

Report to: West Yorkshire Combined Authority

Date: 6 February 2020

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 note the current position on corporate performance including progress against corporate plan priorities, risk management and budget position and seek comment on these matters.

2. Information

Corporate Plan 2019/20

- 2.1 The 2019/20 Corporate Plan sets out the vision and objectives for the organisation and the practical steps for how these will be progressed during the year. The plan is structured around the four overarching strategic objectives of boosting productivity, enabling inclusive growth, delivering 21st Century transport and supporting clean growth.
- 2.2 A comprehensive suite of performance indicators has been developed to measure the organisation's specific contribution towards achieving the overarching Corporate Plan priorities. An assessment of progress against these indicators for the 2019/20 year to date is provided in **Appendix 1** as part of the wider corporate performance snapshot.

- 2.3 The analysis of performance against KPI's to date reflects a positive position. The majority of the KPIs are green, indicating objectives supporting the strategic aims and themes for the region are on track to being achieved.

Corporate risk update

- 2.4 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.
- 2.5 A refresh of the Corporate Risk Management Strategy has recently been undertaken and was approved by the Governance and Audit Committee at their meeting of 23 January 2020. The strategy builds on existing provisions to ensure risk management arrangements continue to meet the developing needs of the Combined Authority and the LEP and a copy of the final document can be found [here](#).
- 2.6 The key changes that have been made in the updated Corporate Risk Management Strategy are summarised below:
- The organisation's risk appetite has been reviewed in consultation with the officer Regulatory and Compliance Board and incorporates feedback from an informal workshop held with Combined Authority members. A revised list of categories has been included with ratings set to more clearly reflect the organisation's appetite for risk across varying themes which reflect the four corporate priorities.
 - The organisation's risk assessment matrix has been updated, to address several existing problems with the previous iteration. The revised matrix ensures equal distribution of risk categories, and descriptors have been updated with the most recent guidance from ISO 31000. The matrix ensures the number of risk ratings are equal to those in the organisation's risk appetite to ensure comparison between the two is clear and easy to understand.
 - The corporate risk register template has been simplified and enhanced, incorporating standardised wording to help ensure risks are captured in a uniform, easy-to-understand format. The register provides automated information on the direction of travel of a given risk and uses standardised terminology consistent with that used across supporting documentation.
 - Roles and responsibilities for risk management, including reporting and escalation routes, have been improved and clarified in the new strategy documentation.
- 2.7 The Corporate Risk Register has also been updated to reflect the provisions of the Corporate Risk Management Strategy and a summary of the headline strategic risks currently contained within it is provided at **Appendix 1**.

Revenue budget position

2019/20

- 2.8 A summary of the 2019/20 current revenue spend to budget as at November 2019 is attached at **Appendix 2**. A RAG rating has been included to identify budgets that need further review with budget holders. There are no 'red' areas of concern to report at this early stage of the financial year.
- 2.9 The approved annual revenue budget included a £1.2 million deficit to be funded from general reserves. Following a forecast exercise undertaken in October 2019 the year end position is a £0.3 million surplus and is an improved position resulting in money going into the general reserve rather than being taken out.
- 2.10 The general reserves are therefore forecast to be approximately £7 million as at the end of the financial year. The proposal in the budget paper on this agenda is to retain general reserves at this level to help manage emerging pressures including Brexit, work on bus options following the announcement of the proposed sale of First Group's bus operations and 'cliff edge' funding for a range of projects.

Business planning and budget 2020/21

- 2.11 Work has taken place to develop detailed business plans and an accompanying budget for the 2020/21 financial year. These are presented for Combined Authority approval at Agenda item 5.

3. Clean Growth Implications

- 3.1 The proposed business plan and budget for 2020/21 will include actions and costs related to delivering against the corporate priority of clean growth, now renamed as tackling the climate emergency.

4. Inclusive Growth Implications

- 4.1 The 2019/20 corporate plan sets out further details regarding the organisation's approach to enabling inclusive growth.

5. Financial Implications

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

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 No external consultations have been undertaken.

9. Recommendations

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

10. Background Documents

10.1 None.

11. Appendices

Appendix 1 – Corporate Performance Snapshot Report
Appendix 2 – Budget monitoring 2019/20