Flood Review2. Combined Authority's engagement with the public3. Devolution
18 January 2019	<ol style="list-style-type: none">1. Assurance Framework2. Apprenticeships3. Inclusive Growth4. LEP Merger5. Draft Budget 2019/20

¹ <https://www.westyorks-ca.gov.uk/media/3362/corporate-plan-18-19.pdf>

22 March 2019	<ol style="list-style-type: none"> 1. Strategic transport priorities 2. Business grants criteria and inclusive growth
24 May 2019	<ol style="list-style-type: none"> 1. Corporate Plan 2019/20 and performance 2018/19 2. Annual Scrutiny Report 2018/19 3. Statutory scrutiny guidance

Working Groups

To support its work this year, the Overview and Scrutiny Committee set up two member working groups to focus on some LEP (economic) and Transport issues separately.

	LEP Review Working Group	Transport Working Group
Members	Cllr Stephen Baines* Cllr Paul Kane Cllr Mike Pollard Cllr Rosie Watson	Cllr Ian Cuthbertson* Cllr Dot Foster Cllr Peter Harrand Cllr Denise Ragan
Topics	<ol style="list-style-type: none"> 1. LEP review / merger 2. Assurance Framework 3. Pre-decision scrutiny arrangements 4. Local Industrial Strategy 	<ol style="list-style-type: none"> 1. Transport related barriers to employment 2. Accessibility 3. Integrated ticketing 4. Rail performance

**Lead member*

2018/19 Highlights

Flood Review recommendations

Following the 2015 Boxing Day floods which severely affected West Yorkshire, scrutiny undertook a review of the flood events and how they were handled by the relevant authorities. Scrutiny concluded with 10 recommendations which were accepted and included amongst the 19 recommendations in the 'Leeds City Region Flood Review'.

This year scrutiny revisited those recommendations two years on to measure progress and invited Yorkshire Water and the Environment Agency to a meeting. The Committee found that whereas progress had been made, there was still room for improvement.

Further conclusions included:

- There had been improvement in cooperation between the 'three arms' of local authorities, the Environment Agency and the water sector compared to three years previously. The response to smaller flood events since 2016 had showed promise.
- The level of public and political spotlight which has been maintained since Boxing Day 2015 has been very encouraging. Previous flood events yielded only short term attention.
- Despite improvement in community engagement, education and public outreach by the 'three arms' through volunteer networks, use of flood wardens, and full time engagement staff, it was reported that many constituents remained unaware of them.
- There is evidence of a bigger focus on flooding in planning and policy making and those councils affected by the floods have created permanent flood partnerships, some of which are led by elected members.
- The Environment Agency, and other sectoral and utility partners, should seek to provide comments more often, when possible, in planning applications to support flood resilience – even if a brief or standard response.
- Responsibility for funding flood resilience and mitigation efforts should be shared by developers if their developments affect existing flood risk levels. The cost is often passed onto the public and councils which are currently under financial stress.

Scrutiny will continue to monitor the progress in implementing the Flood Review's recommendations.

'Enabling Inclusive Growth'

Business grants

The LEP oversees many business grants programmes which aim to achieve particular outcomes such as incentivising job creation, innovation and environmental

sustainability. Scrutiny reviewed the performance and progress of inclusive growth outcomes arising from these programmes.

In 2018, the LEP Board decided to trial new application criteria designed to secure more inclusive growth outcomes for one of its business grants programmes – ‘Business Growth Programme’ (BGP) – over a six month period.

The trial criteria included requirements to create real living wage jobs and asked applicants to choose from commitments including undergoing energy audits, offering green travel options, paying suppliers as soon as possible, working with schools and supporting workers with disability and health issues.

Scrutiny recommended that this approach be extended to all current and future business grants programmes at all grant award levels.

In March 2019, following the conclusion of the first six months of the new inclusive growth application criteria, scrutiny reviewed the data and made further recommendations on how the criteria could be strengthened, including:

- Additional programmes of support to help aspirant applicants meet the stronger, more inclusive criteria such as employing people with disabilities
- Reducing the timescale within which businesses must commit to paying their suppliers to support smaller businesses

As some of the business grants programmes are due to end soon, scrutiny asked that ‘outcome reports’ be produced for each grants programmes upon their completion to allow scrutiny to better assess value for money and whether there have been, or likely to be, positive, long-lasting outcomes for local communities.

Apprenticeships

Scrutiny assessed the approach to supporting apprenticeships internally and externally over several meetings between September 2018 and March 2019.

The Combined Authority does not fund, deliver or monitor apprenticeship training directly, but does encourage apprenticeship starts by supporting businesses through the bureaucracy involved in taking on apprentices (through its Employment Hub) and incentivising small and medium sized businesses (SMEs) to take on apprentices for the first time through the Apprenticeship Grants for Employers (AGE) programme.

Scrutiny’s view is that responsibility for the success of apprenticeships should not be left solely with the training providers, OFSTED and employers and that the Combined Authority should consider:

- what it can do to help support apprenticeships more broadly, through its existing services and when developing future service areas / programmes.
- if it is in a position to at least monitor the quality of what training providers are delivering and engage with apprentices directly to influence and enable higher *completion* rates.

It is also essential that the Combined Authority leads by example by recruiting and strongly supporting apprenticeships internally, as it cannot credibly promote

externally what is not being achieved internally. Scrutiny welcomed the development of an internal staff development strategy and framework where apprenticeships feature as a key element.

‘Delivering 21st Century Transport’

Connecting people, places and policy

Scrutiny’s Transport Working Group invited the Joseph Rowntree Foundation (JRF) to discuss their recent report², which used local areas Seacroft (Leeds) and Dewsbury Moor (Kirklees) as case studies, which found that transport issues are a ‘significant barrier to employment for many residents living in low-income neighbourhoods’ and ‘are intimately related to the nature and location of employment’.

Too many people in the region are not sufficiently connected to economic and educational opportunities. It is understood by all partners in the region that current connectivity links could be improved and that there was a lot of work to do.

Although the Combined Authority is not a planning authority and does not build and manage housing stock, scrutiny suggested that it could play a strategic role to enable sufficient alignment between housing, transport and skills strategies and policies amongst partner authorities in the region.

The Transport Working Group also concluded the following:

- There were some missed opportunities in local plans and planning where a site is allocated as employment but transport links are not properly considered. An example being land near the M62 motorway was designated as an employment site for distribution centres which employed low-paid staff on shifts. This was convenient for logistical distribution and delivery, but not for staff going to work there on public transport.
- Too many housing developments don't seem to take into account transport considerations or data modelling future trends. There could be better evidencing during the planning and appraisal stage of how developments will affect existing transport links or what kind of new transport links will be needed in the future, or based on demography.
- Developers could be required to invest in transport infrastructure or to subsidise bus services made necessary by their developments. In some cases, local authorities did not make enough use of existing statutory powers (such as Section 106 agreements) as a matter of deliberate policy or as a result of pressure from developers.
- In any case, there can be limited scope to compel fulfilment of Section 106 agreements in some cases. When planning permission is granted only with

² <https://www.jrf.org.uk/report/tackling-transport-related-barriers-employment-low-income-neighbourhoods>

promises around transport investment, 'viability' is often raised by developers as a problem and can then be used to avoid fulfilling agreements after permission is given.

The recently established West Yorkshire Bus Alliance, supported by the Combined Authority, has a priority to consider different, possible models to redesign bus operations to better deliver services to, and connect, all communities within the context of existing legislation on bus deregulation.

Digital Inclusion and Exclusion

Initial data shows that digital methods for paying for travel and accessing live travel information is becoming popular – but there are inequalities. For example, the uptake of contactless payment on buses is around 40% in the higher income North Leeds areas, but only 5% in lower income South Leeds areas.

Digital innovations might improve reliability, service, patronage and efficiency but care must be taken not to leave people behind. Many people still do not have or cannot afford bank accounts, suitable phones or reliable internet connections to take advantage of them. 'Digital by default' could disconnect many communities.

Scrutiny welcomed the Combined Authority's position, for instance, that a fully cashless system should not be put in place until a solution for current cash users is found and that issue is resolved.

Accessibility and Mobility

Following a referral from a member of the public who informed scrutiny members of a local rail operator's policy not allowing mobility scooters of a certain size on its trains, the Transport Scrutiny Working Group invited train operators and the Chair of the Transport Committee to look into the approach to accessibility and mobility.

Scrutiny found that there has been a lot of progress in accessibility in transport, such as disability training becoming mandatory and more frequent for bus and train drivers. There are also special bookable services for people with disabilities run directly by the Combined Authority, such as AccessBus, which are well received.

However, scrutiny concluded that disabled people still face serious issues using public transport that others do not and they also suffer higher consequences with regards to the same issues that others do not. The Combined Authority should take a lead in advocating on this issue through the existing Transport Operators Forum and Bus Alliance as part of its commitment to inclusivity.

Next steps in 2019/20

Next year scrutiny will approach work programming in a slightly different way. Work programming will be done in a workshop setting to allow for a more strategic approach and fuller look at the Combined Authority and LEP's plans for the year ahead.

Improving scrutiny

This year the Committee decided that, since the Combined Authority has changed noticeably since it was established four years ago and a dedicated scrutiny officer had now been appointed, the time was right to revisit and conduct a review of scrutiny arrangements – with a particular focus on:

- Resources and capacity
- Governance and working group arrangements
- Strategic work planning
- Public involvement in scrutiny
- Methods of scrutiny (Eg 'scrutiny in the community', site visits)
- Involvement of external experts and stakeholders

The review would take into account and apply the new statutory scrutiny guidance³ issued by the government in May 2019.

Involvement of the public in scrutiny

In particular, the Committee identified increasing the involvement of the public in the scrutiny process as a priority. Scrutiny committed to exploring the development of a scrutiny communications and engagement plan to better:

- increase scrutiny's profile, coverage and presence on existing websites and social media.
- engage and consult with the public to include their views and needs in work programming.
- identify and arrange site visits in the community when appropriate e.g. to flood affected areas when considering floods as an issue.
- arrange 'scrutiny in a day' sessions and conferences on important issues.

Strengthening pre-decision scrutiny of projects

Another priority for scrutiny is the improvement of pre-decision scrutiny.

Following several workshops, the LEP scrutiny working group recommended a new section in the Assurance Framework, which governs the process by which projects are chosen and progressed, to ensure scrutiny is kept informed of projects in development before decisions are made.

³ <https://www.gov.uk/government/publications/overview-and-scrutiny-statutory-guidance-for-councils-and-combined-authorities>

“To support pre-decision scrutiny, officers will maintain a forward plan of projects in development and anticipate timescales and decision-point milestones and make this forward plan available to scrutiny members to review periodically on request.

Following the technical appraisal of business cases by case officers and subsequent consideration by the Programme Appraisal Team (PAT), officers will ensure that the relevant documents, information and analysis relating to each project can be made available to scrutiny members on request.

Schemes might be selected for further scrutiny based on a sectoral mix around cost, risk, complexity, aimed benefits or strategic value – as determined by the Committee's priorities and work programme. Scrutiny members could then look closer at a particular project or selection of projects.

Officers will support scrutiny members to have the opportunity to review projects, raise any concerns and ensure comments are reported and brought to the attention of decision making committees and officers prior to the approval and progression of projects through decision points. “

Extract from pp 24-25, Assurance Framework (March 2019)⁴

⁴<https://westyorkshire.moderngov.co.uk/ecSDDisplayClassic.aspx?NAME=Assurance%20Framework%202019&ID=363&RPID=762536&sch=doc&cat=13600&path=13600>

Find out more and get involved

Find out more about scrutiny at the Combined Authority and view agendas, reports and minutes, please visit the website here: <https://westyorks-ca.gov.uk/>

Scrutiny committee meetings take place in public and anyone is welcome to attend.

Get in touch

Scrutiny is keen to hear from members of the public on issues of concern in the West Yorkshire and York area that relate to the functions and responsibilities of the Combined Authority and Leeds City Region Enterprise Partnership (LEP).

You can contact scrutiny:

By email: scrutiny@westyorks-ca.gov.uk

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