

**West
Yorkshire**
Combined
Authority

Working in
partnership
with the



**Leeds City Region
Enterprise
Partnership**



Assurance Framework

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1. Introduction

1.1 About the Assurance Framework

This is the Assurance Framework for the West Yorkshire Combined Authority and the Leeds City Region Enterprise Partnership (LEP).

This Assurance Framework covers expenditure on programmes and projects funded by Government or local sources in the Leeds City Region. This includes funding received by the Combined Authority as the accountable body for the Leeds City Region Enterprise Partnership (the LEP) and funding in respect of the Single Investment Fund.

For transparency, the Assurance Framework is published on the West Yorkshire Combined Authority and LEP websites, together with supporting information.

1.2 Purpose of the Assurance Framework

The purpose of this Assurance Framework is to ensure that the necessary systems and processes are in place to manage funding effectively, and to ensure the successful delivery of the Strategic Economic Framework (SEF) ambitions¹. Its focus is to ensure that necessary practices and standards are implemented to provide the Government, Combined Authority, the LEP and local partners with assurance that decisions over funding (and the means by which these decisions are implemented) are proper, transparent and deliver value for money.

The Seven Principles of Public Life (the Nolan principles)² underpin this Assurance Framework to ensure that the Combined Authority and the LEP, their members and officers, are upholding the highest standards of conduct and ensuring robust stewardship of the resources they have at their disposal.

1.3 Updating the Assurance Framework

The Assurance Framework is reviewed and updated on an annual basis and signed off by the Combined Authority, the LEP Board, and the Section 73³ Officer by 28 February in line with the requirements of the [National Local Growth Assurance Framework \(2019\)](#).

The Assurance Framework is compliant with the guidance set out in the National Local Growth Assurance Framework (2019) and Strengthened Local Enterprise Partnerships report (2018) and has been prepared in accordance with guidance

¹ The priorities of the SEF are 1. Boosting productivity, 2. Enabling inclusive growth, 3. Tackling the climate emergency, 4. Delivering 21st century transport, 5. Securing money and powers. The SEF will be implemented in April 2021.

² These are selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

³ Appointed under Section 73 Local Government Act 1985

issued by the Chartered Institute of Public Finance and Accountancy (CIPFA Principles for Section 151 in Accountable Bodies).

2. About Leeds City Region

Mayoral Combined Authority

The Mayoral Combined Authority (MCA?) will be/was formally established on XX⁴.

The Combined Authority supports businesses through its transport, economic development and regeneration functions, investing in economic infrastructure, and through its role in creating quality places to live and work.

The CA brings together local councils and businesses to achieve this vision, so that everyone in our region can benefit from economic prosperity supported by a modern, accessible transport network, housing and digital connections.

It champions the region's interests nationally and internationally to secure investment from government and other sources to drive the local economy forward. It takes a long-term, strategic view on the things that will have the biggest impact on inclusive growth and productivity, improving the quality of life in the City Region.

The CA helps businesses to grow and create skilled jobs, and provides support, funding and information to help people travel around the region easily and affordably on good quality public transport and cycleways.

Further details about membership of the Combined Authority and its committees and panels are set out in **Appendix xx**.

The Mayor will be appointed in May 2021. the West Yorkshire Combined Authorities Mayoral outline role and function are set out in annex xx..... [D.N mayors role etc].....

West Yorkshire Combined Authority's role as accountable body

The Combined Authority is the accountable body for the LEP, responsible for:

- carrying out finance functions on behalf of the LEP.
- oversight of the LEP's financial and governance, transparency and accountability arrangements;
- providing additional support as agreed by the LEP.

As the accountable body, the Combined Authority is accountable to Government for complying with any conditions or requirements attached to funding allocated to the Combined Authority and to the LEP

⁴ By the West Yorkshire Mayoral Combined Authority Order XX

Appendix xx to this Assurance Framework sets out the accountable body arrangements, which the LEP agreed with the Combined Authority.

The statutory Section 73⁵ **Chief Finance Officer** of the Combined Authority as accountable body, is responsible for overseeing the administration of the Combined Authority's financial affairs. This role is extended to include the financial affairs of the LEP.

The Section 73 Chief Finance Officer has a critical role in maintaining good governance and standards for the LEP, in particular compliance with this Assurance Framework.

Appendix xx to this Assurance Framework sets out the responsibility arrangements for the Chief Finance Officer.

2.1 Leeds City Region Enterprise Partnership

The Leeds City Region Enterprise Partnership (the LEP) is the strategic body responsible for setting the strategic direction which will drive inclusive growth, increase prosperity and improve productivity in the Leeds City Region.

It is an autonomous business-led public-private local partnership, which brings together the private and public sectors from across the City Region to provide strategic leadership.

The LEP focusses its activities on the following:

- **Strategy:** setting and developing strategies which reflect the scale of our ambitions and priorities for the City Region. The current overarching strategy for the City Region is the SEF. At the heart of this is the Local Industrial Strategy (LIS), which identifies local strengths and challenges, future opportunities and the interventions needed to boost productivity, earning power and competitiveness across the City Region. The SEF and LIS are supported by a full range of policies and strategies developed to enable the next stage of the region's economic transformation.
- **Allocation of funding:** identifying and developing investment and funding opportunities; and monitoring and evaluating the impact of LEP activities to improve productivity across the local economy.
- **Co-ordination:** using the LEP's convening power and bringing together partners from the private, public and third sectors.
- **Advocacy:** collaborating with a wide range of local partners to act as an informed and independent voice for the City Region.

The LEP works collaboratively and in partnership with West Yorkshire Combined Authority, as its accountable body.

⁵ Section 73 of the Local Government Act requires the Combined Authority to appoint an officer to be responsible for the proper administration of the authority's financial affairs. This role is carried out by the Combined Authority's Director of Corporate Services.

Key roles and responsibilities of the LEP Board can be found at **Annex xx**

2.2 Geography

The Leeds City Region LEP consists of the five local authority districts in West Yorkshire. The CAs formal geography is the districts of Bradford, Calderdale, Kirklees, Leeds, and Wakefield. The Assurance Framework applies across all programmes and projects managed by the Combined Authority and the LEP, some of which cover a broader geography than these districts. The Combined Authority and LEP will continue to explore opportunities for further collaboration with partner councils, including Harrogate Borough Council, Craven District Council, Selby District Council, City of York Council and North Yorkshire County Council, and across the whole of Yorkshire through the Yorkshire Leaders' Board.

2.5 Links between the West Yorkshire Combined Authority and the LEP

There are several strong linkages between the Combined Authority and the LEP, notably:

- The elected Mayor will be a member of the LEP
- the LEP chair is a member of the Combined Authority;
- the SEF and the LIS, once finalised, will form the basis of the work of both the Combined Authority and LEP;
- West Yorkshire council leaders are members of both the LEP and the Combined Authority.
- the Assurance Framework is adopted by both the Combined Authority and the LEP
- the Chief Executive Officer of the LEP is also the Managing Director of the Combined Authority.

2.6 Strategic Economic Framework (SEF)

The LCR's current Strategic Economic Plan (SEP) sets out the organisation's priorities for growth and development. To reflect the growing range of policies that we operate in, changing national political and economic contexts and the need to incorporate the future mayor's manifesto commitments in our work, the SEP will be replaced in April 2021 by the Strategic Economic Framework (SEF).

The SEF forms the overarching strategy for the region to guide investment decisions. It has been designed to be flexible and agile, able to contain a range of policies and be easy to amend and expand. It brings together existing and subsequent policies and strategies under a single banner, ensuring greater alignment between our strategies, priorities and vision for the City Region. To allow for greater flexibility in the SEF, it is not a single, published document but will be hosted on both the Combined Authority's and the LEP websites.

It sets out our vision for West Yorkshire to be "recognised globally as a place with a strong, successful economy where everyone can build great businesses, careers and live supported by a superb environment and world-class infrastructure."

Five priorities have been set to achieve this:

Boosting productivity - Helping businesses to grow and bringing new investment into the region to drive economic growth and create good jobs.

Enabling inclusive growth - Enabling as many people as possible to contribute to, and benefit from, economic growth in our communities and towns.

Tackling the climate emergency - Growing our economy while cutting emissions and caring for our environment.

Delivering 21st century transport - Creating efficient transport infrastructure to connect our communities, making it easier to get to work, do business and connect with each other.

Securing money and powers - Empowering the region by negotiating a devolution deal and successfully bidding for substantial additional funds.

All our policies and strategies work toward meeting at least one of these priorities. All policies are afforded equal weight in the SEF and collectively they form the overarching strategy for the region.

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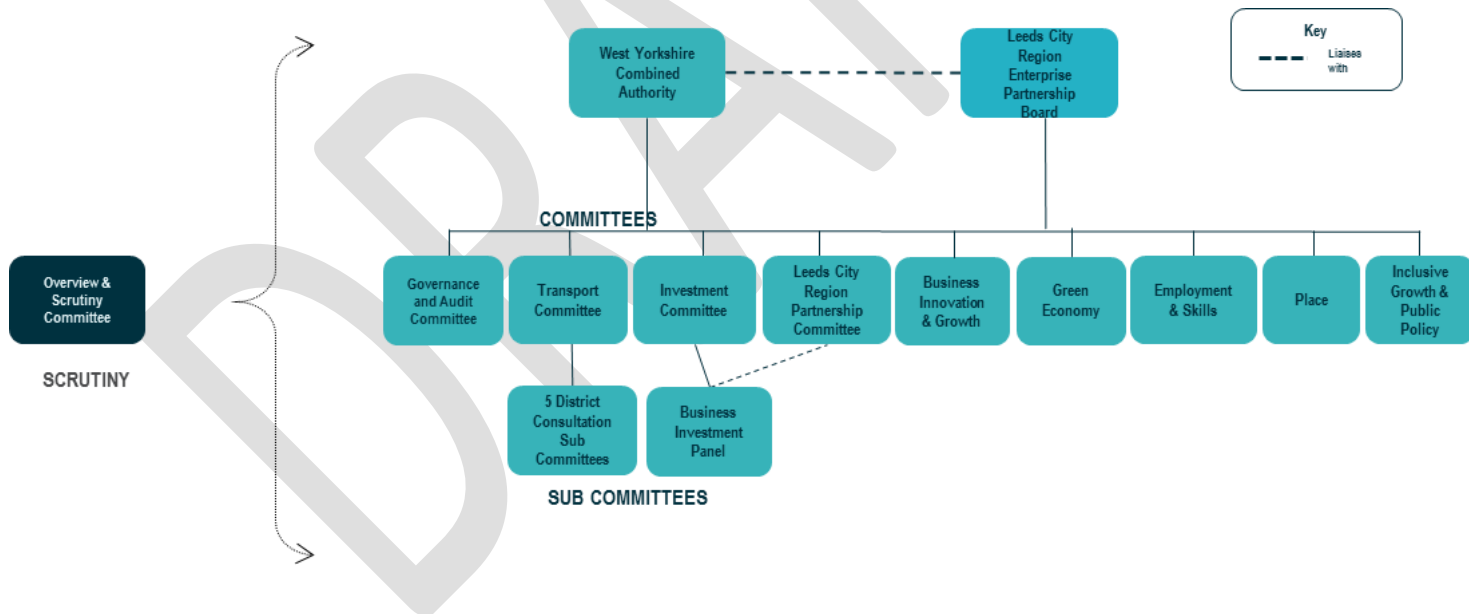
3. Governance and Decision-Making

The principal decision-making bodies for the Leeds City Region are the Combined Authority and the Leeds City Region Enterprise Partnership (the LEP).

The LEP’s accountability and decision-making arrangements benefit from being integrated with the Combined Authority. The CA and the LEP share sub-board structures, ensuring joined-up decision-making while reflecting the particular roles set out in this Assurance Framework. Government has recognised that this brings clearer governance and transparency. Integration also provides for seamless processes in respect of strategy and delivery and significant efficiencies.

A structure chart of the Combined Authority and the LEP is set out below in Figure 3.1:

Figure 3.1: Governance structure



3.2 The Combined Authority

As set out in Section 2, the Combined Authority is the accountable body for funding allocated to the LEP, as well as the publicly accountable decision-making body in respect of the Combined Authority’s statutory functions.

Additional information on the Combined Authority’s transparency and accountability arrangements is set out in Appendices xx, xx and xx.

Appendix xx provides information about the membership arrangements of the Combined Authority.

3.1 The LEP Board

The LEP is responsible for setting strategic direction and will hold partners to account in the delivery of the strategic objectives. Responsibility for LEP decision-making rests with its LEP Board⁶.

Key roles and responsibilities of the LEP Board can be found at Appendix xx setting the strategic direction for the sustainable economic growth of the City Region economy;

- proposing key objectives and investment priorities to deliver the overall vision and strategy of the LEP;
- overseeing the continued delivery of the SEP along with the transition to and implementation of the SEF during 2020;
- leading the development of Enterprise Zones (EZs) in the City Region;
- agreeing funding criteria, leading and coordinating funding bids and leveraging funding from the private and public sector to support the delivery of agreed LEP priorities;
- working with the Combined Authority to set the forward strategy for attracting new financial and business investment into the area;
- jointly approving a Business Plan and performance reporting with the Combined Authority on its plans along with the SEP and SEF;
- influencing key sub-regional, regional, national and international strategies;
- publishing an annual report;
- providing a link to Government on all aspects of the LEP's work.

Additional information on the LEP's transparency and accountability arrangements is set out in Appendices, 1, 2 and 3.

Agendas, reports and minutes of the LEP Board are published on the [Combined Authority website](#), which is also accessible from the LEP website.

The [LEP Board procedure rules](#) and [Access to Information Annex](#) set out the details on decision-making including quorum arrangements for meetings of the LEP Board. All meetings of the LEP Board are open to the public (including the LEP's annual meeting), except to the extent that the public are excluded in relation to confidential or exempt information, in accordance with the Procedure Rules and Access to Information Annex⁷.

A process for the LEP Chair to take urgent decisions outside of LEP Board meetings is set out in the [LEP Constitution](#). This provides for any such decisions to be reported to the next meeting of the LEP Board and recorded and published in the minutes of that meeting. This power may be exercised, for example, to approve

⁶ The LEP Board may delegate decisions in accordance with the LEP's Constitution and the LEP Board's Procedure Rules

⁷ The Cities and Local Growth Area Lead has an open invitation to attend meetings as an observer

amendments to the LEP governance documents, in order to comply with government requirements.

The business at each LEP Board meeting also includes receiving the minutes of, or an update from, the Combined Authority and any relevant Combined Authority advisory committee or panel.

3.2 Decision-making committees

In addition to the Combined Authority and LEP Board, the following committees have decision making powers:

<p>Transport Committee</p>	<p>The Transport Committee has authority to progress schemes through the assurance process.</p> <p>In relation to transport-related investment, the Committee also has a specific role in liaising with the West Yorkshire and York Investment Committee to promote the strategic alignment of regional transport funding investment.</p> <p>More generally, in accordance with the policies and strategies set by the Combined Authority, the Transport Committee meets to consider matters relating to its statutory transport functions. The Committee also oversees, and has strategic oversight of, public transport revenue expenditure funded by the West Yorkshire transport levy.</p> <p>The Committee has authority to approve individual schemes within the Integrated Transport Block of the Capital Programme, up to a maximum cost of £3 million. (For schemes over £3 million, approval is given by the Combined Authority).</p> <p>The terms of reference, membership of the Committee, the dates of future meetings and agenda items can be found here.</p>
<p>West Yorkshire & York Investment Committee</p>	<p>The West Yorkshire and York Investment Committee has authority to progress schemes through the assurance process, as set out in section xx below.</p> <p>In relation to transport-related investment, the Committee also has a specific role in liaising with the Transport Committee to promote the strategic alignment of regional transport funding investment.</p> <p>The Committee is also authorised to advise the Combined Authority in relation to any function of the Combined Authority relating to economic development and transport-led regeneration. This includes advising on proposed funding submissions and reviewing the impact of schemes funded by the LEP and the Combined Authority.</p>

Business Investment Panel	<p>The Committee has authority to make any decision to progress a scheme⁸ under the Assurance Framework⁹ in accordance with any bespoke approval pathway and approval route for the scheme¹⁰, as delegated by the Combined Authority.</p> <p>The terms of reference, membership, future meeting dates and agenda items of the Committee can be found here.</p>
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3.3 Advisory Panels to the LEP and Combined Authority

The following advisory panels appointed by the Combined Authority¹¹ report to the LEP. Their focus is on policy development, including criteria for the allocation of LEP funding. Panels are usually chaired by a LEP Board representative.

Business Investment Panel	<p>This panel has a key role in the assurance process for the appraisal of business grants and loans in the City Region, advising the Investment Committee and the LEP Board in relation to economic development loans and grants.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here. An advisory sub-committee of the West Yorkshire and York Investment Committee (see below), this Panel has representatives from the private sector and local authorities, some of whom are members of the LEP Board.</p>
Business Innovation and Growth Panel	<p>This panel advises the LEP and the Combined Authority in relation to business growth, including business support, innovation, digital, trade, and inward investment. Made up of representatives from the private sector, universities, policymakers and delivery partners, this Panel ensures that work is driven by the needs of business.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here.</p>
Employment and Skills Panel	<p>This Panel brings employers together with local authority representatives and skills providers. It carries out the role of Skills Advisory Panel for the LEP, and advises the LEP and the Combined Authority in relation to employment and skills within the City Region, for example, projects to address skills gaps in the City Region's key industry sectors and create local leadership that</p>

⁸ Including determining change requests

⁹ After decision point 1 (SOC) only

¹⁰ With the exception of those cases where the decision would result in a revised financial approval which exceeded the cumulative total of the financial approval and tolerance threshold agreed by the Combined Authority at decision point 1 (SOC), or decision point 2(OBC) by more than 25%, in which case the decision must be taken by the Combined Authority.

¹¹ These are advisory committees of the Combined Authority

	<p>drives improvements in skills and employment. The panel’s work is driven by the needs of employers and the City Region’s economy.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here.</p>
Green Economy Panel	<p>This Panel brings together local authority and private sector representatives in the City Region, to advise the LEP and the Combined Authority in relation to environmental sustainability and achieving a net zero-carbon economy in the City Region.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here.</p>
Place Panel	<p>Comprising local authority and private sector representatives, this Panel advises the LEP and the Combined Authority on promoting the quality of place in the City Region, including relation to housing growth, quality and regeneration, infrastructure planning, strategic land use and asset management, sustainable development and enterprise zones.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here.</p>
Inclusive Growth and Public Policy Panel	<p>This Panel advises the LEP and the Combined Authority in relation to securing inclusive growth throughout the Leeds City Region.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Panel can be found here.</p>

3.5 Other committees of the Combined Authority

The Combined Authority also has the following committees.

Overview and Scrutiny Committee	<p>This is a statutory committee of the Combined Authority which reviews and scrutinises decision-making by the Combined Authority (including in its role as accountable body for the LEP) and the LEP . See further section 3.8 for more detail.</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found here.</p>
Governance and Audit Committee	<p>This committee fulfils the Combined Authority’s statutory requirement to appoint an audit committee. It also carries out functions relating to promoting standards of conduct. See further section 3.7</p> <p>The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found here.</p>
Leeds City Region	<p>This committee provides a forum to bring together local authority representatives from all the Leeds City Region authorities, to</p>

Partnership Committee	<p>facilitate direct collective engagement with the Combined Authority, as the LEP's accountable body.</p> <p>The Committee advises the Combined Authority in relation to its role as accountable body. It also acts as a consultative forum on any matter referred to it by the Combined Authority, which may include matters raised by local authorities not represented on the Combined Authority, or by the LEP Board.</p> <p>The terms of reference, membership, meeting dates and agenda items of the Committee can be found here.</p>
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3.5.1 Business Communications Group

This group reports to the LEP Board. It is made up of spokespeople from key business representative organisations in the City Region. They play an active role in supporting business growth in the region by helping to coordinate effective communications between the LEP and the business community. They also act as an advisory group to the LEP Board, consulting with their members on barriers to growth and ensuring businesses are at the heart of all of activities.

The Chair of BCG is the identified LEP Board member to represent the SME business community.

The full list of membership can be found [here](#).

3.6 Investment Decisions

All investment decisions are made by reference to:

- the SEF and the ambitions of the Local Industrial Strategy;
- statutory requirements;
- any grant conditions attached to funding;
- local transport objectives
- funding programme objectives;

Decisions are based on merit, taking into account all relevant information.

All investment decisions are taken in accordance with the assurance process stages and activities, subject to agreed exceptions (such as bids to Government/ re-prioritisation, small grant programmes, e.g. business growth grants and loans, where alternative arrangements are in place).

Section 5 sets out in detail the assurance process for schemes, and the decision points that take place at the end of each activity.

The Combined Authority must take any investment decision which has not been delegated to either the Transport Committee, the West Yorkshire and York Investment Committee or the Managing Director, including those decisions where a scheme has fallen outside of the tolerances identified by the Combined Authority.

Before taking any funding decision, a decision-maker needs to be satisfied that the Assurance Framework has been complied with. The Combined Authority's Programme Appraisal Team (PAT) has a key role in ensuring compliance with the Assurance Framework, see further Section 5 below.

The specific decision-making authority of the Transport Committee and the West Yorkshire and York Investment Committee in relation to progressing schemes under the Assurance Framework are shown in Section 3.2.

Any investment decision taken by the Managing Director under delegated authority, is usually taken in consultation with the Combined Authority's Senior Leadership Team. The Managing Director reports their delegated decisions to the West Yorkshire and York Investment Committee.

3.7 Growth Service, Economic Development Loans and Business Grants

There are currently specific arrangements in place in relation to the approval and appraisal of business grants and economic development loans.

<p>Growth Service</p>	<p>The Growth Service for the City Region is funded directly from the Department for Business, Energy and Industrial Strategy (BEIS), with £512,500 awarded for 2019/20 and 2020/21. Additional funding of £1.7m has been secured from the European Regional Development Fund (ERDF) from April 2019 to March 2022.</p> <p>19 SME Growth Managers operate within the City Region's local authority partner councils. 8.5 are fully funded through ERDF funding and 10.5 are funded on a 50/50 basis with BEIS funding which is matched by the local authorities who also employ them. Detailed progress on the Growth Service project is reported on a quarterly basis to the Business Innovation and Growth (BIG) Panel and on a 6-weekly basis to the LEP Board by the BIG Panel Chair. There is also a private sector lead on the BIG Panel for the Growth Service, who is the owner of a small business. The BIG Panel is responsible for reviewing whether the project's output and expenditure targets are met and for identifying and addressing risks and opportunities. In addition, detailed six-monthly reports and quarterly financial claims are sent to BEIS and the Ministry of Housing, Communities and Local Government in respect of the ERDF funding.</p>
<p>Economic Development Loans</p>	<p>Using a framework set out by the LEP, decisions are taken about entering into economic development loans for the Growing Places Fund ¹²(and any successor funds to be established), following consideration of the recommendations made by the Business Investment Panel (which has public and private sector</p>

¹² Growing Places Fund loans are not currently available, but the LEP and Combined Authority is now reviewing its approach in this area of activity with the intention of launching new products later in 2020/21.

representatives) and the **West Yorkshire and York Investment Committee**. The Combined Authority approves projects and the loan amount in principle and the Managing Director under their delegated authority finalises and approves the details, following appropriate due diligence.

If there is an objection or issue in relation to an application, the Managing Director refers the application back to the Combined Authority for further consideration.

The Managing Director reports decisions on loans and grants made under delegated authority to subsequent Combined Authority meetings.

Arrangements in relation to **economic services grants** are set out in Appendix 4 of the Assurance Framework. In addition, arrangements relating to the principles for ESIF Sustainable Urban Development (SUD) purposes are set out in Appendix 5.

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4. Transparency, Accountability and Local Engagement

The Combined Authority and the LEP are mindful of the need to build the trust and confidence of stakeholders and the public, in relation to the ability to take investment decisions. Promoting transparency in its decision making is a key part of this. We are committed to keeping records which demonstrate that all legal obligations are met, and all other compliance requirements placed upon us, and these are accessible as set out below.

The Combined Authority designates a statutory **Monitoring Officer** who is responsible for ensuring that decisions conform to the relevant legislation and regulation¹³. This role is carried out by the Combined Authority's Head of Legal and Governance Services, who is responsible for providing legal advice to the Combined Authority and the LEP. A key part of the Monitoring Officer's role is ensuring that the legal responsibilities of the Combined Authority as accountable body in relation to ensuring the transparency provisions are met, as set out below.

The Monitoring Officer also has a key role in relation to conduct, including maintaining and publishing registers of interest for the Combined Authority and the LEP – see further below.

4.1 Publication of information

The Combined Authority website, which is accessible from the LEP website, contains details on our strategies and information relating to progress on delivery of all programmes. An overview of all scheme business cases and evaluation reports are published on the [Combined Authority website](#). These project pages also include links to relevant news articles. Summaries of business cases to be considered by the West Yorkshire and York Investment Committee as part of the assurance process are published electronically ahead of meetings. There are exceptions to this rule in respect of commercial confidentiality.

Agendas and reports (except any information which is confidential or exempt), are published five clear days before a meeting. Minutes of each meeting are published in draft within ten clear working days of a meeting taking place. The final minutes are published within ten clear working days of being approved.

4.2 Combined Authority transparency arrangements

Specific statutory requirements apply to the Combined Authority in relation to transparency. Additionally, the Combined Authority also complies with a number of good practice recommendations. The key arrangements in place are:

¹³ The Monitoring Officer is required by law to formally report to the Combined Authority where it appears to the Monitoring Officer that any proposal, decision or omission of the Combined Authority is unlawful or amounts to maladministration.

- the public's right to attend meetings and inspect documents of the Combined Authority as set out in its Procedure Standing Orders
- meetings of the Combined Authority are live streamed, enabling the public to watch the meeting over the internet
- notice of any up and coming key decision will be published on the Combined Authority website twenty-eight days in advance of the decision [here](#)
- agendas and reports of meetings of the Combined Authority and its committees (including advisory panels) are available to the public on its website, five clear days before a meeting [here](#)
- minutes of meetings are published on the Combined Authority website [here](#)
- business case summaries of all projects/programmes coming forward for a decision are published on its website. Summaries of projects/ programmes can be found [here](#)
- key decisions taken by officers are published on the Combined Authority website [here](#)
- The Combined Authority adheres to the Local Government Transparency Code which requires the publication of additional data
- The business at each ordinary meeting of the Combined Authority includes receiving the minutes of the LEP for information.

4.3 Diversity Statement

Leeds City Region is committed to achieving diversity and equality of opportunity both as a partnership and as a commissioner of services. The LEP promotes equality of opportunity and does all it can to ensure that no member of the public, service user, contractor or staff member working within a partner organisation will be unlawfully discriminated against. The Equality and Diversity Policy including Diversity Statement can be found [here](#).

4.4 Requests for information and Data Protection

The Combined Authority is subject to the Freedom of Information Act 2000 and the Environmental Information Regulations 2004 and responds to statutory information requests in accordance with approved procedures.

The Combined Authority also deals with any requests for information from the LEP on its behalf, in accordance with the same procedures. Further information on the Combined Authority's Freedom of Information/Environmental Information Regulations & Transparency Policy can be found [here](#).

The Combined Authority is subject to the General Data Protection Regulation and Data Protection Act 2018 and must by law appoint a Data Protection Officer (DPO). The DPO¹⁴ assists the Combined Authority on the monitoring of compliance with the data protection legislation, advises on data protection obligations, provides advice regarding Data Protection Impact Assessments and is the contact point for data subjects and the supervisory authority.

¹⁴ The DPO sits within the Combined Authority's Legal and Governance Services team

The LEP and Combined Authority respect and are committed to compliance with the Data Protection legislation. The privacy notice can be found [here](#).

Requests made by data subjects under the General Data Protection Regulation and Data Protection Act 2018 will be dealt with in accordance with approved procedures.

The Combined Authority's Data Protection and Confidentiality Policy can be found [here](#)

4.5 Use of resources and accounts

The use of resources by the Combined Authority are subject to the usual local authority checks and balances, including the financial duties and rules which require councils to act prudently in spending. These are overseen by the Combined Authority's Section 73 Chief Finance Officer¹⁵, its Director of Corporate Services. This post has statutory responsibility to administer the Combined Authority's financial affairs and is responsible for ensuring that funding is used legally and appropriately. The Section 73 Chief Finance Officer's role extends to the LEP - see further Section 2.4 above and Appendix 2. All reports to the LEP Board must include any written advice on the matter provided by the Combined Authority's Section 73 Chief Finance Officer and Monitoring Officer.

The Combined Authority has clear accounting processes in place to ensure that all funding sources are accounted for separately and that funds can only be used in accordance with formal approvals made under the LEP and Combined Authority decision making arrangements.

The Combined Authority has a statutory duty to keep adequate accounting records and prepare a statement of accounts in respect of each financial year. This statement of accounts is published [here](#) usually in June in draft and in July as fully audited, although this may change in accordance with legislative requirements. The statement will cover expenditure from the Local Growth Fund and other funding sources received from Government. A separate financial statement for LEP expenditure is published annually in line with the timeframe for the statement of accounts.

The Combined Authority will publish a public notice each year, setting out a specific period during which any person may inspect and make copies of the Combined Authority's accounting records for the financial year.

During the same period, the local auditor must give a local government elector (someone registered to vote in the local elections) within West Yorkshire (or their representative) an opportunity to question the external auditor about the accounting records, and objections may be made to the auditor about any relevant item.

4.6 Audit

The Combined Authority complies with statutory requirements relating to audit arrangements, principal elements of which are:

¹⁵ Appointed under Section 73 of the Local Government Act 1985

- appointing an **audit committee**
- inspection by **external auditors**
- adopting **internal audit arrangements**

These audit arrangements apply to the LEP and to LEP funding in respect of which the Combined Authority is the accountable body.

The Combined Authority's Governance and Audit Committee fulfils the requirement to appoint an **audit committee**. By law this must include at least one independent person. The membership now includes two independent persons and one of these has been appointed to chair the Committee in the current municipal year.

The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found [here](#).

An annual independent audit is conducted by **externally appointed auditors** ensuring the Combined Authority operates a robust financial management and reporting framework, including in relation to the LEP.

The Combined Authority's **internal audit** function carries out independent and objective appraisals of relevant systems and processes, including ensuring that effective procedures are in place to investigate promptly any alleged fraud or irregularity. The Combined Authority's internal auditors provide assurances to the Combined Authority (through its Governance and Audit Committee, the Section 73 Chief Finance Officer) and to the LEP.

The Combined Authority's financial regulations set out further detail in relation to the Combined Authority's audit arrangements (found [here](#)).

4.7 Risk Management

Risk is managed in line with HM Treasury 'Orange Book' Guidance on the Principles and Concepts of Risk.

The LEP has agreed that the Combined Authority through the Section 73 Chief Finance Officer, manages risk on the LEP's behalf. The Combined Authority recognises that effective risk management is an integral part of good corporate governance and as such should be a part of everyday management processes. The Combined Authority is committed to ensuring the robust management of risk, and as such a corporate risk management strategy is in place to set out a consistent approach to all risk management activities undertaken throughout the organisation. This includes the Combined Authority's risk appetite statement, which is based on risk category. The Risk Management strategy can be found [here](#).

Identification and Assessment of Risk

Full project-level risk analysis and mitigation plans are required for each scheme when developing their business case. These are required to comply with the CA risk strategy and are assessed as part of the appraisal process set out in this Assurance Framework.

Robust processes for the identification, analysis and management of risks is contained within the Combined Authority's Risk Management Strategy and supporting documents. These provide details on the regularity with which to review risks and guidance for effective risk identification, assessment and escalation.

A summary of the organisation's Corporate Risk Register is provided at each meeting of the Combined Authority and LEP Board meeting, which highlights any changes since previous review and any significant developments in risk management processes.

4.8 Scrutiny

To secure independent and external scrutiny of decisions, the Combined Authority's statutory Overview and Scrutiny Committee reviews and scrutinises decision-making by the LEP and by the Combined Authority.

No member of the Combined Authority or the LEP may be appointed to the Committee. The terms of reference, membership, meeting dates, agenda items and minutes of the Committee can be found [here](#).

The Committee may produce independent reports and make recommendations on any matter considered by the LEP or relating to LEP governance. It may also review or scrutinise any Combined Authority decision in its role as accountable body for the LEP.

The LEP may also seek input from the Committee on any issue relating to policy and strategy development, or otherwise.

The Committee operates in accordance with Scrutiny Standing Orders, which can be found [here](#). These provide for the committee to require any member of the Combined Authority (including the LEP Member or a Chair of any committee or Panel) to attend to answer questions or provide information.

The LEP and the Combined Authority receive an annual report from the Committee at their annual meetings.

Further details on the LEP's agreement with the Combined Authority (in its role as Accountable Body) in respect of scrutiny arrangements are set out in Appendix 1.

The Overview and Scrutiny Committee has a specific power, in accordance with its Scrutiny Standing Orders, to "call in" decisions¹⁶ for further scrutiny after they are made. If the threshold of five scrutiny members, with at least two from different local authority areas, is met the Committee may instruct that the implementation of a decision be deferred while post-decision scrutiny takes place and make recommendations to the decision maker.

Following the publication of new statutory scrutiny guidance by the Government in May 2019, the Committee began an internal review of the effectiveness of current

¹⁶ Including investment decisions at decision point 1 of the assurance process.

scrutiny arrangements in order to strengthen its role in undertaking pre-decision scrutiny of impending project approvals and projects in delivery. The Committee aims to finalise their review in late 2020.

The pre-decision scrutiny review process serves as an important function in parallel to the assurance process, not as an additional step to delay the progress of projects in development as a matter of course.

4.9 Code of Conduct

The LEP Board

The LEP is committed to ensuring that LEP Board members and officers demonstrate the highest standards of conduct, and act solely in the public interest. All LEP Board members are subject to a LEP Board Members' Code of Conduct [here](#) which reflects the Nolan Principles of public life.

The LEP Board Code of Conduct also requires LEP Board members to declare and register:

- acceptance or receipt of an offer of a gift or hospitality
- specific pecuniary and non-pecuniary interests

A register of the interests disclosed by each LEP Board member is accessible from the [LEP website](#) and published on the [Combined Authority website](#). The Code sets out comprehensive requirements in relation to declaring interests at meetings, and the circumstances in which a conflict of interest will preclude a LEP Board member from participating in decision-making.

At the beginning of each meeting, all members present are asked to declare any potential conflict of interest. These declarations are minuted.

The LEP has also approved arrangements under which allegations that the Code of Conduct has been breached can be investigated and for making decisions on such allegations. These can be found [here](#).

The Combined Authority

Statutory provisions require the Combined Authority to adopt a Members' Code of Conduct which applies to members of the Combined Authority and to voting members of committees and panels appointed by the Combined Authority, including the advisory panels which report to the LEP. The Code sets out the conduct expected of members, including procedures for declaring and registering:

- acceptance or receipt of a gift or hospitality
- disclosable pecuniary interests, which are defined by the code

The Code is publicly available [here](#).

Failing to comply with requirements for registering and disclosing pecuniary interests may be a criminal offence.

Members' interests are publicly available on the Combined Authority website through each of the Committee home pages [here](#).

The Combined Authority has also approved arrangements under which allegations that the Code has been breached can be investigated and for making decisions on such allegations. This can be found [here](#).

Officers

Combined Authority officers serve both the LEP and the Combined Authority. Officers must comply with the Combined Authority's Code of Conduct for Officers, which also reflects the Nolan Principles of public life and requires officers to register personal and prejudicial interests. Officers also need to comply with a Gifts and Hospitality policy. Failure to comply with the Code may lead to disciplinary action.

Senior officers and other officers involved in advising on LEP decisions are also required to complete and keep under review a separate LEP Officer register of interests. The register of the LEP's Chief Executive Officer is published on the LEP website [here](#).

4.10 Conflict of Interest

The Combined Authority and the LEP have adopted a Conflicts of Interest Policy which provides an overview of how conflicts of interest are managed. Appended to the Policy is a Conflicts of Interest Protocol: loans or grants to businesses which sets out a process which the LEP and the Combined Authority follow to demonstrate that applications from businesses for loans or grants are dealt with in an impartial, fair and transparent way [here](#).

4.11 Complaints Policy

The LEP has adopted a confidential complaints procedure, which can be found [here](#). The Combined Authority will also consider any complaints received in accordance with its agreed complaints procedure, which can be found [here](#).

Any complaints about the LEP will be dealt with in accordance with the approved complaints process.

4.12 Whistleblowing Policy

The LEP has adopted a whistleblowing policy, which can be found [here](#). The Combined Authority has also adopted a whistleblowing policy, which can be found [here](#) to investigate and resolve any case where it is alleged by stakeholders, members of the public or internal whistle-blowers that the Combined Authority is acting in breach of the law, failing to adhere to the framework or failing to safeguard public funds.

4.13 Resources and Capabilities

The LEP and the Combined Authority ensure that members and officers have the capacity and capability to deliver their respective roles. They support people to develop their expertise and update it to take account of developments.

The Combined Authority has the necessary staff resource with the necessary key functions to enable it to:

- manage the process, including supporting business case development
- carry out programme and project appraisal
- co-ordinate and manage the decision process (e.g. time of meetings and associated paperwork)
- oversee the delivery, monitoring and evaluation of schemes (e.g. benefits realisation management, financial and resource management, risk)

The Combined Authority draws on external expertise and technical support such as financial, economic, property, legal and evaluation advice, for example through consultancy frameworks or from partner organisations including Homes England, local authorities, Skills Funding Agency and others

4.14 Local Engagement

Engagement with stakeholders and the wider public is regarded as a central part of the process to develop, monitor and implement strategies, funding programmes and all other aspects of the work of the Combined Authority and the LEP.

To support this process, a set of consultation and engagement protocols have been developed and the Consultation and Engagement team work with colleagues to ensure these principles are applied in any consultation and engagement activities that are undertaken. As well as carrying out insightful and robust consultation and engagement activities, relevant legislation must be adhered to. Partners are encouraged to adhere to these protocols where possible.

Engagement with stakeholders and the wider public is as inclusive as possible, using the following principles:

- Stakeholders and members of the public are aware of the approach to consultation and activities;
- Stakeholders and members of the public are able to have their say on proposals when they are still at a formative stage;
- Consultation is open, transparent and accessible;
- The consultation process is well planned, managed and coordinated and achieves value for money;
- Consultation is effective, meaningful and of a consistently high quality; and
- Consultation feedback is properly considered, and outcomes are reported in a timely way.

To support any face-to-face engagement, a digital engagement hub ([yourvoice](#)) has been developed that enables information to be shared and feedback sourced electronically in a more interactive way. Tools available to use include surveys, Q&A, mapping, polls, forums, guest books, newsfeed, ideas and stories.

Stakeholders are engaged in all work that the LEP and Combined Authority undertake. Regular updates are provided to existing panels and committees such as

the District consultation sub committees. As part of the LEP's work with business, a Business Communications Group has been established, made up of representatives from key business organisations in the City Region. The group plays an active role in supporting business growth in the region by helping to coordinate effective communications between the LEP and the business community. The group also acts as an advisory group to the LEP Board; consulting with their members on barriers to growth and ensuring businesses are at the heart of all activities.

A Partnership Strategy has been developed and engagement and communication with partners takes place through a range of channels, including social media, press releases, websites, events and e-newsletters. Social media has been used particularly effectively for informal engagement on policy, future strategy and project development.

New methods to engage with key stakeholders, businesses and the public are continually sought, and effectiveness and lessons learnt are monitored.

4.15 Arrangements for collaborative cross-LEP working

The LEP is committed to collaborating across boundaries, where interests are aligned when developing strategies and interventions to maximise their impact across their different objectives. This helps to ensure a more efficient use of resources and secure a better outcome than operating in isolation.

There are a number of areas where the LEP works closely and interfaces with neighbouring and other regional LEPs. These include:

- regular meetings (currently monthly) of the NP11 group of pan-Northern LEPs – at LEP Chair and Director level and between communications leads
- active participant of the LEP Network at Chair, Director and operational levels to share best practice, influence policy design and identify opportunities for collaborative communications
- officers from neighbouring Yorkshire LEPs meet regularly to discuss approaches to business support (including the Northern Powerhouse Growth Hub Network), Brexit and energy.
- Yorkshire Hubs collaborated on the Northern Powerhouse Investment Fund, including regular meetings to determine contributions from their ESIF allocations
- through Transport for the North, where there is a significant degree of cross-LEP collaboration, from the Partnership Board through to officer working group meetings around Northern Powerhouse Rail, Strategic Transport Plan and Roads Strategy
- Core Cities forums, which take place 4 times a year, covering a wider spectrum of national policy issues
- the LEP is also invited to attend the Sheffield City Region Combined Authority as an observer, given the close links between the two functional economies
- joint working on the Resource Efficiency Fund with the York, North Yorkshire and East Riding Enterprise Partnership

- joint working on the local industrial strategies with the York, North Yorkshire and East Riding Enterprise Partnership

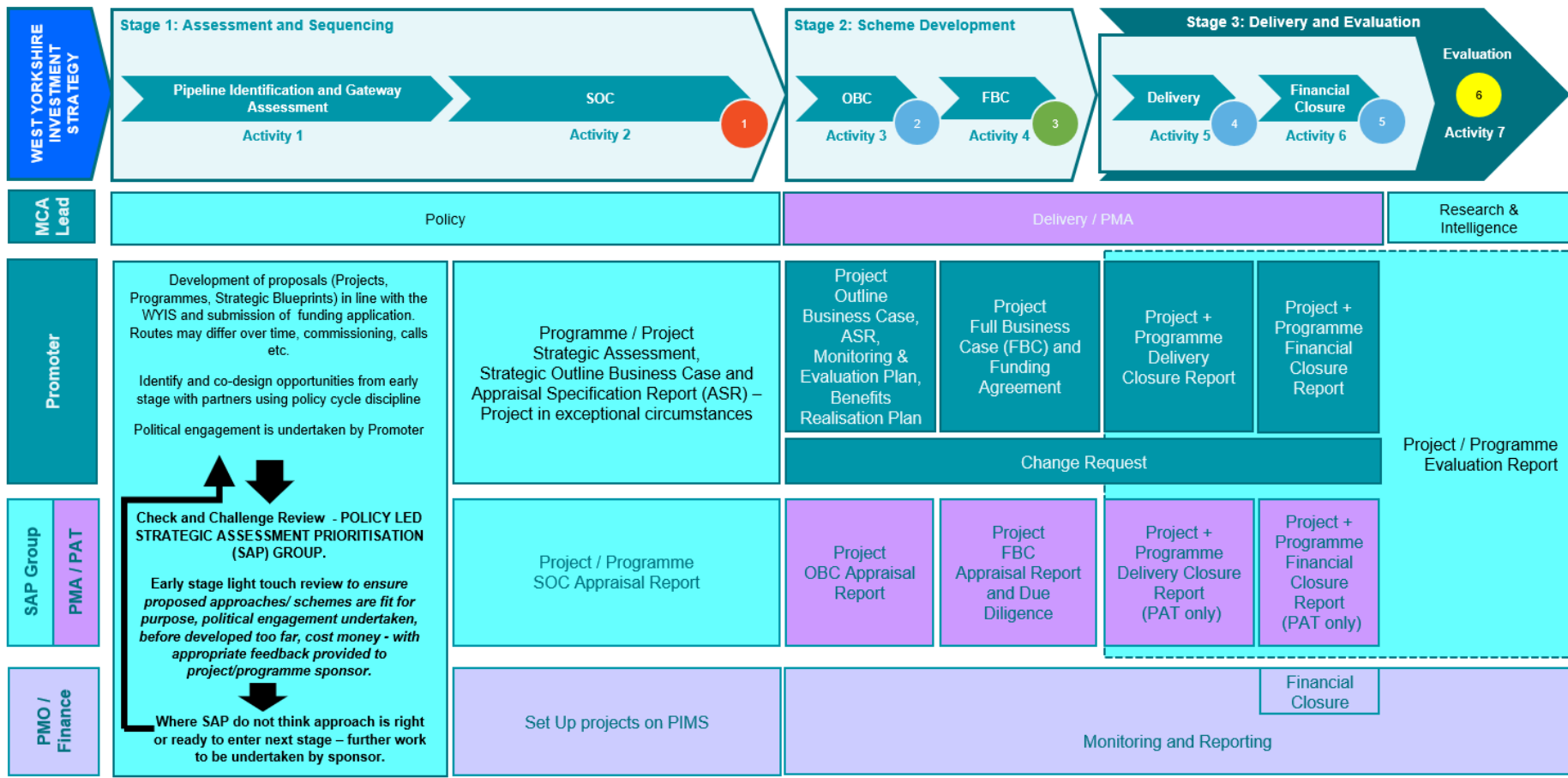
The LEP collaborates with other neighbouring LEPs on many areas of its businesses and details about these collaborations, and further potential opportunities, are regularly reported to the LEP Board.

5. Assurance Process

5.1 Leeds City Region Assurance Process

Figure xx: Assurance Process

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KEY: ● Key Decision Point (CA Approval Required) ● Key Decision Point (IC/CA Approval may be required) ● Decision Point (IC/CA Approval may be required) ● Reporting Points

5.3 Stage 1, Assessment and Sequencing

Activity 1: Pipeline Identification and Gateway Assessment:

Schemes will be assessed on a case by case basis by the policy team and the Strategic Assessment Prioritisation Group (SAP Group) to determine if the schemes presented are eligible to proceed to presenting a SOC as part of assurance. This is carried out by assessing strategic fit with the current priorities of the Combined Authority SEF and its deliverability of the headline indicators. The SAP Group will recommend the most appropriate assurance pathway by providing a Strategic Assessment (SA) decision notification; that serves the needs of the Combined Authority in carrying out the correct level of assurance, which may or may not include entry in to the appraisal stream.

By exception an individual project may come through the assurance process at Stage 1.

Activity 2: Strategic Outline Business Case (SOC):

Eligible schemes will enter the appraisal system as a programme SOC whereby it will be appraised by the PMA team, a minimum appraisal methodology (Appraisal Specification Report) will be agreed based on the proportionality principles set by the authority and the approval route reviewed for **Stage 2, Development** of OBC and/or FBC will also form part of DP1. Reports will be presented on the scheme for recommendation to Programme Appraisal Team (PAT) for approval at: Investment Committee (IC) and Combined Authority (CA) at the end of this stage (decision Point 1) where scope of recommendations, methodologies, approval routes, programme tolerance levels set and development funding for future stages is approved.

5.3.1 Criteria for prioritisation

Prioritisation of schemes will all fall under the SEF priorities and be subject to identification by the LEP and directorates of the CA and through Calls for proposals. This part of the Framework also briefly describes the method for prioritising investment and assessment criteria.

5.3.1.4 Assessment criteria

The assurance process will inform decision-making by providing an objective, transparent and rigorous system of appraisal to assess programmes and individual projects objectively. It is a flexible process that can be adapted to the specific nature, scale, and scope of the project and/or programme. It sets out how all City Region projects and programmes such as housing, regeneration, transport, low carbon, skills and innovation, or anything else that comes to the LEP and the Combined Authority for consideration, will be appraised and evaluated based upon the evidence provided.

The assurance process will be applied to the assessment of all projects and programmes funded from Government or local sources that flow through the LEP and the Combined Authority, drawing on national guidance (e.g. Green Book, Treasury five cases, TAG and MHCLG Appraisal Guidance).

5.4 Stage 2: Scheme Development

The Combined Authority appraisal function is headed by the Director of Delivery, who also has overall responsibility for ensuring value for money of schemes and programmes is realised.

Appraisal at Stage 2 will consist of the following:

- each scheme will be assigned an impartial Lead Appraiser when it enters the appraisal process.
- The promoter will submit the stage 2 business case template into the CA based on the Agreed ASR and minimum submission requirement,
- the Lead Appraiser will be responsible for the appraisal of that scheme using a Red, Amber, Green (RAG) based system in two phases initial appraisal where clarifications are sought from the promoter and final appraisal based on the clarifications.

The PMA team will also review the pathway through to **Stage 3, Delivery, and Evaluation** based on the scheme remaining within tolerance set by the CA at Stage 2.

Delegated authority from the CA will be granted to the (IC), (MD) or (DoD) to include scope of recommendations, conditions related to contract award via agreed price, which subject to endorsement by the Programme Appraisal Team (PAT) to approve spend where a scheme remains within tolerances between FBC DP3 and procurement of contractors for delivery (Activity 4) . Schemes outside of tolerance will subsequently be required to resubmit their scheme which will be presented back to the Combined Authority, who also act as the accountable body for LEP schemes and funding streams for continuance approval.

Depending on the cost, complexity and risk of a scheme, the IC, MD or DoD may request that a scheme is referred back at subsequent decision points for their recommendation to progress along the assurance process in advance of appraisal decision. The Combined Authority may delegate further decisions to the Investment Committee, to the Combined Authority Managing Director, or the Director of Delivery to facilitate speeding up the delivery of schemes that are considered to be proportionately mid-low cost or of lower risk; which remain within prescribed tolerances.

5.5 Stage 3: Delivery and Evaluation

Need explanation of Stage 3 and Activity 5 and 6

5.6 When will schemes be assessed?

It is expected that discussions between the scheme promoter and the LEP/Combined Authority will be an ongoing and iterative process.

As part of the (SOC) approval, timescales for the approval of future decision will be agreed and set out between the promoter and LEP/Combined Authority.

5.7 Appraisal proportionality

The level of appraisal will be proportionate to the nature, scope, impact and risks of each project and/or programme. For example, where a scheme carries greater risk and/or is more complex with considerable impact on society as a whole and on environment, the intensity of the appraisal will reflect this. This is not simply a matter of the financial scale of a project but will also need to take account of how the project is structured, its processes and dependencies. The capital-intensive nature of transport projects and the accompanying high costs and significant direct impact on society and environment will mean that transport schemes will have different thresholds in terms of how they are treated.

The approach to appraisal is to be set out in the Appraisal Specification Report (ASR) following guidance and should be agreed with the responsible officer of the Combined Authority.

5.8 Methodology to assess value for money

The range of toolkits (HMT Green Book, MHCLG guidance etc) are used to demonstrate the wider economic benefits and value for money in order to assess the business case for a scheme. In line with recognised VfM guidance, the assessment will consider:

- **Economy:** Minimising the cost of resources used
- **Efficiency:** The relationship between the output from goods or services and the resources to produce them
- **Effectiveness:** The relationship between the intended and actual results of public spending (outcomes and meeting objectives)
- As set out in the LEP National Local Growth Assurance Framework guidance, the methodology used to assess VfM will be in line with the established guidance prescribed by the relevant government department:

5.4.4 Compliance with Department for Transport's TAG guidance

All transport schemes will be subjected to the minimum requirements on modelling and appraisal, Value for Money (VfM) statement, assurance and evaluation, as set out in the National Assurance Framework Guidance (LEP and Single Pot).

The modelling and appraisal work will be scrutinised to ensure it has been developed in accordance with TAG, is robust, and is fit for purpose. A review panel made up of the senior officers of the Combined Authority, referred to as the Programme Appraisal Team, or PAT, will be used, so that appropriate and independent recommendations can be provided to decision makers. Responsibility for quality assurance of the assessment and scrutiny will rest with the Combined Authority's Head of Portfolio Management and Appraisal (PMA).

An Appraisal Specification Report (ASR) should be developed by the scheme promoter alongside the SOC (development) and agreed with the Combined Authority, which sets out how the scheme will be appraised.

In line with TAG, the promoter will not carry out any modelling and appraisal work for any activity in Stage 2 prior to ASR agreement with the Combined Authority's assigned officer. All evidence supplied as part of economic case in all activities in Stage 2 will be appraised against methodology set out in agreed ASR. An Appraisal

Summary Table (AST) and VfM Statement will be produced by following TAG and DfT's VfM guidance.

The Economic Appraiser will provide an assessment on the VfM Statement for decision makers, summarising as part of the appraisal. The conclusions from VfM assessment will take into consideration whether benefits outweigh the costs whilst identifying key risks and sensitivities that may affect the VfM conclusion. The experts will also set out what level of Analytical Assurance PAT and decision makers may attach to the VfM position based on quality of work, uncertainty in appraisal and risks.

- The justification of a projects recommendation for delivery with a sub 2 BCR will be set out in the reports seeking approval from the relevant decision maker.

5.4.5 Estimating economic and wider benefits

All programmes and projects will be expected to have a positive (direct or indirect) impact on growth through job creation, skills improvement, increased productivity, and improved connectivity, to ensure that the good growth aspirations articulated in the SEF are realised. This also includes inclusive growth and clean growth aspirations.

Projects funded by the Combined Authority and the LEP are required to have a benefits realisation plan and a monitoring and evaluation plan as part of business case development. These should be produced as part of activity 2 (OBC) and refined and be in place at the end of activity 4 (FBC). Benefits realisation reporting together with the outputs from the monitoring and evaluation plan will be used to assess the effectiveness and impact of investing public funds and the extent to which projects are contributing to the overall objectives of the Combined Authority and the LEP. Net additional economic output measured by Gross Value Added (GVA) per pound invested is one of the measures that is used as a metric for determining whether a project delivers value for money. Other measures of value for money will be used where necessary or context specific to provide more information on the richness and scale of the potential impact of projects. Such measures include the Benefit: Cost ratio, total cost per job and total GVA per job.

A range of tools and models will be used to help estimate the direct, indirect and wider economic impact of scheme proposals in order to facilitate the prioritisation and decision-making process. It would be expected that the promoter engages with the Combined Authority on the approach and the preferred model/s to be used to appraise the economic benefits, reflecting the scheme context and scope. The Combined Authority are now in the process of procuring expert advice to frame and develop a robust quantifiable methodology (quantitative and qualitative) for assessing all new scheme's predicted carbon emissions / wider clean growth impacts, building on the recent work to strengthen how clean growth and climate change impacts are considered as part of all new schemes that come through the Combined Authority's Assurance Framework. This will include a review of all existing Combined Authority schemes and additional resource to support the development and implementation of the new assessments.

The qualitative assessment will seek to consider the strategic importance of the scheme (e.g. an assessment of how the scheme contributes to the priorities and ambitions of the SEP or SEF). This more qualitative assessment is particularly important for revenue programmes, the direct effects of which are traditionally more difficult to quantify.

The outcomes of the assessment of applications made in response to funding opportunities are reported to the LEP Board, the Combined Authority and the West Yorkshire & York Investment Committee.

5.4.6 Reporting of appraisal findings

As outlined in Appendix X, the Programme Appraisal Team enter the assurance process at Stage 2 as shown in figure 8.1. This body critically reviews the case officer's appraisal report of schemes within stage 2 and makes recommendations to the relevant committees shown in table 3.4, which are then reported through the current Combined Authority governance arrangements for a formal decision.

5.9 Due diligence assessment

Due diligence is the independent verification of key information and assumptions. The WYCA Programme Manager will perform this function as part of the contracting process. The purpose of due diligence is to protect all parties from acting on incorrect or impartial information.

Due diligence may be carried out at any point in the development of a scheme; however, it will be formally required as part of the Full Business Case submission. Depending upon the nature of the scheme, but could include:

- **Lending:** financial standing of delivery body, company ownership and creditworthiness, value of security offered and details of any existing charge, terms of loan including drawdown and repayment, consideration of State Aid
- **Recoverability:** projects need to demonstrate the income from which the loan will be repaid
- **Deliverability and risk:** confirmation that the project is ready to start and a risk management plan is in place
- **Final economic impact/VfM statement:** jobs created, contribution to the City Region economy and other outputs/outcomes, such as remediated land, apprentice positions, houses built and private sector deliverability.
- The Business Investment Panel has a key advisory role in this process for business grants and loans.

5.5 Stage Three: Delivery Monitoring and Evaluation

5.5.1 Delivery (decision point 4) and Close and Review (decision point 5)

The purpose of activity 4 is to deliver the scheme and therefore decision point 4 is to confirm that delivery is complete. For an infrastructure project this would be completion on site. The output from activity 4 at decision point 4 is a draft Project Closure Report.

The purpose of activity 5 is to confirm that a project has been reviewed and can be closed. For an infrastructure project this would be completion of all defects and financial close, i.e. all final accounts have been agreed and paid, and the project has

completed any outstanding compliance requirements highlighted at decision point 6 and in the Final Monitoring Report. This is not when the scheme has delivered all of the outputs and benefits set out in Schedule 1 of the Funding Agreement. The output from activity 5 at decision point 5 is a final Project Closure Report. The purpose of the draft and final Project Closure Reports is to assess the success of the project, identify best practice for future projects, resolve all open issues and to capture feedback and lessons learnt to inform the development and delivery of future projects. The final Project Closure report formally closes the project.

5.10 Funding Agreements

The funding offer will be bespoke to each individual scheme. The arrangements for the draw down and release of funding will be outlined at Activity 2 SOC, then agreed during Stage 2 (Scheme Development) of the assurance process.

Some schemes receive development funding in order to progress from (SOC) to (FBC). At the point where funding is released, the Combined Authority will enter into a funding agreement with the promoter. Any funding conditions will be specified in the funding agreement and can include but not limited to:

- a funding cap
- the promoter's Chief Internal Auditor to provide assurance and to certify all expenditure on an annual basis
- claw-back provision in place to ensure funding is only to be spent on the specified scheme and that any cost savings achieved on the completed scheme are returned
- the Combined Authority, as the accountable body, will determine when to release funding.
- the Combined Authority may arrange for local audit of schemes to detect any misuse of funds.
- all organisations that receive funding through the Combined Authority and/or LEP are contractually required to acknowledge this, and that of Government in all communications and marketing activity. This includes use of logos on relevant communications materials, inclusion of specified wording in press releases and development of stories and case studies that showcase the impact of projects.

The LEP and Combined Authority will look to recover funding where there has been non-compliance, misrepresentation or under-performance. The Accountable Body arrangements in Appendix 1 set out how concerns are escalated, including taking a legal opinion on the likelihood of recovery.

5.11 Management of contracts

West Yorkshire Combined Authority has implemented a performance management process which is aimed at ensuring contract performance is achieved and that all contract deliverables and obligations are met. The process will ensure that the following key contract management elements are implemented:

- Contract managers who understand all contract requirements, deliverables and provider obligations
- Contract managers have a detailed understanding of the Combined Authority's responsibilities within external funding agreements linked to supplier agreements

- Regular contract performance meetings are held with providers to review contract delivery in order to maintain ongoing quality and performance of the contract
- Performance reporting updates are submitted on a regular basis by providers, highlighting performance against key performance indicators and service levels (as appropriate)
- Implementation of regular quality and compliance audits which provide the required evidence in support of contract compliance for LEP funded programmes and agreements.
- Ongoing contract management to include programme risk and issues management
- Ensure ongoing delivery of value money through effective change management control in accordance with the contract terms and conditions
- Problem resolution and implementation of improvement plans where necessary to support increased performance

Currently the LEP Board and the Investment Committee (as appropriate) receive regular high-level reports on the progress of funded programmes and projects together with and any significant risks, issues and opportunities. More detailed reporting including specific supplier performance against these programmes and projects are reported to the relevant panel/committee/project board (including the Business Innovation and Growth Panel and Employment and Skills Panel) and also to the Combined Authority's Senior Management Team.

Any contract negotiations that result in material changes will be assessed and dealt with through the standard variation process as determined within the Combined Authority Contract Standing Orders.

The LEP Board will be consulted on all contract changes that are considered to be critical in nature towards the delivery of LEP funded programmes, projects and the key Economic Plan.

5.5.4 Scheme Monitoring and Benefits Realisation

Monitoring during development and delivery (Activity 3 (OBC) to 7 (Close and Review) inclusive)

All projects are monitored throughout their progression through the assurance process. In 2018/19 the Combined Authority introduced a web-based Portfolio Information Management System (PIMS), to ensure a consistent approach to monitoring and management of all projects. A key benefit of PIMS is that information is available to view by all parties to the project. This helps to ensure the accuracy of the data held.

The system provides the following benefits:

- **Transparency**
 - allows informed and improved decision making
 - provides visibility of project progress
 - provides a full audit trail of project data

- linkages and dependencies between various projects in the portfolio can be viewed and managed more easily
- **Consistency**
 - provides a robust and automated method of project assurance
 - standardised templates and reports offer robust project controls
 - centralised repository for cost and risk management activities will provide a uniform approach.
- **Efficiency**
 - manual data input and manipulation is retained by the PMA and verified by project sponsors.
 - standardised reports, documents and dashboards enable project teams and stakeholders to concentrate on delivery
 - resource management allows for resource planning ahead of demand
 - the organisation's ability to plan using future project deliverables is increased
 - lessons learned can be more easily understood and shared between stakeholders
- **Focus on delivery**
 - aggregation of project data can identify trends in advance
 - facilitates alignment of projects to corporate strategy
 - recommendations and actions to be carried out in a more structured and timely way

Key metrics of information on performance are reported at regular intervals from when a scheme enters Stage 2 (Development) and include expenditure, progress, outputs and benefits, risks and issues, as well as match funding. A rolling schedule of Growth Deal funded schemes is published on the LEP/Combined Authority websites and can be found [here](#).

The individual project monitoring information feeds into an overall report for Combined Authority funding, which is reported to the Combined Authority/LEP to enable effective management of all projects and programmes and schemes that are being delivered.

All Combined Authority, Investment Committee and LEP Board monitoring reports are published on the Combined Authority and LEP websites.

5.5.5 Evaluation of the Strategic Economic Framework

The introduction of the SEF Evaluation Strategy will shape the design and development of project level evaluation activity through its focus on “Logic Models” as the basis of “activity 7” of the Assurance Framework reporting, shaping the information we capture at project closure and introducing more consistency to learning insights that we synthesise and communicate.

The Local Industrial Strategy (which sits at the heart of the SEF) focuses on bold steps that boost productivity and drive inclusive and clean growth. It is underpinned by the five foundations of productivity – People, Place, Infrastructure, Ideas and Business Environment – and also highlights how the City Region contributes to the national Grand Challenges.

Appraisal

The Combined Authority will use national guidance for scheme appraisal; HM Treasury's Green Book, including supplementary and departmental guidance, such as the Department for Transport's (DfT) TAG and MHCLG's Appraisal Guide where appropriate. The Combined Authority may also use local methodologies for this purpose with decision makers determining the most appropriate for each scheme appraisal. LCR approach for Value for Money Assessment is dynamic; as advances in techniques becomes clear this will be incorporated in its methodology and provided as supplementary guidance for promoters to that of the HM Treasury Green Book. It is important to note the Combined Authority's climate change aspirations. As of 2021 the Authority's methodology for carbon assessment forms part of the appraisal process; a proportionate approach will be utilised, and guidance given by scheme on the level of requirement.

The following section covers the framework processes, assurance pathway and approval route schemes may take to assure the public purse is utilised in delivering best value for money within the region. The Framework adopts a Proportionality Principle (PP) based on a matrix which covers Risk, Cost, Novelty and Deliverability as part of its pathway and approval route through the assurance process. For example, a low cost, low risk scheme may proceed from Activity 1 to Activity 3 with a simplified business case template requirement for evidencing value for money.

The Authority uses a variety of templates with 'How to Guidance' provided to the promoter in order for the authority to gather the evidence required to assure value for money and realistic business case proposals. Officers will work with promoters to give additional guidance in order for a proportionate approach to be achieved.

Figure 5.1: Business case development

The Combined Authority expects most business case development to follow treasury guidelines

At Strategic Outline Case (SOC) it is expected that there would be a strong strategic case with weaker financial and management cases; significant strengthening of all cases is expected at Outline Business Case (OBC) with detailed design work. Few or minimal uncertainty should exist at FBC in any of the 5 cases. High confidence in full costs should be demonstrated with a preference on high VfM.

5.5.6 Industrial Strategy Logic Map for Infrastructure Foundation LIS Logic Model – Infrastructure: Transport

CONTEXT:

- A modern, world class 21st Century transport system – connecting different modes of transport seamlessly into one comprehensive, easy to use network – to support inclusive growth, serving the needs of businesses and people - enhancing prosperity, health and wellbeing for people and places

PROBLEMS TO ADDRESS:

- LCR suffers from significant, bus, highway and rail congestion, missing out major development/regeneration opportunities, locking areas into deprivation and social isolation
- Car dominance (70% of worktrips): Historic focus on car results in dispersed development, traffic congestion impacting on lost productivity/business costs and accessibility of labour markets, Air pollution impacting on urban areas/deprived communities, Inadequate rate of reduction in CO2 emissions from transport
- Capacity Challenge: Connections to cities, towns, transport gateways aging with limited capacity & choice - facing increasing population and travel demand
- Mobility gap: Between high & low income groups: Low income households with low car availability traditionally more reliant on buses, but making more car trips
- Bus trips declining: Increasing fares, bus miles/networks contracting, low satisfaction with poor punctuality with journeys made slow/unreliable by road congestion. Rail trips growing but crowding and low satisfaction on trains in peak periods. Active travel not realised potential, low cycling levels, stagnating levels of walked trips = low level of physical activity, related to low life expectancy and mental health issues
- 2nd lowest transport investment levels of English regions: £315 per head in Yorkshire & Humber, against £475 English average, £1,019 London

INPUTS

HS2 / Northern Powerhouse Rail
 TfN Strategic Transport Plan
 WY Transport Strategy 2040 / LCR Connectivity Strategy
 DfT Transforming Cities Fund
 District Local Plans / SEP Spatial Priority Areas / LCR Place narrative?
 District Local Plans
 District Climate Emergencies
 DEFRA Air Quality Action Plan
 Government target to reduce CO2 emissions to net zero by 2050
 WYCA target to reduce CO2 emissions to net zero by 2038

ACTIONS

Regional Rail
 Leeds Station Masterplan
 LCR HS2 Growth Strategy
 TfN Investment Programme (NPR, Rail, Smart Travel)
Existing LCR programmes:
 • WYTF, Connecting Leeds, LTP, Leeds & Bradford Clean Air Zones etc
Future LCR programmes
 • LCR Inclusive Growth Corridor Delivery plan & pipeline
 • TCF
 • WY Bus Alliance - Action Plans & Bus Network Reviews
 • City Connect / Healthy Streets / Local Cycling & Walking Plans pipeline
 • Carbon reduction pathway
 • City Region Mass Transit

OUTPUTS

New sustainable transport infrastructure and services, products, technologies
 New sustainable transport links between deprived areas and employment/training opportunities
Delivery of Mass Transit network
 X jobs as result of improved connectivity
 X jobs created in transport construction
 X jobs created through transport supply chain
 X jobs in transport operations
 X carbon reduction projects (e.g. No. of EV charge points, Low Emission Buses)

OUTCOMES

Mode shift to sustainable transport (Rail, Bus, Walk, Cycle, Mass Transit)
 X% increase in passenger/freight trips by sustainable transport/day
 X% decrease in trips by car/day
 X new homes facilitated
 Journey time improvements
 Improved access to jobs & training
 Reduced transport related barriers to opportunities for disadvantaged communities
 Increase in (business & public) satisfaction with local transport
 Place & health benefits – unlock commercial development, urban realm, air quality, active travel, safer streets, well-being
 Accelerated take up of Electric/ Ultra Low emission vehicles
 X carbon reduced by XXXX

IMPACTS

HS2 & NPR create step change in connectivity of LCR
 Integrated city region mass transit network – accessible, affordable, flexible, inclusive
 Put people & places first – prioritised human health & quality of Life
 Transformed connectivity will bring new & more productive jobs within reach of more people - (enabling them to move job without moving house – or using a car)
 Retention and attraction of skilled people and high value businesses to the region
 More efficient use of space, compact development
 Zero-Carbon by 2038

OTHER FACTORS:

Vision & Validate? – or steady evolution? / Infrastructure only? – revenue requirements? / Push & Pull (Demand Management?) / Integration with health agencies & budgets?

A formally adopted evaluation strategy will be integrated into the LCR Assurance Framework in early 2021 as a future revision (the strategy will replace the current evaluation guidance which underpins the SEP Evaluation principles). Our approach to the development of the evaluation strategy recognises that it is locally owned, managed and draws on local systems; it will be proportionate and selective (e.g. not everything will be evaluated) and that partnership working with LEPs and government takes place to identify opportunities for thematic evaluations that could be conducted across LEP areas or centrally commissioned. Introducing these changes to our approach to monitoring and evaluation and focusing the evaluation around SEF success measures will align the LCR Assurance Framework with the “National Local Growth Assurance Framework” (MHCLG, January 2019).

These key themes are likely to focus on:

- Strengthening understanding of the impacts, outcomes and additionality of all forms of projects at an early stage in their design to improve the ex-poste evaluation of interventions.** All project sponsors will be required to adopt a consistent approach to the use of “Logic Models”. Logic models represent an essential element of project and programme development and whilst the

requirements for the use of logic models will be proportionate to the scale of the intervention, it is viewed that all projects will benefit from this approach

- **Communicating and synthesising the learning from project evaluation** – the updated strategy will place a greater focus on synthesising consistent messages from project learning across all project types – with these insights flowing directly from the relationships set out in the project logic model. The current project closure documentation will be reviewed to ensure that it is fit for purpose in this context. Greater emphasis will be placed on the structured communication of the outputs from project closure reports through learning and dissemination events and the project closure reports will be designed to shape this messaging.
- **Understanding the wider benefits flowing from Growth Deal interventions** – the updated strategy will more clearly define the relationship between project monitoring, benefits realisation and the net additionality achieved across the wider City Region geography. The updated strategy in this theme will consolidate and align with the 'Independent Evaluation of Local Growth Interventions' currently being conducting by MHCLG.

5.5.7 Five Year gateway review

As part of the Leeds City Region Growth Deal agreement, the West Yorkshire plus Transport Fund is subject to five-yearly gateway reviews to assess impact. The first review in 2019 has been passed successfully and funding confirmed until 2024/25. The next review will be undertaken in 2024; activity to determine the content and scope of this review has not yet commenced. A review of the overall monitoring and benefits realisation activity forms part of the action plan and will advise on the development of an overarching monitoring and benefits realisation framework.

Appendix 1 – Accountable Body Arrangements

Agreement between the Leeds City Region Enterprise Partnership and the West Yorkshire Combined Authority

1. Introduction

The LEP is the strategic body responsible for a significant amount of public funding to drive inclusive growth, increase prosperity and improve productivity (“LEP activity”). The LEP works collaboratively and in partnership with the West Yorkshire Combined Authority, as its accountable body (“the Accountable Body”).

2. Accountable Body roles and responsibilities

Underpinning good governance is an expectation of mutual support between the LEP and the Accountable Body. The Accountable Body is responsible for:

- carrying out **finance functions** on behalf of the LEP
- **oversight** of the LEP’s financial and governance, transparency and accountability arrangements
- providing **additional support** as agreed by the LEP

The LEP has agreed that the Accountable Body’s specific roles and responsibilities are:

a) Finance functions

On behalf of the LEP, the Combined Authority holds, allocates and releases all funding for LEP activity (“LEP funding”) including the Local Growth Fund and, Growing Places Fund.

This includes approving and entering into agreements relating to LEP funding. The Accountable Body does not use any LEP funding for their own purposes, nor without a clear mandate from the LEP.

The Section 73 Chief Finance Officer shall ensure that appropriate financial statements are provided to the LEP in a timely manner; a separate financial statement for LEP funding is published each financial year.

The Accountable Body is responsible for treasury management and borrowing functions relating to LEP activity and funding.

LEP funding is included in the Accountable Body’s accounts, and the LEP’s website links to the Accountable Body’s accounts.

b) Oversight functions

The Accountable Body has oversight of the LEP’s financial and wider governance, transparency and accountability arrangements, including compliance with the

Assurance Framework. The Accountable Body through its Section 73 Chief Finance Officer ensures that LEP funding is administered properly, that is, that LEP funding is spent or released:

- in accordance with formal approvals only, and not for unapproved purposes¹⁷
- with propriety and regularity and to deliver value for money
- subject to the statutory checks and balances which require the Accountable Body to act prudently in spending
- in accordance with the Assurance Framework and any other relevant procedure
- in compliance with any grant requirements and conditions.

The Accountable Body ensures that decisions on LEP funding are:

- reached in line with clear and transparent processes
- made on merit
- taken in accordance with the Assurance Framework
- compliant with all legal requirements including relating to State Aid, public procurement, transparency, data protection and the public sector equality duty.

The Accountable Body also promotes the highest standard of conduct by the LEP, LEP Board members and officers, by reference to the seven principles of public life.

Scrutiny

The Combined Authority's statutory Overview and Scrutiny Committee has a key role in securing independent and external scrutiny of LEP activities. The Committee's terms of reference reflect that the Committee may make reports or recommendations on any matter considered by the LEP or relating to LEP governance. The Committee may also review or scrutinise any decision made, or other action taken, in connection with any function of the Combined Authority, including in relation to its role as Accountable Body.

The LEP recognises the role of the Combined Authority's statutory Scrutiny Officer in facilitating the Overview and Scrutiny Committee to carry out appropriate scrutiny of LEP Board decision-making and LEP achievements.

The LEP agrees to respond positively to any request to share information with the Committee, so that the Committee has the necessary information to provide robust scrutiny and advice. Any member of the LEP Board, including any private sector representative, may be asked to attend or otherwise contribute to a meeting of the Committee.

The contribution of the LEP to any meeting of the Overview and Scrutiny Committee will be recorded with the outcome in the minutes (published on the Combined

¹⁷ Including the services of lobbyists

Authority's website). The LEP will ensure that there is a link from the LEP website to the Overview and Scrutiny Committee's published reports and minutes.

Audit

To ensure they have proper processes in place to manage risk, maintain an effective control environment and report on financial and non-financial performance, the LEP utilises the Accountable Body's Governance and Audit Committee, and its internal and external auditors to provide assurances in relation to LEP activities, as well as the Section 73 Chief Finance Officer.

The LEP and the Accountable Body (through its Governance and Audit Committee) will agree a risk based internal audit plan for each financial year of LEP and Combined Authority activities, that will provide assurance to the Section 73 Chief Finance Officer and the LEP Board at appropriate points through the financial year.

c) Support functions

The Accountable Body acts as the independent secretariat to the LEP¹⁸, providing the following technical and other support:

- compiling, maintaining and publishing agenda, reports and minutes of meetings in accordance with agreed procedures
- retaining all documentation relating to the Local Growth Fund and other funding sources
- dealing with any request for information, complaint or concern raised in accordance with the appropriate procedure
- appraisal functions as set out in the Assurance Framework,
- legal advice
- recovering funding where there has been non-compliance, misrepresentation or under-performance¹⁹
- risk management.

3. Section 73 Chief Finance Officer - Resources

The Accountable Body will ensure that the Section 73 Chief Finance Officer is given appropriate resources to carry out their functions in respect of the LEP, including audit. The LEP and the Accountable Body shall keep resource needs under review and consider if they are appropriately met.

¹⁸ The Combined Authority is not a constituent member of the LEP, nor does it appoint any representative to the LEP Board. Local Authority representatives are appointed in their capacity as district councillors, not members of the Combined Authority.

¹⁹ The Accountable Body will report to the LEP Board providing information on projects which have received funding, including

- a description of projects where concerns have been identified,
- relevant details including the amount of funding awarded and the sum at risk due to concerns, and
- where recovery of funds is considered, a legal opinion which sets out the legal basis for recover and likelihood of success

4. Non-compliance by the LEP

Any decision of the LEP made in contravention of processes set out in the Assurance Framework will be invalid on the basis of non-compliance, unless the LEP has given prior approval for variation in respect of the LEP's decision-making process.

In the event that the Accountable Body is not able to endorse any decision of the LEP, the Section 73 Chief Finance Officer would refer the matter back to the LEP for re-consideration.

The LEP and the Accountable Body are committed to proactively raising with the Cities and Local Growth Unit any significant instance of non-compliance, non-delivery or mismanagement by the LEP which cannot be resolved locally. Should any such instance arise, the Chief Finance Officer will also report it to the LEP Board and to the Combined Authority's Governance and Audit Committee.

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Appendix 2 – Section 73 Chief Finance Officer – responsibility arrangements

1. Introduction

The Combined Authority must by law²⁰ make arrangements for the proper administration of its financial affairs and secure that one of its officers has responsibility for the administration of those affairs. This role is carried out by the Combined Authority's Director of Corporate Services and extends to include the financial affairs of the LEP.

The Chair of the LEP and the LEP's Chief Executive Officer have agreed the following responsibility arrangements with the Section 73 Chief Finance Officer of the West Yorkshire Combined Authority (the Combined Authority), recognising the role of the Section 73 Chief Finance Officer in relation to instilling good and proportionate LEP governance, including the oversight of the proper administration of the LEP's financial affairs.

2. Financial administration

The Section 73 Chief Finance Officer shall be supported by the LEP and the Combined Authority (in its capacity as accountable body for the LEP) to carry out such checks as are necessary to independently ensure the proper administration of financial affairs in the LEP.

The LEP shall act promptly working with the Combined Authority to address any concerns or improper financial administration identified. The Section 73 Chief Finance Officer will report all concerns to the LEP's Chief Executive Officer in the first instance, making recommendations about any improvements required. The LEP is responsible for ensuring that all concerns are addressed.

The Chief Finance Officer will report any significant concerns directly to the LEP Board, setting out any improvements required. The LEP Board and the Section 73 Chief Finance Officer shall agree an action plan setting out how such concerns are to be addressed. This may include identifying training needs to ensure compliance. There will be a standing item on the LEP Board agenda reporting on progress on implementing the action plan, until the Section 73 Chief Finance Officer is satisfied that the issue has been resolved.

The Section 73 Chief Finance Officer will notify the Cities and Local Government Unit of any significant concern where

- the concern is about systemic financial problems, repeated non-compliance or fraud, or
- an action plan cannot be agreed, or
- in the opinion of the Chief Finance Officer, the LEP Board does not achieve sufficient progress against the action plan.

²⁰ Section 73 of the Local Government Act 1985

3. Advice of the Section 73 Chief Finance Officer

The Section 73 Chief Finance Officer shall work with the Chair of the LEP and the LEP's Chief Executive Officer to ensure that procedures are in place to consider the financial implications of decisions before and during the decision-making process. The LEP shall ensure that the Section 73 Chief Finance Officer is given sufficient access to information in order to carry out their role. The Section 73 Chief Finance Officer or their nominee shall be entitled to:

- attend all LEP Board agenda setting meetings.
- have access to all LEP Board documentation (including LEP Board reports before publication),
- comment on any proposed decisions, by
 - recording an opinion on financial implications and an assessment of risk (such as delivery risks and cost overrun risks) in any report to the LEP Board or relevant Panel, and/or
 - attending and speaking at any meeting of the LEP Board²¹ or relevant Panel.

Should the LEP Board decide on a course of action which goes against the advice of the Section 73 Chief Finance Officer, the LEP Board must indicate the rationale for their decision, which will be recorded in the minutes of the meeting. However, in the event that the Accountable Body is not able to endorse any decision of the LEP, the Section 73 Chief Finance Officer would refer the matter back to the LEP for re-consideration.

If the role of the Section 73 Chief Finance Officer results in a potential conflict of interest, impartial advice should be sought by the LEP's Chief Executive Officer to ensure transparency from a source which is external to the Combined Authority.

4. Risk management

The LEP has agreed that the Combined Authority through the Section 73 Chief Finance Officer, manages risks on the LEP's behalf. The risk appetite of the LEP is understood by both the LEP Board and the Section 73 Chief Finance Officer. The Section 73 Chief Finance Officer ensures that the Combined Authority's risk management strategy addresses

- risks arising in relation to LEP activity
- the process for the LEP Board to oversee risk and the escalation of risk analysis and risk management requirements within the LEP.

At the beginning of the financial year, the LEP and the Section 73 Chief Finance Officer will agree the budget risks facing the LEP. These will be kept under review by the Section 73 Chief Finance Officer throughout the year, who will report any significant issues to the LEP Board.

5. Audit

The LEP and Combined Authority have agreed audit arrangements as set out in the Assurance Framework and Appendix 1. The Section 73 Chief Finance Officer and

²¹ See further LEP Procedure Rules. The Section 73 Chief Finance Officer is not a member of the LEP Board and does not vote

the LEP's Chief Executive Officer shall report to the LEP Board on any completed audit by internal or external auditors where any recommendations relate to the LEP and provide a copy to the Cities and Local Growth Unit as appropriate.

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Appendix 3 – Governance Structures

West Yorkshire Mayoral Combined Authority

[D.N Liz Davenport to supply text.]

West Yorkshire Combined Authority

Membership

Members are appointed to the Combined Authority in accordance with the Order which established the Combined Authority. This provides that West Yorkshire constituent councils each appoint at least one Member to the Combined Authority, with a further three West Yorkshire appointments to reflect the balance of political parties among the West Yorkshire councils.

York is a non-constituent council of the West Yorkshire Combined Authority, and the Combined Authority also appoints a LEP Member. These two Members are non-voting, except in so far as the Combined Authority gives them voting rights.

The Combined Authority's website [here](#) provide details of all current members of the Combined Authority.

Voting members on committees and panels include members from the private sector representatives and local authorities– see further section 2.

Officers

Combined Authority officers serve both the LEP and the Combined Authority. They are appointed on merit in accordance with open recruitment arrangements and new officers undergo a structured induction process.

The authority of officers to act on behalf of the Combined Authority is set out in the officer delegation scheme [here](#).

LEP Board

Membership

At least two-thirds²² of the members of the LEP Board²³ must be private sector representatives²⁴.

The number of LEP Board members shall not exceed 20²⁵, excluding any additional member co-opted to the LEP Board. A maximum of 5 co-optees with specialist knowledge may be appointed to the LEP Board.

The LEP's Constitution [here](#) sets out requirements in relation to LEP Board membership, including eligibility criteria, appointment processes, terms of office (including arrangements for resignation), and provisions relating to the LEP's Chair and Deputy Chair.

The LEP website [here](#), and the Combined Authority's website [here](#) provide details of all current members of the LEP Board.

The LEP Board has adopted an Equality and Diversity Policy including Diversity Statement explaining how the LEP seeks to ensure diverse representation at LEP Board and on advisory Panels which is reflective of their local business community (including geographies and protected characteristics). This can be viewed [here](#).

The LEP Board annually reviews its membership having regard to its Diversity Statement, taking into account the skills, knowledge and competencies it needs, the geography of the City Region, its key business sectors and different sizes of business operation.

The LEP Board appoints its private sector representatives, including the Chair, in accordance with open recruitment processes which are set out in the LEP recruitment procedure (which also covers engagement with the business community in relation to the appointment of the LEP Chair, succession planning and induction arrangements for private sector representatives) which can be found [here](#).

One LEP Board member is appointed to represent and engage with the SME business community, and another as Diversity Champion.

²² To comply with this requirement of the National Local Growth Assurance Framework (2019) and Strengthened Local Enterprise Partnerships report (2018), new members were appointed to sit on the LEP Board on 25 February 2020, with effect of 31 March 2020.

²³ Any co-optee appointed to the LEP Board is to not be considered as a member of the LEP Board for the purpose of this requirement

²⁴ A private sector representative must be or have been employed by an organisation not included as central government, local government or a public corporate as defined for the UK National Accounts. Those from Higher Education or Further Education Institutions are not classified as public sector organisations.

²⁵ This requirement is met as a result of the decision made by the LEP Board with regards to the LEP Board membership on 25 February 2020, with effect of 31 March 2020.

The LEP has adopted a LEP Board Members' Remuneration and Expenses scheme which can be found [here](#).

Appendix 4 – Economic Services: approval arrangements

The Managing Director has delegated authority to award an Economic Services grant to a company or other legal entity²⁶ (“Business”) under any programme or scheme approved under the Leeds City Region Assurance Framework.

Officers have sub-delegated authority by the Managing Director to award such grants, as set out in Table 1 below²⁷.

In accordance with the Conflicts of Interest Protocol, where any potential conflict arises from the involvement with a Business of any person on the Leeds City Region LEP or any relevant committee, an application must be determined by the Managing Director, the Combined Authority or relevant committee.

A grant may only be awarded

- where the application meets the eligibility and/or assessment criteria for the programme or scheme, and
- further to any appraisal/consultation indicated in Table 1 below.

Table 1

	Thresholds	Decision-making officer	Appraisal/consultation
a)	Not exceeding £100k	<ul style="list-style-type: none"> • Head of Service in Economic Services²⁸ • Director of Economic Services • Managing Director 	By any Advisory Group applicable to the programme or scheme (see Table 2)
b)	Greater than £100k and not exceeding £250k	<ul style="list-style-type: none"> • Director of Economic Services • Managing Director 	Business Investment Panel
c)	Greater than £250k and not exceeding £500k	<ul style="list-style-type: none"> • Managing Director 	Business Investment Panel
d)	Greater than £500k	<ul style="list-style-type: none"> • Managing Director 	<ul style="list-style-type: none"> • PAT, • Business Investment Panel, and

²⁶ Including a social enterprise, trust, partnership or sole trader.

²⁷ Subject to any funding condition imposed on the Combined Authority in relation to the programme or scheme.

²⁸ That is, the Head of Business Support, Head of Trade and Investment or Head of Employment and Skills in relation to any matter within their remit

			<ul style="list-style-type: none"> Investment Committee and/or Combined Authority
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The **Advisory Groups** are set out in Table 2 below:

Table 2

Programme	Advisory Group	Membership	Thresholds
Business Growth Programme	Appraisal Advisory Group	Officers from the Combined Authority; officers from partner councils; Business Enterprise Fund	Considers any application for a grant over £50k and not exceeding £100k
Digital Investment Funds	Digital Investment Fund Appraisal Group	Officers from the Combined Authority	Considers any application for #Welcome and #Grow for a grant over £25k and not exceeding £50k

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Appendix 5 – Assurance process principles for ESIF Sustainable Urban Development (SUD) purposes

Purpose

The urban agenda and the role of cities in driving forward smart, sustainable and inclusive growth is central to the successful delivery of the 2014-20 ESI Funds Growth Programme in England.

The Leeds City Region Sustainable Urban Development (SUD) Strategy, which aims to address integrated urban challenges and opportunities in the region, was submitted to the Ministry of Housing, Communities and Local Government (MHCLG) back in September 2015 and was formally agreed.

The Ministry of Housing, Communities and Local Government – otherwise known as the Managing Authority - agreement of the SUD Strategy will ensure that funds worth up to 10% of the Leeds City Region European Structural and Investment Funds (ESIF), European Regional Development Fund (ERDF) allocation will be made available in order to implement the SUD strategy.

In order to put in place the delegated functions that are required by Article 7 of the EU Regulation 1301/2013, with regard to project selection, MHCLG have now established the West Yorkshire Combined Authority as an Intermediate Body (IB) in line with Articles 123 and 125 of EU Regulation 1303/2013.

The Combined Authority, as the Intermediate Body will, in order to make decisions with regard to its role in the project selection process, use the principles of the assurance process as outlined below. Any process will be undertaken in line with the selection criteria as defined by the ESIF national Growth Programme Board.

This appendix presents the Leeds City Region assurance process as the model and framework that the Combined Authority has adopted in assisting in the selection of projects as part of the ESIF programme 2014-2020 for SUD.

Background

- In July 2012 the Leeds City Region agreed a 'City-Deal' with HM Government giving greater local control over spending and decision-making particularly with regard to economic development, regeneration and transport. This 'City-Deal' agreed to the creation of a West Yorkshire Combined Authority and a commitment to develop an assurance process. The assurance process, once approved by HM Treasury, would provide a consistent, robust appraisal process for projects and programmes to inform investment decisions.
- In light of this, and the flexibility that is inherent within the assurance process, it represents a means to structure the local appraisal of ESIF SUD projects rather than developing a separate process. This approach complements the formal technical assessment carried out by MHCLG.

Introduction to selection of projects using the Assurance Process principles

The process adopted here reflects the guidance issued by MHCLG and adheres to the process and role of the Intermediate Body.

The Investment Committee provides advice to the Combined Authority in line with the nationally agreed criteria and in line with the agreed and signed Memorandum of Understanding between the Combined Authority and MHCLG.

The Investment Committee provides advice to the Combined Authority to whether proposals set out at Outline and subsequently Full Application appropriately address:

Local strategic fit as defined in the Selection Criteria²⁹ for the ERDF 2014-2020 programme, which includes how:

- the proposed operation contributes to the needs/opportunities identified in the Call for Proposals to which it is responding.
- the proposed operation is aligned to the local growth needs set out in the local ESI Funds Strategy and contributes to the specific objectives, outputs and results of the relevant priority axes set out in the Operational Programme.

In addition, the Combined Authority provides advice to MHCLG on the following value for money and deliverability selection criteria:

Value for money

- The operation must represent value for money. In assessing value for money, MHCLG take account of:
 - efficiency: the rate/unit costs at which the operation converts inputs to the Fund outputs.
 - economy: the extent to which the operation will ensure that inputs to the operation are at the minimum costs commensurate with the required quality.
 - effectiveness: the extent to which the operation contributes to programme output targets, results and/or significant strategic impact at the local level.

Deliverability

- the operation is deliverable within the requirements of the fund specific Operational Programme taking account risks, constraints and dependencies
- evidence has shown that this type of operation is effective or where the operation is new or innovative, the risks have been considered and appropriate mitigations put in place.

Using the assurance process principles

The assurance process is designed to ensure any projects seeking public finance should be subjected to a rigorous appraisal. HM Treasury has developed the Green Book which provides the basis for how projects should be appraised using the 'five cases model' to carry out a holistic assessment.

²⁹ Selection Criteria [here](#)

The five cases are:

1. **Strategic:** does the scheme fit with the aims of the City Region's Strategic Economic Plan? **(used for selection of projects for SUD as part of the ESIF Strategy)**
2. **Economic:** is the scheme value for money? **(used for selection of projects for SUD as part of the ESIF Strategy)**
3. **Commercial:** is there demand for the scheme and is it commercially viable?
4. **Financial:** is the scheme affordable and sustainable?
5. **Management:** is the scheme deliverable with achievable objectives? **(used for providing advice on the selection of projects for SUD as part of the ESIF Strategy)**

The Green Book details approaches and tools that can be adopted in order to effectively appraise projects. It is accepted that the detail and extent of appraisal should reflect the size and complexity of projects, but within all appraisals there should be some consideration of each of the five cases.

The assurance process has been developed in line with these principles and was a key requirement that emerged from the LEP's City-Deal. The assurance process will be used by the LEP and the Combined Authority for all of its different funding regimes, providing a consistent and robust approach to appraise projects. This means all projects, irrespective of objectives or thematic area (transport, regeneration, housing, skills, innovation, enterprise etc.), will be assessed under this 'single' framework. This will better able the LEP and the Combined Authority to compare and prioritise projects and programmes.

It is the assurance process which is used to form the basis for the 'local' appraisal and selection of SUD ESIF projects outside the formal MHCLG assessment. For the purposes of selecting SUD ERDF projects, the key principles of the assurance process are used – but only using cases 1, 2 and for advice case 3 as described above and in line with the nationally agreed criteria and the agreed and signed Memorandum of Understanding between the Combined Authority and MHCLG.

Strategic Fit – Proposed scope

The proposed assessment of strategic fit is currently structured around the four pillars of activity that are central to the Leeds City Region Strategic Economic Plan (SEP):

1. Growing businesses
2. Skilled People, Better Jobs
3. Clean Energy and Environmental Resilience
4. Infrastructure for growth

Promoting social inclusion and combating poverty, designed to reflect aspects of the social outcomes that are promoted within the ESIF programme, are integrated within the pillars.

The pillars have been broken down into activity that could contribute to strategic outputs within the respective pillar and projects would be scored against these criteria.

Value for Money (VfM) – Economic impact – proposed scope

In assessing the value for money of each of the projects, the process effectively mirrors that of the assurance process - ensuring that the costs and benefits of projects are taken into account and wherever possible quantified.

This is more straightforward for some projects than others and there is an onus on reflecting local intelligence and priorities. New jobs and catalytic projects are 'worth' more in some areas than others simply because there are fewer jobs or because it is more difficult to create and sustain jobs in certain locations. This is especially the case where disadvantage is long-term and entrenched.

The Research and Intelligence team own and manage the Regional Econometric Model, a complex tool that enables scenarios to be assessed in terms of their net economic impact. This provides a range of outputs with a focus on impacts in terms of employment and gross value added (a measure of economic impact). These outputs can be calculated over a range of different geographies.

Other approaches are used to quantify the outputs/outcomes that by their nature have a direct impact that is more social rather than economic.

In terms of the local assessment, additional measures of value for money are being used where necessary to provide more information on the potential impact of projects. Such measures and ratios include:

- Total GVA of the project
- Ratio of GVA to Total Cost AND public sector support
- Total cost per job
- Total GVA per job
- Cost benefit ratio
- Grant per job
- Cost per business assist
- Cost per skill outcome
- Capital / build costs

The appraisal is informed and supported by national and local research in terms of the costs of outputs and outcomes. This includes elements such as guidance issued by OFFPAT, evaluations of RDA activity and more recent, evidence emerging from the What Works Centre for Local Economic Growth and bespoke evaluations such as that carried out on the Combined Authority's Business Growth Programme (BGP).

Undertaking the work

The responsibility of the assurance process is the responsibility of the Director of Delivery, to whom a Head of PMA reports.

The Head of PMA oversees the appraisal work on relating to the five cases including local strategic fit and economic - value for money (VfM). This review is undertaken by dedicated staff, drawing on wider technical support as required, and involves dialogue with scheme promoters as appropriate.

Reporting

The results from the appraisal are presented in a summary assessment report, provided by MHCLG, alongside MHCLG's own formal technical assessment. This provides an insight into the strengths and weaknesses, bringing together the metrics and other qualitative and quantitative information.

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Appendix 6 – Programme Appraisal Team (PAT) terms of reference

1. **Introduction**

- 1.1 The Programme Appraisal Team (PAT) are West Yorkshire Combined Authority officers who oversee the assurance process as projects/programmes progress through it.
- 1.2 The assurance process is part of the Leeds City Region Local Assurance Framework (2019).
- 1.3 The PAT is an internal assurance group independent of scheme promoters and has no formal approval making powers. The PAT make recommendations which are then reported through the current Combined Authority governance arrangements for a formal decision/approval.

Objectives of the PAT

- 2.1 Ensure the Leeds City Region Local Assurance Framework principles are applied consistently at all stages of the assurance process and to facilitate the progress of projects through decision points. This will include:
 - a) Receiving and reviewing project case papers and appraisal reports from case officers and considering case officer recommendations at decision points.
 - b) Requesting further information/clarifications as appropriate to facilitate recommendations and approvals in accordance with delegations.
 - c) Ensuring that appropriate levels of appraisal, including peer consultation and review, has been undertaken as part overall scheme appraisal.
 - d) Providing decision point recommendations/approvals in accordance with delegations.
 - e) Recommending the assurance pathway and approval route for projects/programmes as part of the approval recommendation at decision point 2 (SOC) or decision point 3 (OBC).
 - f) Receiving and reviewing change requests for projects/programmes where a change falls outside of set tolerances in order to make recommendations in accordance with delegations.
 - g) Provide an interface between Senior Leadership Team, case officers, and key partners/stakeholders to escalate matters where required, and report to Senior Leadership Team where a decision requires Managing Director approval

3. **How the PAT will operate**

PAT Membership:

- 3.1 The PAT consists of a core membership representing West Yorkshire Combined Authority policy/strategy, delivery, legal, and financial functions.
- 3.2 Meetings will be chaired by the Director of Delivery.

Table 1: PAT Membership

Role on the PAT	Responsibilities on the PAT	Suggested Membership
Director	Chair – to oversee the PAT	Director of Delivery
Portfolio Management & Appraisal Team (PMA)	Vice-Chair – to oversee the PAT in absence of the Chair To ensure the principles of the Leeds City Region Local Assurance Framework are adhered to. In particular being responsible for the assurance process and making sure Projects/Programmes are following the Assurance Framework and West Yorkshire Combined Authority Governance appropriately, and for the robustness of scheme appraisal and it's conformity with Green Book (and components of this such as TAG)	Head of Portfolio Management & Appraisal
Transport Policy	To ensure Projects/Programmes meet SEF Objectives in relation to transport.	Head of Transport Policy
Economic Policy	To ensure Projects/Programmes meet SEF Objectives in relation to economics.	Head of Economic Policy
Finance	To oversee any financial matters	Head of Finance
Research and Intelligence	To ensure all Projects/Programmes are following a robust, effective and proportionate monitoring & evaluation to ensure Project/Programme outcomes and benefits meet SEF Objectives.	Head of Research and Intelligence
Economic Implementation	To provide an independent challenge to non-economic projects and programmes	Head of Economic Implementation
Transport Implementation	To provide an independent challenge to non-transport projects and programmes	Head of Transport Implementation

PAT Attendance:

3.3 The PMA will provide secretariat services to the PAT

3.4 Case officers, independent technical advisers, peer group representatives (including representatives from partner authorities and/or third-party private businesses) and other attendees as required will attend the PAT to supplement the decision-making process.

3.5 The PAT also plays an ongoing role in refining and developing the assurance processes to improve how it is implemented and in operationalising the Assurance Framework.

Meeting Format

3.6 The PAT will meet on a regular cycle (fortnightly or more frequently subject to the programme) with an agenda based around the assurance process activities. Projects/programmes being discussed at the PAT will be allocated time slots in which discussion and recommendations will be made.

3.7 Promoters will attend meetings by invite only. Where a promoter does attend to present their scheme, they will only be present to their allotted time slot. They will be asked to leave the meeting in advance of any recommendation being made by the PAT.

Records of Meetings

3.8 Meetings will be minuted, with draft minutes being included in the papers circulated to the PAT members for the following meeting at which the minutes will be formally agreed and considered signed off.

3.9 Actions and recommendations relating to each specific project/programme being discussed will be captured and communicated to case officers and promoters separate to the official minutes.

Conflict of Interest

3.10 Where conflict of interest issues arises during a meeting e.g. scheme comes forward for discussion which member of the PAT is the Senior Responsible Officer for, the SRO will leave the meeting and will not be part of any discussions and recommendations in relation to their scheme. Where this happens, this will be minuted.

Making Recommendations

3.11 The PAT's recommendations will depend on the decision point for any given scheme summarised in the Leeds City Region Local Assurance Framework.

3.12 The PAT may recommend a scheme to not progress through a decision point or for additional information in order for a scheme to progress at any given decision point.

3.13 All PAT recommendations are reported through the current West Yorkshire Combined Authority governance arrangements for a formal decision/approval.

Appendix 7 – Portfolio Management Group (PMG) terms of reference

a) Purpose

- 1.1 The purpose of the WYCA Portfolio Management Group is to review, monitor and report on WYCA's portfolio of capital programmes and projects.
- 1.2 The WYCA Portfolio Management Group is an internal group and has no formal decision-making powers. When required, the Portfolio Management Group make recommendations which are then reported through the current WYCA governance arrangements for a formal decision/approval.

b) Objectives of the WYCA Portfolio Management Group

- 2.1 To review, monitor and report on WYCA's portfolio performance and expenditure each quarter, which will include:
 - a) Reviewing, management and monitoring:
 - 2.1.a.1 Funding streams and spend against these
 - 2.1.a.2 Outputs and outcomes/ benefits
 - 2.1.a.3 Risks
 - 2.1.a.4 Issues
 - 2.1.a.5 Progress
 - b) Quarterly reporting on portfolio spend, outputs, outcomes/ benefits, risks, issues and progress to:
 - 2.1.b.1 Cities and Local Growth Unit
 - 2.1.b.2 WYCA Senior Management Team
 - c) Reporting on portfolio spend, outputs, outcomes/benefits, risks, issues and progress to Senior Leadership Team, Investment Committee, LEP Board and the Combined Authority, Directors of Development, Chief Highways Officers and Chief Executives as necessary.
 - d) Receiving and reviewing issues escalated from the funding stream portfolio boards and making recommendations for reporting through the appropriate WYCA governance arrangements for a formal decision/approval, if required.
 - e) Providing an interface between Leadership Team, Case Officers, and key partners/ stakeholders to escalate matters where required
 - f) Provide oversight and advice to Senior Leadership Team, Senior Management Team, Investment Committee, LEP Board and the Combined Authority on portfolio spend, outputs, outcomes/ benefits, risks, issues and progress
 - g) Communication- maximise opportunities for publicity and marketing and ensure clarity and consistency of messages

3. Membership / Attendance

3.1 Membership:

Note: Chair to circulate between the membership

- a) Director of Delivery
- b) Head of PMA
- c) Head of Implementation
- d) Head of Transport Policy
- e) Head of Research and Intelligence
- f) Head of Finance / Management Accountant
- g) Portfolio Lead (Monitoring and Reporting)

3.1 Attendance:

- a) Portfolio Support (PMA) – notes / action log

3.2 Attendance (by exception / as required):

- a) Head of Economic Policy
- b) Head of Business Support
- c) Portfolio Manager (Transport)
- d) Portfolio Manager (Growth Deal+)
- e) Evaluation Team Leader
- f) Growth Deal Priority Managers
- g) Non-Growth Deal Programme / Funding Managers
- h) Policy Managers (e.g. ESIF)

4. Meeting Format:

1.1 Frequency: monthly. Year-end information will be considered at the June meeting.

1.2 Agenda and Papers: Will be circulated at least two working days prior to the meeting.

1.3 Standard Agenda:

- a) Introduction and Apologies
- b) Action Log
- c) Discussion papers
- d) Issues escalated from the other portfolio boards and other funding stream review groups
- e) Dashboards: spend, outputs, outcomes/benefits, risks, issues and progress.
- f) Risk Review
- g) Items for reporting to Cities and Local Growth Unit, Leadership Team, Organisational Management Team, Investment Committee and the Combined Authority
- h) Communications
- i) AOB

5. Records of Meetings

5.1 Notes will be taken and an action log will be produced and maintained.

5.2 The notes and action log will be circulated after the meeting and reviewed at the following meeting.

6. Making Recommendations

6.1 The WYCA Portfolio Management Group is an internal group and has no formal decision-making powers.

6.2 Any recommendations required, will be reported through the current Combined Authority governance arrangements for a formal decision/approval.

Updated: 7 August 2019

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Appendix 8- Adult Education Budget

Is there reference to this anywhere in the main text?

Need something for PCC also???

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GLOSSARY

ASR	Appraisal Specification Report: A report produced by the scheme promoter, in conjunction with the West Yorkshire Combined Authority, setting out the agreed approach to appraisal of the scheme, as part of the assurance process.
AST	Appraisal Summary Table: A summary of the key consequences relating to the environmental, economic and social impacts of schemes. They are used to help determine which schemes should proceed and if they do, to decide which options to choose.
BCG	Business Communications Group: A group of people made up of key representatives from organisations in the City Region. They support business growth and act as an advisory group to the LEP Board.
BCR	Benefit Cost Ratio: An indicator used in cost-benefit analysis that attempts to summarise the overall value for money of a project or proposal.
BEIS	Business, Energy and Industrial Strategy: A ministerial department supported by 41 agencies and public bodies. It brings together responsibilities for business, industrial strategy, science, research and innovation, energy and clean growth, and climate change.
BGP	Business Growth Programme: The department for Business, Energy & Industrial Strategy set up grants for businesses that meet certain requirements. Businesses can apply to the Leeds City Region LEP to obtain these grants.
BIG	Business Innovation and Growth Panel: The panel consists of representatives from the private sector, universities, policy-makers and delivery partners. The panel reports to the LEP Board and the Combined Authority.
CBA	Cost Benefit Analysis: A systematic approach to estimating the strengths, weaknesses and alternatives for a decision to be made. It involves adding up the benefits of a course of action and then comparing these with the costs associated with it.
CSF	Critical Success Factors: A management term for an element that is necessary for an organisation or project to achieve its goals.
DfT	Department for Transport: A ministerial department supported by 23 agencies and public bodies. They work with agencies and partners to support the transport network and plan and invest in transport infrastructure.
ERDF	European Regional Development Fund: Aims to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions. The ERDF focuses its investments on several key priority areas and is designed to reduce economic, environmental and social problems in urban areas.
ESIF	European Structural and Investment Funds: Includes money from the European Social Fund, European Regional Development Fund and European Agricultural Fund for Rural Development.
EU	European Union:

	An association of European nations formed in 1993 for the purpose of achieving political and economic integration. Incorporating the European Community, the European Union's member states are Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom. In 2016 the United Kingdom voted by referendum to withdraw from membership in the European Union.
EZ	Enterprise Zone: An area in which state incentives such as tax concessions and infrastructure incentives are offered to encourage business investment. There are 24 enterprise zones in England.
FBC	Full Business Case: Provides the detail of the preferred solution for a project or programme. It confirms the benefit, cost and risk of delivering the preferred solution. FBC+ represents a full business case with finalised costs.
GPF	Growing Places Fund: Funding from the Ministry of Housing, Communities and Local Government that supports key infrastructure projects designed to unlock wider economic growth, create jobs and build houses in England. This fund comprises of £730 million.
GVA	Gross Value Added: Measures the contribution made to the economy and is a key indicator of the state of the whole economy. It measures the value of goods and services produced in an area.
Green Book	HM Treasury guidance for public sector bodies on how to appraise proposals before committing funds to a policy, programme or project.
HE	Homes England: Formerly known as Homes and Communities Agency. An executive non-departmental public body that is sponsored by the Ministry of Housing, Communities and Local Government. HE helps create successful communities by making more homes and business premises available to the residents and businesses who need them.
HMT	Her Majesty's Treasury: The government's economic and finance ministry, maintaining control over public spending, setting the direction of the UK's economic policy and working to achieve strong and sustainable economic growth.
LCR	Leeds City Region: A functional region around Leeds, West Yorkshire.
LEP	Local Enterprise Partnership: Locally-owned voluntary partnerships between local authorities and Businesses. Set up in 2011, they play a central role in deciding local economic priorities and undertaking activities to drive economic growth and create local jobs.
LGF	Local Growth Fund: Growth Deal funding provided to Local Enterprise Partnerships for projects that benefit the local area and economy.
LIS	Local Industrial Strategy: Led by Mayoral Combined Authorities or Local Enterprise Partnerships, to promote the coordination of local economic policy and national funding streams and establish new ways of working between national and local government, and the public and private sectors.

LVU	Land Value Uplift This is quantification of the net benefits of a scheme proposal. This measures the difference of value from the land's current use to when it is used for another purpose as an economic uplift and captures all private sector costs of development.
MCA	Mayoral Combined Authority: A combined authority with a mayor that is elected by the residents of the area. The mayor, in partnership with the combined authority, exercises the powers and functions devolved from government, set out in the local area's devolution deal.
MD	Managing Director: The person who is in overall charge of the running of an organisation or business. The Managing Director of the Combined Authority is also the Chief Executive Officer of the LEP.
MHCLG	Ministry of Housing, Communities and Local Government: Formerly known as Department for Communities and Local Government (DCLG). A ministerial department supported by 13 agencies and public bodies. They create great places to live and work, and to give more power to local people to shape what happens in their area.
NPV	Net Present Value: The difference between the present value of the future cash flows from an investment and the amount of investment. NPV is used to analyse the profitability of a projected programme or project.
Nolan Principles	The seven principles of public life, which are the basis of the ethical standards expected of public office holders.
OBC	Outline Business Case: This sets out the preliminary information regarding a proposed project/ programme. It contains information needed to help make a decision regarding the implementation of the project/ programme such as envisaged outcomes, benefits and potential risks associated.
Orange Book	HM Treasury guidance for public sector bodies on risk management.
PAT	Programme Appraisal Team: A team formed to ensure compliance with the assurance framework. It is a formal group of West Yorkshire Combined Authority officers who oversee the assurance process.
PCR	Project Closure Report: The final document produced for the project and is used by senior management to assess the success of the project, identify best practice for future projects, resolve all open issues and formally close the project.
PIMS	Portfolio Information Management System: A bespoke management system used to provide transparency, consistency, efficiency and focus on delivery.
PMA	Portfolio Management And Appraisal Team: A team formed to ensure a rigorous approach to the assurance process, including the appraisal of projects and monitoring and reporting on our portfolio, so we get the best schemes for our money
QRA	Quantified Risk Assessment: A structured approach to identifying and understanding the risks associated with hazardous activities. The assessment takes inventory of potential hazards, their likelihood and consequences.
RAG	Red, Amber and Green rating:

	Also known as the traffic light system and used as a visual cue to project performance.
REM	Regional Econometric Model: Incorporates aspects of four major modelling approaches; Input - Output, General Equilibrium, Econometric, and Economic Geography. It estimates the changes in total regional income and employment.
SA	Strategic Assessment: This determines the strategic context for a programme/project and provides an early opportunity for key stakeholders to influence the direction, scope and scheme content.
SEP	Strategic Economic Plan: A long-term plan that shows how the LEP and Local Authorities will grow the economy and how its ambitions will be achieved. The SEP will be replaced by SEF during 2020.
SEF	Strategic Economic Framework: An agile, long-term strategic framework, incorporating both the new Local Industrial Strategy (LIS) as well as a full range of policies and strategies, reflecting the scale of our ambitions and priorities for the City Region.
SME	Small and Medium Enterprises: A company is defined as an SME if it has a staff headcount of either <50 (small) or <250 (medium sized). The company also needs to have a turnover or balance sheet total of ≤€10m (small) or ≤€50m (turnover) or ≤€43m (balance sheet) (medium).
SOC	Strategic Outline Case (SOC) The purpose of the SOC is to confirm the strategic context for the project, to make the case for change and to determine 'the preferred way forward'
SUD	Sustainable Urban Development (part of the ESIF programme): Part of the European Structural and Investment Funds programme operating as an Integrated Territorial Investment Instrument, which demonstrates the value of place-based solutions in responding to social, environmental and economic challenges. The area to be covered by SUD is the City Region's urban core of West Yorkshire and York.
TfN	Transport for the North A statutory sub-national transport body, which is a partnership of public and private sector representatives working with central government and national transport bodies to develop and deliver strategic transport infrastructure across the North of England .
UDM	Urban Dynamic Model: A simulation of how transport interacts with population, employment and land-use over long periods of time, typically ten years or more. It helps understand how transport could contribute to economic regeneration.
VfM	Value for Money: The most advantageous combination of cost, quality and sustainability to meet customer requirements.
TAG	Web-based Transport Appraisal Guidance: Guidance on the conduct of transport studies. It provides advice on how to set objectives and identify problems, develop potential solutions, create a transport model for the appraisal of the alternative solutions and how to conduct an appraisal which meets the department's requirements.
West Yorkshire	An annual levy on the West Yorkshire authorities, which is used to invest in priority projects/programmes across West Yorkshire, helping to deliver a number of key transport priorities.

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