



West
Yorkshire
Combined
Authority

Tracy
Brabin
Mayor of
West Yorkshire

Rt Hon Jeremy Hunt MP
Chancellor of the Exchequer
HM Treasury

13 October 2023

Dear Chancellor,

AUTUMN STATEMENT 2023

I am writing to present West Yorkshire Combined Authority's submission for the upcoming Autumn Budget. You asked that our returns provide policy suggestions for the upcoming fiscal event and explain the deliverability of proposals. Our submission shows how West Yorkshire can work with government to deliver.

In May, West Yorkshire Leaders and I signed off our bold [West Yorkshire Plan](#), which sets out our vision to be a place that works for all, an engine room of ideas where anyone can make a home. Our plan is underpinned by five ambitious missions, which will drive our work to 2040.

We have the drive to deliver for the people and businesses of West Yorkshire, but our plans cannot be met if our Local Authorities are unable to sustainably deliver the vital services for residents and communities. Fair and sustainable local government funding is the foundation of all our work, without which we cannot deliver our transformative ambitions to grow West Yorkshire, and the North.

We recognise the value of working together and the benefits this brings. We know that we can't realise our vision and missions in isolation and will continue to work in partnership with government and with local partners to deliver. To enable West Yorkshire to realise its full potential and to enable our missions to be achieved, our strategic asks for this budget, are:

- Certainty, stability and **fairness in Local Government Funding**
- West Yorkshire to be included in the next wave of deeper devolution deals to negotiate further **devolution** of funding and powers, to include:
 - A **single settlement**
 - Support to continue delivery of the **integrated transport system** West Yorkshire needs including:
 - Assurance of the Government's continued commitment to Mass Transit in West Yorkshire.
 - Delivering strategic rail infrastructure to connect West Yorkshire.
 - **Full devolution of all adult employment, skills and careers funding**
 - A formal role to take forward LSIP implementation.
 - Decision-making role on skills capital.
 - Special status for our joint action plan with DWP.
 - Official pilots on technical education and creative/cultural sector.
 - Official pilot for employment support / work and health.

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- Long-term flexible **devolved funding and powers for net zero**, including:
 - Retrofit of West Yorkshire's homes.
 - A formal role in planning the future regional energy system.
 - Electric vehicle infrastructure and zero emission buses.
- Local leadership of the **affordable homes programme** and **further funding for homes on brownfield land**.
- A fair **police funding** system
- Supporting transport investment with **investment in connectivity** more broadly, including broadband.
- Commitment to **£62.9 million** of additional investment from government, to further safeguard our region, through delivery of our **capital flood risk management infrastructure**.
- Certainty over **Business Rate Relief** for Cultural Venues.
- Long-term sustainable funding to ensure continued **support to businesses**.

We have detailed plans which sit behind our submission, and I am happy to host you in West Yorkshire to further demonstrate our priorities for the region and how we can work together for a better future.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tracy Brabin'.

Tracy Brabin
Mayor of West Yorkshire

West Yorkshire Submission to the Autumn Statement

Local Government Finance

Our Local Authorities play a critical role in economic growth, supporting communities and providing vital services so residents and businesses can thrive. But since 2010 our 5 Local Authorities have seen budget cuts of hundreds of millions of pounds. Across our region there are significant funding pressures, especially in children's services, temporary accommodation and mental health services. Costs for children's services are increasing due to the increased complexity of demand: costs of placements and secure accommodation are increasing significantly.

There must be early clarity about the settlement for coming years, including the public health grant for each Local Authority.

Deeper Devolution

We have a vision and plan for West Yorkshire, to be a place that works for all, a prosperous, happy, well-connected, sustainable and safe region. To meet our ambitions and missions, we need power and funding to be closer to the people of West Yorkshire, so we can deliver for them. Deeper devolution will allow us to do this.

Single Settlement

Competitive bidding creates unnecessary distraction from the vital work to deliver for our region, it is time-consuming with over-engineered processes diverting resource into project management and administration with little added value for communities. Restrictive criteria, alongside short timescales stifles innovation and leads to siloed approaches with curtailed ambition. With greater control and powers much more can be delivered. A single settlement would allow us to reduce bureaucracy and improve inefficiencies meaning more funding for programmes, and a greater focus on the outcomes that matter for residents.

This should also include future funds under the UK Shared Prosperity Fund post March 2025. As the launch of the UKSPF was delayed, resulting in a funding hiatus post EU Structural Funds, it will be important to avoid repeated cliff edge situations where well-established programmes of delivery and key delivery partners are left with no future. It will be important to learn lessons from the current delivery to avoid bureaucracy and unintended outcomes, ensuring funding is spent on delivery not administration.

We have a long track record of delivering and the robust accountability in place to maximise flexible funding. In return for access single settlement, WYCA are open and committed to the government's scrutiny protocol, ensuring a gold standard of good governance and scrutiny within the Combined Authority.

A single settlement should also include continuation of the transport funding provided through CRSTS. This funding commitment should be maintained through into the next parliamentary term, allowing us to continue to plan with confidence for the next CRSTS period starting in 2027.

In addition, devolving departmental budgets to the Combined Authority where they would otherwise be used in competitions would better support West Yorkshire in meeting its net zero targets. This is due to a greater understanding at the regional and local level of the interventions that will be needed to meet net zero. The funding would not be ring fenced for

any specific net zero activity, being agile enough to flex according to changing priorities and need.

Integrated transport system for West Yorkshire: Mass Transit

We have vision for a new form of transport for West Yorkshire. Alongside cycling and walking, and bus and rail, we see Mass Transit as essential to help our communities thrive and our economy flourish, bringing people and places closer together.

Mass Transit will require significant investment but will deliver substantial benefits to West Yorkshire, supporting growth and regeneration across the region.

Mass Transit will: Help combat climate change and provide climate resilient infrastructure, connect West Yorkshire's important places, support levelling up and help rebalance the economy, improve health & well-being, support economic recovery.

At this stage we anticipate that in excess of £1 billion in CRSTS will be required towards initial funding programme in the CRSTS 2 period (2027-32) and then further levels of investment through the 2030s.

Full devolution of adult employment, skills and careers funding, and recognition of the systems leadership role

The Combined Authority has a proven track record in delivering devolved skills programmes including Adult Education Budget, Free Courses for Jobs and Skills Bootcamps. From the £65million budget for devolved AEB we have supported 43,000 learners in the first year, an increase of 7% on the previous year, with 8,700 West Yorkshire residents having attained their first ever qualification, a 6% increase in learners supported, with 41% of funds being spent on people from disadvantaged areas.

Devolution has also allowed us to quickly deliver targeted commissioning of Bus Driver Training, a key skills gap in the region.

Devolution of adult skills funding will allow West Yorkshire to further respond to the skills demands of our region, including emerging skills needs in engineering and transport to deliver Mass Transit for West Yorkshire, as well as emerging industries such as digital and tech. To build on this and to contribute the UK economy and a highly skilled productive workforce, increased investment in West Yorkshire is needed in the following areas:

Decision-making role on skills capital: such as LSIF and towards full devolution of capital funding, to ensure that investment is made in line with local plans and skills requirements.

Recognition for the systems leadership role: There are strong partnerships between employment and skills, and work and health. Formal recognition for these such as the joint action plan at the regional level with DWP to improve shared outcomes, formal role in the implementation of local skills improvement plans and funding for further education estate should be formally recognised.

Careers inspiration and enterprise education: Devolution of all careers budgets and increased investment in the future of the workforce and to support people of all ages to fulfil their ambitions is central to future innovation and productivity in the UK.

This will allow us to support adults and young people, affected by the pandemic, with disruption to their education and social opportunities. Economic inactivity is also proving to be a lasting legacy affecting young people and those over 50 the most.

Post 16 skills: Devolution of skills bootcamps would simplify the system for individuals and employers who access it and for the educators delivering it through devolved and strategic commissioning of all adult skills programmes. A formal role in implementation of Local Skills Improvement Plans (LSIPs) and oversight of post-16 technical education planning and implementation to ensure provision meets employer needs and that take up of technical pathways are informed by SMEs and take-up of technical learning and qualifications is increased.

Higher Level skills: SMEs comprise 99.5% of our business population within West Yorkshire, retention of those high-level skills is essential to the region's productivity. Piloting approaches to give SMEs, universities and graduates the support they need with onboarding and training that would address challenges around skills gaps, recruitment, and retention in key sector areas, such as the creative/cultural sector.

Employment support: We have a long track record of delivering targeted and intensive employment support, through Local Authorities, with over 10,000 people supported since 2019. Greater devolution of employment service and support would allow us to better align this with devolved skills funding, particularly for basic maths, English and digital skills, to get more people into work in West Yorkshire. Flexibility to deliver pilots on technical education and creative/cultural sector and to support employers to support the most vulnerable in the labour market – especially those who are considered inactive for reasons of long-term health conditions - is also key to support more people into work. Recognition for the joint work taking place regionally with DWP to improve outcomes for residents would be welcomed.

Net Zero

Long-term flexible devolved funding and powers for net zero, including:
Dedicated the retrofit of West Yorkshire's homes, including freedoms and flexibilities relating to the installation of measures across the social housing stock.

A formal, decision-making role in planning the future regional energy system recognising the value of Local Area Energy Planning in informing this process. And further support for the deployment of electric vehicle infrastructure and zero emission buses.

Building new homes and communities

One of our core missions of our West Yorkshire Plan is to provide safe and secure, truly affordable and high-quality housing offer that meets the needs of people and communities in West Yorkshire. Our Strategic Place Partnership with Homes England laid the foundations for a joined-up approach between public sector partners to accelerate the delivery of good quality, well connected places and affordable, sustainable homes in the region.

Our partnership recognises the importance of building more than just homes and we are absolutely focussed on boosting the delivery of affordable homes. There are multiple funding programmes to support the delivery of new homes which ideally we want to see simplified and devolved. As a first step local leadership in the affordable homes programme

would allow us to ensure that West Yorkshire can deliver on its full potential for affordable housing, which would be supported through The West Yorkshire Housing Partnership, which brings together 16 registered providers in the region, an established body with strong links to Homes England. With work still to be done to bring forward homes on brownfield we would like to see an extension of this funding but with greater freedoms and flexibilities that align with our local economic context.

Police Funding

To deliver a Safe, Just and Inclusive West Yorkshire requires a fair police funding settlement. West Yorkshire Police is the fourth largest police force in England and Wales with the second highest recorded crime per head of population but only the 12th highest in terms of funding per head. The West Yorkshire Force is graded as ‘outstanding’ for strategic planning, organisational management and value for money but the projected budget shortfall for 2025-26 is £15.5m rising to £25.1m for 2026-27.

Between 2010 and 2020 West Yorkshire Police has seen an overall real term reduction in Government funding of around £140million, which is in the context of increasing demand in terms of both volume and complexity. This erosion of central Government funding has led to increased reliance on Council Tax precept receipts – which is widening the inequality in police funding for areas like West Yorkshire, with lower-cost housing and higher levels of deprivation, can’t raise as much from Council Tax; prompting His Majesty’s Inspector of Constabulary to note that ‘the system used to allocate police funding isn’t fit for purpose’ (HMICFRS, State of Policing, 2022)

Integrated transport system for West Yorkshire: Strategic Rail Infrastructure

Leeds rail station is a major transport hub, but is also a bottleneck for the local, and regional rail network. To accommodate the forecast passenger footfall, it will require significant investment on both pedestrian capacity, and station capacity will require additional platforms and tracks in both Leeds and elsewhere in West Yorkshire to accommodate additional services proposed in TRU and NPR.

West Yorkshire has ambitious plans for our railways, and our strategic priorities for delivering capacity for growth, improving station facilities and train services, decarbonisation and freight. From a national connectivity perspective this requires addressing the strategic rail connectivity gaps between Bradford – Manchester, Leeds – Sheffield and between West Yorkshire and Birmingham and the East Midlands.

To achieve these requires delivery of the NPR network in full, a new station in Bradford, and capacity improvements in and around Leeds.

Digital connectivity

The Government is aiming for 85% of the population to have gigabit broadband by 2025, and for at least 99% by 2030. Currently known commercial and public sector investment is likely to get West Yorkshire to c.90% gigabit coverage. There is a role for the public sector (particularly at the regional level) in unlocking gigabit coverage. Accelerating commercial investment will secure the benefits sooner, particularly in our rural, ‘hard to reach’ areas and key transport corridors. We would welcome a local partnership with Building Digital UK (BDUK) to allow us to go further and faster with gigabit capable broadband roll out in West Yorkshire.

Flooding investment

Across West Yorkshire we have a strong track record of partnership working, our partnership is driven by the coordination and structure provided by the Yorkshire Regional Flood and Coastal Committee (YRFCC) which has fostered an understanding that our flood issues and opportunities across the region are interrelated. Recognising that resilience in relation to flooding is about enabling growth and investment as well as better protection of property and infrastructure.

To further safeguard the people, businesses and places of our region, the Combined Authority is making this significant investment up to £22 million in property-level climate and flood resilience, alongside capital flood risk management infrastructure. We currently require additional investment of £62.9 million to fully implement our programme.

Business Rates Relief Scheme for the Creative Sector

Our creative sector has a vital role to play in growing our economy. But our cultural venues – including live music venues - are under threat due to the lasting effects of the cost-of-living crisis. If business rates for music and cultural venues (currently reduced by 75% for the first £110,000) revert to 100% in April, this may send many of our beloved venues out of business. We must protect a sector that contributes such a vital R&D role in our world leading music sector, and we request that government extend the current business rate relief of 75%.

Business Support

We once again urge the Chancellor to commit to providing long-term sustainable funding to ensure continued support to businesses on innovation, planning, investment readiness, investment in technology and equipment, skills and training, international trade, reducing emissions and waste, good work and the Growth Service.

We call on the Chancellor to provide clarity on the future of the Help2Grow programme. We recognise the vital need for support to encourage business behaviours that we know will lead to more productive and resilient businesses. The H2G programme is a great example of such support and across the wider Yorkshire region has seen above average levels of take-up. Removing this support at such a difficult time for our economy risks further widening the gap between West Yorkshire and the rest of the UK.