
Report to: Finance, Resources and Corporate Committee

Date: 05 April 2022

Subject: **Capital Spending and Project Approvals**

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1 Purpose of this report

- 1.1 To report on proposals for the progression of, and funding for, a number of West Yorkshire Combined Authority supported projects that have been considered at stages 1, 2 and 3 of the Combined Authority's assurance process.
- 1.2 The Finance, Resources and Corporate Committee has delegated decision making authority approved by the Combined Authority on 24 June 2021. Where the Finance, Resources and Corporate Committee is asked to make an approval decision this will be highlighted in the summary table and made clear in the recommendations.
- 1.3 The recommendations can be found in Section 13 of this report.

2 Impact of COVID-19

- 2.1 With the impact of COVID-19 on the region and its economy, it is more important than ever to assess the changes to the landscapes of our towns and cities and the impact on current and future planned schemes, particularly, but not exclusively, those relating to transport.
- 2.2 Although it is generally expected that in the medium and long-term behaviours will return to the pre COVID-19 position, the impact of COVID-19 in relation to travel behaviour into and around towns and cities will be assessed as part of scheme appraisal and any assumptions made to address issues identified prior to the pandemic will be re-tested.

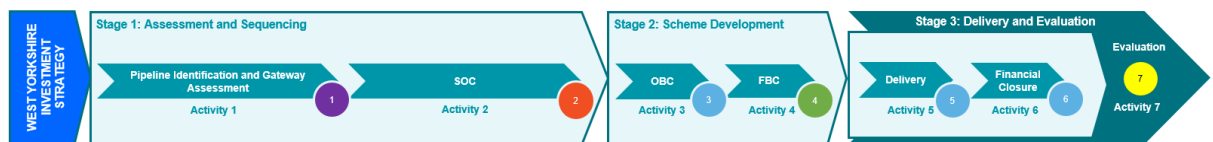
3 Tackling the Climate Emergency Implications

- 3.1 The Combined Authority has taken action to ensure all decisions we make include Climate Emergency considerations. The Combined Authority:

- Has strengthened how clean growth and climate change impacts are considered as part of all schemes that come through the Combined Authority's Assurance Framework.
 - Requires LEP and the Combined Authority reports to include clean growth / tackling the Climate Emergency implications, including qualitative impact assessments.
- 3.2 To fully strengthen decision making across the whole of the Combined Authority's Assurance Framework a robust, quantifiable methodology and tool for assessing all new schemes predicted carbon emissions/wider clean growth impacts is being developed.
- 3.3 Work to complete the toolkit methodology is now complete and the toolkit and its guidance are being implemented into the Assurance Framework. The draft assessments of a selection of existing capital schemes progressing through the assurance process are being discussed with relevant scheme sponsors ahead of the publication of this part of the project by July 2022. This phased approach to the publication of the key components of the Carbon Impact Assessment project recognises the delays due to difficulties encountered carrying out carbon impact assessments on an initial subset of schemes. This has allowed the consultants to take these challenges into account in making improvements to the methodology. The work also involves the development of training and support material to ensure carbon assessment is properly embedded in the assurance process.
- 3.4 Clean growth, including climate change, impact assessment / considerations are all now included in all Capital Spending and Project Approvals reports. This ensures that the business cases now reflect the Leeds City Region Climate Emergency priority and evidence that they will reduce carbon emissions (both directly and indirectly).

4 Report

- 4.1 This report presents proposals for the progression of schemes through the Combined Authority's assurance process in line with the Combined Authority's Assurance Framework. These schemes have a funding value of £2,353,988 when fully approved, of which £556,604 will be funded by the Combined Authority. A total expenditure recommendation to the value of £556,604 is sought as part of this report for the development and delivery of these schemes. Further details on the schemes summarised below can be found as part of this report.
- 4.2 The assurance process is a three-stage approach with the requirement that all projects subject to minor exceptions as detailed in the Assurance Framework, will as a minimum, need to formally pass decision point 2 (strategic outline case) and 4 (full business case), with the requirement to meet the intervening activities deemed on a project-by-project basis.
- 4.3 For more detail on the Combined Authority's Assurance Framework through which each of the schemes outlined in this report are being approved is provided in **Appendix 1**.



Stage 1: Assessment and Sequencing

- 4.4 Programmes / schemes will start to be developed through an ongoing dialogue with the Region's businesses, third sector and public organisations, in line with the West Yorkshire Investment Strategy (WYIS). Schemes will access funding through either a commissioning process or through open calls. Programmes / schemes will be assessed through a Strategic Assessment (an early-stage gateway check and challenge review) to determine if they are eligible to proceed (Decision Point 1).
- 4.5 If approved the scheme will progress to strategic outline case (SOC), where schemes will be expected to demonstrate a strategic fit in terms of project outcomes and set out their proposed approach to establishing value for money (VfM). At this stage, a long list of options will be considered with a shortlist being presented in the SOC. Consultation at this stage will be limited, but will be a key to the next activity, outline business case (OBC) in Stage 2. At this stage, funding may be sought to enable work to progress on the OBC. Schemes will also be required to submit an Appraisal Specification Report (ASR). It is at the end of this stage where the Combined Authority approve the indicative funding, approval pathway and route and tolerance levels (Decision Point 2).

Stage 2: Scheme Development

- 4.6 If approved the scheme will progress to outline business case (OBC) unless the approval pathway set at decision point 2 does not require this. The OBC should revisit the options identified within the SOC to identify the option which optimises public value, confirm the affordability of the scheme, and put in place the arrangements to ensure successful delivery. The OBC should be prepared in accordance with the Green Book five-case model and should include a draft Monitoring and Evaluation Plan and a Benefit Realisation Plan. The economic case must be developed in consistency with the agreed ASR. Guidance will be provided to scheme promoters around the level of detail to be submitted at this stage with regards to proportionality of the business case. The scheme will be presented for approval by the decision-maker (Decision Point 3) as set out in the approval pathway and route approved at Decision Point 2.
- 4.7 If approved the scheme will progress to full business case (FBC) which will confirm the contractual arrangements for the preferred option. Affordability of the scheme is reiterated, and the scheme puts in place the final arrangements for delivery and monitoring and evaluation of the scheme. A Monitoring and Evaluation Plan and a Benefit Realisation Plan are mandatory products at this stage. The FBC should also be prepared in accordance with the five-case model and any conditions set at OBC should be resolved. The economic case must be developed in consistency with the agreed ASR. The scheme will be

presented for approval by the decision-maker (decision point 4) as set out in the approval pathway and route approved at decision point 2.

- 4.8 The FBC approval will be granted with a condition that the scheme remains within set conditions. Where this condition has been met Approval to Proceed into Delivery (Activity 5) will be granted by the Managing Director (or by an officer under sub-delegated authority from the Managing Director). If the condition(s) is not met, the project will be required to re-submit the FBC.

Stage 3: Delivery and Evaluation

- 4.9 Once a scheme gains FBC approval and the conditions set have been met, the scheme can progress into Activity 5 (Delivery).
- 4.10 Upon scheme completion, a Delivery Closure Report is required that details how the scheme has performed. This includes whether delivery has remained within the timeframes specified within the business case, has achieved the objectives of the scheme and associated outputs, documents what has been delivered and highlights the overall costs. The Delivery Closure Report will be presented for approval by the decision-maker (Decision Point 5) as set out in the approval pathway and route approved at Decision Point 2.
- 4.11 Following completion of Activity 6, the scheme will be required to submit a Financial Closure Report (Activity 6). The Financial Closure Report confirms the final costs for the scheme, ensuring all payments have been completed. The Financial Closure Report will be presented for approval by the decision-maker (Decision Point 6) as set out in the approval pathway and route approved at Decision Point 2.
- 4.12 The purpose of the Delivery and Financial Closure Reports is to assess the success of the scheme, identify best practice for future schemes, resolve all open issues and to capture feedback and lessons learnt to inform the development and delivery of future schemes.
- 4.13 Activity 7 (Evaluation) will be managed by the Combined Authority's Research & Intelligence team. This is a reporting point as opposed to the previous decision points in the process and will be undertaken when the scheme is completed for an evaluation of the benefits, outcomes and economic impact compared to the overall objectives set out in the SOC. Insights and learning intelligence from evaluation will also be fed back into policy and strategy in order to inform the design and development of future schemes. Interim evaluations may also be undertaken as required as set out in the Monitoring and Evaluation Plan.

Value for Money - Benefit Cost Ratios

- 4.14 The Benefit to Cost Ratio (BCR) for some of the schemes in this report potentially represent low value for money, when assessed using the Department for Transport's Transport Appraisal Guidance TAG on the appraisal of transport schemes.
- 4.15 This is because whilst calculating benefits to costs of a transport scheme there are many more journeys made by car than are made by bus, cycling, and

walking and as a consequence the monetised benefits arising from improvements to bus, cycling and walking journeys may be outweighed by the monetised dis-benefits to car users.

- 4.16 However, a key strategic objective of investment is to encourage modal switch to more sustainable modes and therefore whilst the 'core' BCR (i.e. following Green Book guidance on total impact on the society as a whole) for some schemes may be low, discounting the dis-benefits to car users from the appraisal will result in a higher BCR and where possible this 'range of BCR' will be presented to support decision making. This is in line with HM Treasury guidance where appraisal should take account of all five cases (strategic, commercial, economic, financial and management) and the economic case be balanced with these.
- 4.17 Her Majesty's Treasury (HMT) have now completed the review of the Green Book. The Green Book is guidance issued by HM Treasury on how to appraise policies, programmes, and projects. This review has endorsed the Combined Authority's approach by clarifying that overall Value for Money judgement should not depend solely on the BCR but be informed by a balanced consideration of all relevant evidence, that is, appraisal should take account of all five cases (strategic, commercial, economic, financial and management) and the economic case be balanced with these.
- 4.18 In particular, HMT have clarified further that in assessing value for money, a stronger emphasis can now be placed on the strategic case and how the strategic objectives and priorities of the Combined Authority will be met through the delivery of a project. This might for example include, but not limited to, a greater focus on regional impacts to help deliver Levelling Up, ensuring transformational projects are given due consideration, supporting the climate change and good growth agenda (the Combined Authority aims to achieve net-zero by 2038), supporting an increase in active mode and public transport use, supporting / accelerating housing development and allowing a greater emphasis on the requirement to carry out equalities analysis as required by the Public Sector Equalities Duty. The specific approach will be determined on a programme-by-programme basis as funding and investment streams come forward.

Scheme Summaries

<p><u>Greener Together</u></p> <p><u>Calderdale</u></p>	<p><u>Scheme description</u></p> <p>Greener Together (GT) is a pilot scheme for establishing low carbon communities in Calderdale, creating opportunities for residents to develop skills and build the foundations of long-term careers and sustainable futures. The scheme will encourage a greater take-up of innovative green technologies in social housing and provide improvements in local shared green spaces.</p> <p>The scheme consists of three connected themes which aim to improve the local environment, boost economic well-being and create opportunities for sustainable skills development and employment:</p> <ul style="list-style-type: none"> - Green future, which will install energy efficient systems into an existing social housing pilot property - Green place, which will provide residents with vocational training to live more sustainably - Green space, which will provide residents with landscape training and qualifications to enhance community green spaces. <p>The scheme will be funded by Gainshare allocation and local match funding.</p> <p><u>Impact</u></p> <p>The scheme will support participants to manage their energy consumption and reduce fuel costs and fuel poverty. Longer term the scheme may help to facilitate the introduction of low carbon technologies into social housing properties. Data from the pilot property will be used to inform future schemes of this nature as well as taking forward the learning into the development of the UK Shared Prosperity Fund.</p> <p>The scheme will have a significant impact on meeting inclusive growth, equality and diversity and climate emergency priorities.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 2 (Strategic Outline Case) and decision point 4 (Full Business Case) and work commences on activity 5 (Delivery).</p> <p>Total value of the scheme - £461,648</p> <p>Total value of Combined Authority funding - £306,604</p> <p>Funding recommendation sought - £306,604</p> <p>A decision by the Finance, Resources and Corporate Committee using the delegated authority from the Combined Authority is sought as part of this report</p>
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<p>Bradford Literature Festival</p> <p>Bradford</p>	<p><u>Scheme description</u></p> <p>Bradford Literature Festival (BLF) is the largest literature festival based in the North of England. BLF delivers a programme, incorporating film, music, theatre and poetry, that provides entry points for audiences who might not otherwise engage with a literary event.</p> <p>This year it includes a Creative Sector Industry Day that brings together regional and national creative organisations, artists and professionals to boost the area's creative industries and attract creative investment and a Northern Economic Summit. In addition, Bradford Literature Festival has a Regional Education Programme which works with schools to raise aspirations and opportunities for children and young people. It is expected that there will be over 70,000 attendees across the whole festival with over 2000 attending the Creative Sector Industry Day. The Regional Education Programme will reach over 25,000 pupils in schools as part of the outreach work the festival undertakes in communities.</p> <p>The Combined Authority's contribution to this scheme is funded by Gainshare funding.</p> <p><u>Impact</u></p> <p>Funding support for the Bradford Literature Festival will ensure that the first festival since COVID restrictions have been lifted can go ahead. It will support levelling up by encouraging inward investment and career opportunities by showcasing the region to the creative industries.</p> <p>BLF recognises that the creative industries have particularly low levels of diversity, and so actively works towards the promotion of greater inclusion.</p> <p>BLF are leaders in social inclusion, accessibility and representation. No other Festival, nationally or in West Yorkshire, hosts and develops such diverse artists or attracts such diverse audiences. BLF focuses on both socioeconomic and ethnic diversity. To ensure everyone can access to the festival tickets for Children and Young People, including the Education Programme, is free and we have pioneered 'Ethical Ticketing' – this means that BLF provide free tickets for those living on benefits, in social housing, refugees and asylum seekers, young people and those who need it most.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 2 (strategic outline case) and decision point 4 (full business case) and work commences on activity 5 (Delivery).</p> <p>Total value of the scheme - £1,892,340</p> <p>Total value of Combined Authority funding - £250,000</p> <p>Funding recommendation sought - £250,000</p> <p>A decision by the Finance, Resources and Corporate Committee using the delegated authority from the Combined Authority is sought as part of this report</p>
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- 5.1 The Combined Authority's assurance framework requires that formal approval is given to the following elements of a scheme as part of its development:
- The progression of a scheme through a decision point to the next activity.
 - Indicative or full approval to the total value of the scheme funding requested.
 - The Combined Authority's entry into a funding agreement with the scheme's promoter.
 - The assurance pathway and approval route for future decision points.
 - The scheme's approval tolerances.
- 5.2 This report provides information required to enable the Combined Authority to approve each of the above elements.

Projects in Stage 1: Assessment and Sequencing

- 5.3 There are no schemes to review at this stage.

Projects in Stage 2: Development

Project Title	Greener Together
Stage	2 (development)
Decision Point	2 (strategic outline case) and 4 (full business case)

Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:		
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Background

- 5.4 This scheme will be funded by the Combined Authority's Gainshare Fund as part of the gainshare funding envelope for the Combined Authority's Investment Priority 2 (skills and training for people) and Investment Priority 4 (tackling the climate emergency and environmental sustainability).
- 5.5 Greener Together (GT) is a 12-month pilot scheme in Calderdale to establish low carbon communities by reducing the carbon and waste with a combination of energy efficiency improvements and teaching residents how to lower their energy use and costs and creating opportunities for residents to develop skills. This scheme will also provide training to build the foundations of long-term careers and sustainable futures. The scheme will encourage a greater take-up of new and innovative green technologies in social housing and work to improve local shared green spaces.
- 5.6 The scheme will be delivered by Newground CIC (a member of the Together Housing Group) in collaboration with Halifax Opportunities Trust, Women's Centre, Calderdale Adult Budget, Together Housing Association and Together Energy and Citizen's Advice Bureau.
- 5.7 The scheme will focus on three areas identified in Halifax (Park, Town, and North), targeting social housing tenants and their communities.
- 5.8 The scheme consists of three connected themes which aim to improve the local environment, boost economic well-being, and create opportunities for sustainable skills development and employment:
- Green future, which will install energy efficient systems into an existing social housing pilot property.

- Green place, which will provide residents with vocational training to live more sustainably.
 - Green Space, which will provide residents with landscape training and qualifications to enhance community green spaces.
- 5.9 The scheme aims to engage with up to 974 people in project activities and create 8093sqm of green infrastructure (in the form of the demonstrator property).
- The scheme aligns to the following West Yorkshire Investment Strategy priorities:
 - Tackling the climate emergency: The scheme will encourage the use of green technologies to minimise energy consumption and educate residents to live more sustainably.
 - Enabling inclusive growth: The training opportunities available will support participants to develop life skills and encourage progression into green skills education and gain qualifications in these fields.
- 5.10 The scheme contributes to the West Yorkshire Mayor's pledges to tackle the climate emergency and protect our environment, and to prioritise skills and training to ensure everyone in West Yorkshire has the skills they need to secure work.
- 5.11 The scheme also aligns to numerous local policies such as Calderdale Council Climate Emergency (2019), the Emissions Reduction Pathway for Calderdale, The Green Alliance Report 2021 (Jobs for a Green Recovery).
- 5.12 The scheme will be monitored by regular meetings of the Greener Together Steering Group comprising senior representatives of all key stakeholders and will be accountable for overall project performance.
- 5.13 This scheme was given an indicative approval of £306,604 from the Gainshare Fund at Combined Authority in December 2021.
- 5.14 A summary of the scheme's business case is included in **Appendix 2**.

Tackling the Climate Emergency Implications

- 5.15 This scheme aims to establish how renewable and sustainable technologies can be used within social housing to reduce carbon and energy usage.
- 5.16 Social housing residents will be given opportunities to develop their knowledge and understanding of how to manage and reduce energy consumption within their own homes, reducing fuel costs and fuel poverty.

Outputs, Benefits and Inclusive Growth Implications

- 5.17 The scheme outputs, benefits and inclusive growth implications include:
- Up to 974 people engaged in scheme activities
 - 74 people receiving intensive 1-2-1 support

- 900 people participating in group activities (learning events and training)
 - 24 people progressing into education/training following support
 - 71 people gaining a qualification following support
 - 22 people engaging in life skills support following interventions
 - 170 people engaging in skills support following interventions
 - 20 economically inactive people engaging with the benefits system following support
- 5.18 The green futures theme will support participants in the short-term to manage their energy consumption and reduce fuel costs and fuel poverty.
- 5.19 Longer term, the carbon and energy advice provided will help facilitate the introduction of low carbon technologies into social housing properties, helping to ensure the technologies are used effectively to maximise the carbon reduction and financial benefits.
- 5.20 Workshops and support will give participants practical skills and support to help create a longer-term sustainable future
- 5.21 The scheme will contribute to inclusive growth ambitions by targeting key groups in socially deprived areas of Halifax, including young people and those that are economically disadvantaged.

Equality and Diversity Implications

- 5.22 The scheme will operate within the framework of Together Housing Group's Equality and Diversity Pledge which focuses on customers and staff.
- 5.23 The scheme closely aligns to the Calderdale Inclusive Recovery Plan, which sets out the impact of the pandemic and sets out the vision for recovery. Greener Together directly contributes to all three elements of the plan by:
- Reducing inequality and the causes of deprivation.
 - Developing sustainable towns.
 - Taking action on the climate emergency.

Risks

- 5.24 The key scheme risks and mitigations are:
- The risk that an available property for retrofit will not be found within expected timescales. A property search has commenced and any delays will be mitigated by a staggered start to the scheme, to minimise the impact on other outcomes.
 - The risk that staff are not in place to deliver the scheme. This will be mitigated by using existing staff from the partner organisations and commencing early recruitment for any new roles.

- The risk that key deadlines are not met. This will be mitigated by the use of detailed project plans and a regular steering group meeting to ensure that progress is carefully monitored.
- The risk that participant engagement is lower than anticipated. This will be mitigated through using existing links that partner organisations have within the community.

Costs

- 5.25 The total scheme costs are £461,648.
- 5.26 The scheme is requesting £306,604 as a grant to come from the Combined Authority's Gainshare Fund. The scheme had £306,604 indicatively approved at Combined Authority in December 2021.
- 5.27 The remaining funding is £139,895 from Together Housing Group and £12,298 from Energy Saving Trust. Funding of £2,851 is pending decision from Calderdale Adult Learning.

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
2 (strategic outline case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Finance, Resources and Corporate Committee	05/04/2022
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Finance, Resources and Corporate Committee	05/04/2022
5 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/03/2023
6 (financial closure)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/03/2023
7 (evaluation)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/12/2023

Other Key Timescales

- 5.28 Other key timescales are:

- Start on site – 01/04/2022
- Retrofit of demonstrator property – 30/06/2022

Assurance Tolerances

Assurance tolerances
That the total cost remains within the costs identified within this report.
That the timeframes remain within 3 months of those outlined in this report.
The outcomes/benefits remain within -10% of those outlined in this report.

Appraisal Summary

- 5.29 The strategic drivers for the project are clear, with the project aligning to multiple local and national policies, inclusive growth, equality and diversity and carbon impact priorities and Mayoral pledges.
- 5.30 A value for money assessment cannot be undertaken for a pilot project of this nature. However, it is recommended that social value calculations are provided at project completion to inform and act as a baseline for similar projects in the future.
- 5.31 Information regarding outputs, outcomes and benefits has been supplied and is satisfactory but further breakdown/analysis would be beneficial. Work on evaluation and quantifying benefits will be completed throughout the duration of the project and at project completion.
- 5.32 Benefits of the scheme will positively impact on local communities by supporting participants to manage their energy consumption and reduce fuel costs and fuel poverty creating sustainable communities. The carbon and energy advice provided will help facilitate the introduction of low carbon technologies into social housing properties, helping to ensure the technologies are used effectively to maximise the carbon reduction and financial benefits

Recommendations

- 5.33 The Portfolio Appraisal Team recommends to the Finance, Resources, and Corporate Committee that, subject to the conditions set by PAT:
- (i) The Greener Together scheme proceeds through decision point 2 (strategic outline case) and decision point 4 (full business case) and work commences on activity 5 (delivery).
 - (ii) Full approval for the Combined Authority's contribution of £306,604, funded from the Combined Authority's Gainshare allocation is given. Total scheme value is £461,648.
 - (iii) The Combined Authority enters into a funding agreement with Newground CIC for £306,604.

- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

The following conditions have been set by PAT to gain Approval to Proceed to Delivery:

- (i) A carbon impact assessment should be undertaken as part of evaluation (DP7).
- (ii) Information on quantified benefits should be provided and social VfM should be calculated using the national Themes Outcomes and Measures framework for reporting social value (TOMS) as part of evaluation (DP7).

Project Title	Bradford Literature Festival
Stage	2 (development)
Decision Point	2 (strategic outline case) and 4 (full business case)

Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:		
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Background

- 5.34 This scheme will be funded by the Combined Authority's Gainshare Fund as part of the gainshare funding envelope for the Combined Authority's Investment Priority 6: Culture and Creative Industries. This investment priority aims to recognise and develop the role Culture plays in supporting the visitor economy, thereby maximising the potential for cultural and creative businesses and their supply chains and increasing employment into the sector.
- 5.35 This funding award will support both the main Bradford Literature Festival (BLF) 2022 event, where it is expected over 70,000 will attend this year, and the wider work the organisation does within the community and sector. Wider activities include working with over 25,000 young people in schools to provide the opportunities to gain valuable creative workplace skills, and to raise awareness of the wide range of employment sectors within the creative industries.
- 5.36 In 2018 BLF established a Culture Sector Industry Day (CSID) bringing together regional and national artists and institutions, to share knowledge and best practice in the creative sector. In 2022 the focus will shift from Culture to the creative industries as a whole. BLF works with high profile partners including Creative UK, Channel 4 and the BBC bringing together creative organisations, artists, and industry specialists. It is expected that over 2000 people will attend the Culture Sector Industry Day. The programme offers important positioning for the region and is a vehicle for developing the talent pipeline for the region.
- 5.37 This year the Creative Sector Industry Day will run alongside and in the same space as a Northern Economic Summit to place a clear emphasis on the role of the creative sector in leading the levelling up agenda. The day will start with a welcome from the Mayor, followed by a keynote from Sir Peter Bazelgette,

co-Chair of Creative Industries Council, and will also feature Andy Haldane, Permanent Secretary for the Levelling Up Taskforce.

- 5.38 Bradford Literature Festival brings visitors to the region, both from the UK and internationally, showcasing the region and encouraging inward investment. It has established international partnerships across the globe in countries including America, Canada, UAE, Nigeria, Pakistan, India, Japan and South Korea which further attract visitors opening up opportunities for the region's businesses and industries.
- 5.39 BLF has a consistent track record in raising funds through sponsorship and trusts and foundations. For the 2019 festival, BLF fundraised 76% of its costs of £1.3m through sponsorship, trusts and foundations. BLF is seeking funding of £250,000 to deliver the first full post-Covid festival.
- 5.40 The festival is also the most important literary hub in the North for independent and specialist publishers and has partnered with Edinburgh International Book Festival to focus on publishing in the "wider" North.
- 5.41 This scheme received Combined Authority indicative approval to funding of up to £250,000 on 17 March 2022. This project was also supported by the Culture, Arts and Creative Industries Committee on 16 March 2022.
- 5.42 A summary of the scheme's business case and location map is included in **Appendix 3**.

Tackling the Climate Emergency Implications

- 5.43 The festival operates from offices at the University of Bradford and comes under the University's Sustainability and Sustainable development Goals. The festival also operates an environmental policy to minimise its carbon footprint, aiming for net-zero, recycling print programmes and other materials.
- 5.44 A key part of the annual programme is a series of events that investigate and inform on environmental issues and climate change.

Outputs, Benefits and Inclusive Growth Implications

- 5.45 The scheme outputs and benefits include:
- Contribution towards the facilitation of:
 - The main Bradford Literature Festival programme
 - Creative Sector Industry Day
 - Regional education Programme
 - Safeguarding of 15 permanent jobs within the BLF organisation.
 - 57 temporary jobs for freelance workers in the creative industries.
 - The equivalent of 900 days of paid work for artists and creative practitioners.

- Over 70,000 main festival attendees, of which 17% are anticipated to be from outside the West Yorkshire Region.
- Over 25,000 young people will attend the Regional Education Programme in addition to 10,000 young people attending the festival itself.
- 200 volunteers to receive training and valuable experience working at a large event. Many of the volunteers are young people taking part in event management courses.

5.46 In addition to the benefits above the requested funding will allow the Bradford Literacy Festival to come back stronger from the online event that was held in 2020. Again establishing it and West Yorkshire at the lead of culture and literacy for its diverse communities in the UK. It will bring an increase in inward investment into the region and continue to grow the interest in Culture across the region especially with young people attending the festival and wider regional education programme.

5.47 The festival has an established track history of achieving both socioeconomic and ethnic diversity. The last time the full festival ran as normal in 2019, 50% of attendees came from a household with a gross income less than the national average and 27% came from a household with a total income of £20,000 or less.

Equality and Diversity Implications

5.48 BLF actively promotes equality, diversity and inclusion, with proactive programmes and policies including ethical ticketing to provide free tickets for young people and other low income groups. In BLF's First 5 Years (2014 – 2019):

- 235,208 participants; 51% BAME audience.
- Audiences – 20% national, 30% regional, 50% Bradford District.
- Artist with roots in 72 countries worldwide, 40% of artists from the North.
- 2019 - 65% of audience household incomes under the national average (gross incomes).

5.49 BLF works with young people from diverse backgrounds including a free education programme working with schools in Bradford District, Calderdale, Kirklees, Leeds and Wakefield.

5.50 In addition, BLF works within communities to improve inclusion and opportunities, for example working with Creative Scene in Kirklees and projects such as the recent 'From Kirklees to Karachi', a British Council funded mini digital festival created and run by young women from both regions.

Risks

5.51 The key scheme risk is:

- That the proposed outcomes / benefits are not realised due to it being the first festival post Covid-19. The mitigations are that BLF continue to do wider work within the community, with high profile partners and established international partnerships and BLF have partnered with Edinburgh International Book Festival to focus on publishing in the “wider” North.

Costs

5.52 The scheme costs are £1,892,340.

5.53 The Combined Authority’s contribution is £250,000 which will be funded from the Gainshare Fund.

5.54 The remaining funding is:

- Public Sector Funding:
 - DCMS CRG3 - £732,559.
 - Arts Council England NPO - £269,140.
 - Arts Council NLPG - £50,598.
 - Bradford Council - £30,000.
 - Bradford University – £12,000.
- Private Sector Funding:
 - Paul Hamlyn Foundation - £66,000.
 - Peter Sowerby Foundation - £81,756.
 - Esmee Fairbairn Foundation - £100,000.
 - Amazon Literary Partnership - £20,000.
 - Baillie Gifford - £10,000.
 - Bank of England - £20,000.
 - Pears Foundation - £25,000.
 - Emerald Publishing - £10,000.
 - British Council - £29,934.
- Restricted funding: £194,353.

5.55 The Combined Authority will need to enter into a funding agreement with Culture Squared CIC for expenditure of up to £250,000 from the Gainshare Fund.

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
2 (strategic outline case)	Recommendation: Combined Authority's Programme Appraisal Team	05/04/2022

	Decision: Finance, Resources and Corporate Committee	
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Finance, Resources and Corporate Committee	05/04/2022
5 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	03/07/2022
6 (financial closure)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	02/09/2022
7 (evaluation)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/12/2022

Other Key Timescales

5.56 The programme of activities include the following key dates:

- Main festival runs from 24 June to 3 July 2022.
- Creative Sector Industry Day 25 June 2022.

Assurance Tolerances

Assurance tolerances
Combined Authority costs remain within those outlined in this report Delivery (DP5) timescales remain within 6 months of those outlined in this report. Outputs remain within -10% of those outlined in this report.

Appraisal Summary

- 5.57 The scheme has a strong strategic case. The programme of activities directly contribute to the Mayor's manifesto pledge for a Creative New Deal. In addition it supports the West Yorkshire Investment Strategy Investment Priority 2: Skills and training for people and Investment Priority 6: Culture and Creative Industries.
- 5.58 Investment of this kind is regarded as providing good value for money. Independent assessment of the economic and social value of the 2022 festival will contribute to effective planning for future benefits.

- 5.59 Bradford Literature Festival has clear and defined management principles and structures in place. The festival has been part of the West Yorkshire cultural programme since 2014 and has a strong track record of delivery.

Recommendations

- 5.60 The Portfolio Appraisal Team (PAT) recommends to the Finance, Resources and Corporate Committee that, subject to the conditions set by PAT:
- (i) The Bradford Literature Festival scheme proceeds through decision point 2 (strategic outline case) and decision point 4 (full business case) and work commences on delivery.
 - (ii) Approval to the Combined Authority's contribution of £250,000 is given. The total scheme value is £1,892,340.
 - (iii) The Combined Authority enters into a funding agreement with Cultured Squared CIC for expenditure of up to £250,000.
 - (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

The following conditions have been set by PAT to gain Approval to Proceed to Delivery:

- (i) Conclusion of satisfactory due diligence.
- (ii) Previous evaluations to be shared with PMA.
- (iii) Monitoring and evaluation plan agreed and implemented.

Projects in Stage 3: Delivery and Evaluation

- 5.61 There are no schemes to review at this stage.

6 Tackling the Climate Emergency Implications

- 6.1 The Climate Emergency implications have been considered on all projects included in this report as part of their business case development.

7 Inclusive Growth Implications

- 7.1 The inclusive growth implications have been considered on all projects included in this report as part of their business case development.

8 Equality and Diversity Implications

- 8.1 Equality Impact Assessments (EQIA) have been undertaken on all projects included in this report as part of their business case development.

9 Financial Implications

- 9.1 The report seeks endorsement to expenditure from the available Combined Authority funding as set out in this report.

10 Legal implications

- 10.1 The payment of funding to any recipient will be subject to a funding agreement being in place between the Combined Authority and the organisation in question.

11 Staffing implications

- 11.1 A combination of Combined Authority and local partner council project, programme and portfolio management resources are or are in the process of being identified and costed for within the schemes in this report.

12 External consultees

- 12.1 Where applicable scheme promoters have been consulted on the content of this report.

13 Recommendations (Summary)

Greener Together

- 13.1 The Finance, Resources, and Corporate Committee approve that, subject to the conditions set by PAT:
- (i) The Greener Together scheme proceeds through decision point 2 (strategic outline case) and decision point 4 (full business case) and work commences on activity 5 (delivery).
 - (ii) Full approval for the Combined Authority's contribution of £306,604, funded from the Combined Authority's Gainshare allocation is given. Total scheme value is £461,648.
 - (iii) The Combined Authority enters into a funding agreement with Newground CIC for £306,604.
 - (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

The following conditions have been set by PAT to gain Approval to Proceed to Delivery:

- (i) A carbon impact assessment should be undertaken as part of evaluation (DP7).
- (ii) Information on quantified benefits should be provided and social VfM should be calculated using the national Themes Outcomes and Measures framework for reporting social value (TOMS) as part of evaluation (DP7).

Bradford Literature Festival

- 13.2 The Finance, Resources and Corporate Committee approve that, subject to the conditions set by PAT:
- (i) The Bradford Literature Festival scheme proceeds through decision point 2 (strategic outline case) and decision point 4 (full business case) and work commences on delivery.
 - (ii) Approval to the Combined Authority's contribution of £250,000 is given. The total scheme value is £1,892,340.
 - (iii) The Combined Authority enters into a funding agreement with Cultured Squared CIC for expenditure of up to £250,000.
 - (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

The following conditions have been set by PAT to gain Approval to Proceed to Delivery:

- (i) Conclusion of satisfactory due diligence
- (ii) Previous evaluations to be shared with PMA
- (iii) Monitoring and evaluation plan agreed and implemented.

14 Background Documents

- 14.1 None as part of this report.

15 Appendices

Appendix 1 – Background to the Combined Authority's Assurance Framework

Appendix 2 – Greener Together – Business Case Summary

Appendix 3 – Bradford Literature Festival – Business Case Summary