

REGIONAL EXECUTIVE BOARD

THURSDAY 28 SEPTEMBER 2006: 10:00AM – 12:00NOON

YORKSHIRE AND HUMBER ASSEMBLY, WAKEFIELD

AGENDA

9.30 - 10.00 Arrival, refreshments and Board updates –

Summaries of the work of the Boards will be available and lead officers present to discuss items.

1. Apologies
2. Minutes of the Regional Executive Board – 29 June 2006 Attached
3. Matters Arising (not covered elsewhere on the Agenda) Attached

BUSINESS ITEMS

4. Comprehensive Spending Review 2007 Regional Response/Northern Way Response Attached
5. Strategic Review of Investment Planning Attached
6. Regional Governance Arrangements Attached
 - a) Implementation and Evaluation Attached
 - b) Away Day and Forward Work Programme for the REB Attached
7. Scoping Report for the Integrated Regional Framework Attached
8. Update on Statement of Financial Accounts 2005/2006 Attached
9. European Structural Funds Consultation Attached
10. Any Other Business

Date of Next Meeting:

YHA Meeting 19 October 2006 @ 2.00 pm

Executive Board 16 November 2006 @ 10.00 am

MINUTES OF THE REGIONAL EXECUTIVE BOARD: 29 June 2006

Present: Paul Jagger (Chair), Cllr Stephen Parnaby, Felicity Everiss, Cllr Carl Minns, Cllr Andrew Carter, Paul Rogerson, Neil Irving, Tom Riordan, Alex Jackson (Hull City Council)

Sue Jeffrey, Chris Martin, Cath Cook, Iain Lovell, Sian Ferguson, Emma King, Nicola Plumstead

Apologies: Cllr Peter Box, Cllr Steve Houghton, Cate Hammond, Cllr Arthur Barker, Cllr Jan Wilson

	ACTION
<p>1. Apologies</p> <p>Paul Jagger explained he would be Chairing the meeting in the absence of Cllr Box. He also extended a special welcome to the members of the new Regional Executive Board attending for the first time. Apologies were noted.</p>	
<p>2. Minutes of the Executive Board, 20 April 2006</p> <p>These were agreed as an accurate record.</p>	
<p>3. Matters Arising</p> <p>The Assembly team was congratulated on the helpfulness of the Summary of Governance Arrangements that had been produced.</p> <p>It was noted that the Regional Economic Strategy had been agreed by Government.</p> <p>It was confirmed that we had received the details from Government on the regional input into CSR07 and that these would be circulated to members.</p>	<p>Director Sue Jeffrey</p>
<p>4. Sub National Delivery Arrangements for Economic Development and Regeneration</p> <p>It was noted that the Draft ERN report, highlighted in paragraph 6, was still unavailable.</p> <p>There followed a wide ranging debate around the issues of region and sub/city regional governance and it was agreed to hold a special meeting to discuss these matters before the next Executive Board on 28 September.</p> <p>It was also agreed that the Draft ERN report would be circulated to Members by email as soon as it becomes available</p>	<p>Business Services Officer.</p>

5. Review of Government Office Update

Felicity Everiss provided an explanation of the review.

It was **noted** that there were three pieces of work that were being used to inform the review; a National Stakeholder Survey of Government Office, an internal staff survey and a Peer Review. These had highlighted good stakeholder engagement but also that there was still work to be done.

It was also **noted** that Government Office would soon be moving to new premises.

GO would be writing to Partners shortly setting out the implications of the review

6. Integrated Regional Framework

A paper setting out the process to develop a new Integrated Regional Framework was introduced.

Members discussed the proposals and **noted** that a Parliamentary Briefing would be held on 12 July to which all were invited.

Members **agreed** the process as set out and **noted** that a more detailed paper would be brought to the next meeting of the Regional Executive Board.

7. RSS Handling Arrangements

It was **noted** that the Examination-in-Public into the Yorkshire and Humber Plan (Draft RSS) would take place in September and October. The issue now was to agree handling arrangements for the EiP – so that the Assembly team could participate effectively in it. The report set out proposals.

Councillor Carter asked whether the Panel would take into account views expressed during the consultation, even if everyone wasn't invited to participate at the EiP (for example, Leeds had expressed views on housing numbers).

Chris Martin confirmed that all comments would be taken into account, but which organisations would be present at the EiP was a matter for the independent Panel. The Panel had said that it would accommodate sub-regional representation from local authorities - but had agreed to be flexible about attendance from particular local authorities over particular issues.

Clarification was sought over the proposal in the paper to consult the Chair of the Assembly and the Chair of the Regional Planning and Infrastructure Commission over urgent policy issues that might arise before or during the EiP and what scope there would be to keep local authorities informed if the matter had implications for their area? Chris Martin confirmed that the Assembly team would also consult individual local authority representatives if the need to respond to urgent policy issues affecting the authority area arose during the EiP.

Government
Office

Head of Service
for Sustainable
Development
and Strategic
Integration

<p>The recommendations in the report were agreed, subject to the additional safeguard added by Chris Martin.</p>	<p>Director, Chris Martin</p>
<p>8. Environment Agency – Memorandum of Understanding</p>	<p>Director, Chris Martin</p>
<p>Chris Martin introduced the report. Members agreed the arrangement but noted further work was needed with the Environment Agency on Flood Risk as well as waste.</p>	<p>Director, Chris Martin</p>
<p>9. Scrutiny</p>	<p>Head of Scrutiny</p>
<p>It was noted that the Deputy Chair had been a guest speaker at a workshop at the Centre for Public Scrutiny annual conference in London on June 28.</p>	<p>Head of Scrutiny</p>
<p>Members agreed the process for selection of Scrutiny Board members at the AGM on 20 July and noted that innovation would be the subject of the second scrutiny pilot review plus the provisional timetable for future reviews.</p>	<p>Head of Scrutiny</p>
<p>10. Executive Arrangements</p>	<p>Director, Chris Martin</p>
<p>Chris Martin advised Members that that the Executive Director posts had still to be filled. Wakefield MDC were handling the process for this. A report would be made on this to the AGM on 20 July.</p>	<p>Director, Chris Martin</p>
<p>Members noted these arrangements</p>	<p>Director, Chris Martin</p>
<p>11. European Office Arrangements</p>	<p>Director, European Office</p>
<p>Chris Martin introduced the paper that set out the re-focusing of the European Office and the new arrangements for its operation. The report also sought comments on the draft business plan for the year 2006-07, although he confirmed that from next year the business plan would be brought to Members as part of the wider Assembly business plan.</p>	<p>Director, European Office</p>
<p>Members noted that the European Office was an asset that was rarely capitalised on.</p>	<p>Director, European Office</p>
<p>Members agreed the new arrangements relating to the Office, but noted that the business plan did not reflect the re-focusing adequately and asked for further work to be undertaken.</p>	<p>Director, European Office</p>
<p>12. New Governance Arrangements</p>	<p>Director, European Office</p>
<p>The process to introduce the new governance arrangements were discussed and the following noted and agreed</p>	<p>Director, European Office</p>
<ul style="list-style-type: none"> • The date for nominations to the various Boards be extended to 18 July. • That the wording in paragraph 11.5 of the constitution be changed to include the Chairs and Deputy Chairs of all Boards. • That all SEE Partner Members be circulated with the revised governance arrangements ahead of their meeting on 13 July. • That Government Office would be an observer on all Boards. • That Yorkshire Forward would confirm their status (Members or 	<p>Director, European Office</p>

- Observers) on the Planning and Transport Boards
- That the Yorkshire Forward's Business Advisory Group would be the nominating body for the business representatives for the Planning and Transport Boards in the first instance
 - That GO be provided with details of the process by which the rural representative would be nominated
 - That GO be provided with details of the process by which the Sustainable Development 'Expert' Members would be appointed

Business Services
Officer

13. Schedule of Meetings

Apologies were **noted** in advance from Government Office and Hull City Region representatives. The schedule was **agreed**.

14. Draft Annual Report

The content and arrangements for publication were **noted**.

15. Statement of Financial Accounts 2005/2006 and Appointment of Honorary Treasurer

The accounts were **agreed**. It was **noted** that these were still to be audited and a further report would be presented to the September meeting.

The Association of Local Authority accounts for 2005/2006 were also **agreed** by the Local Authority Members present as part of the consolidated accounts.

16. AOB

The Deputy Chair **noted** the recent successful bid to bring the Bollywood awards ceremony to the Region and congratulated Yorkshire Forward on their work to attract this prestigious event.

Date of next meeting:

YHA Meeting (AGM) 20 July 2006, Wakefield Council Chambers
2pm-4pm (lunch from 1pm)
Executive Board 28 September, YHA, 10am-12noon.

Emma King
Business Services officer
4.7.06

AGENDA ITEM: 3

**REGIONAL EXECUTIVE BOARD:
28 SEPTEMBER 2006**



MATTERS ARISING FROM THE REGIONAL EXECUTIVE BOARD MEETING HELD ON 29 JUNE 2006 – FOR NOTING

1. This note provides an update on those matters not covered elsewhere on the agenda.

Item 3 Matters Arising

2. The details from Government on the regional input into CSR07 were circulated to Members in July. An information note was also produced for the Assembly AGM on 20 July.

Item 4 Sub National Delivery Arrangements for Economic Development and Regeneration

3. A special meeting for Local Authority Members to discuss city/sub region governance arrangements in light of the Comprehensive Spending Review and the Yorkshire Forward Strategic Review of Investment Planning was held on Friday 8 September. The matter was also discussed at a special meeting of SEE Partners on 22 September. The Draft ERN report was circulated to Members in July.

Item 6 Integrated Regional Framework

4. The Regional Executive Board Advisory Group is taking the role of the working group for the Integrated Regional Framework. Members received an information note at the Assembly AGM and all the Boards will be receiving information notes at their first round of meetings. A further report on the IRF is included on the agenda.

Item 8 Environment Agency – Memorandum of Understanding

5. Officer meetings have taken place between the Assembly and the Environment Agency since June and work has progressed on a mutually agreed agenda.

Item 10 Executive Arrangements

6. The Executive Director Posts have now been filled by Sue Jeffrey and Chris Martin.

Item 11 European Office Arrangements

7. Following discussion by the Regional Executive Board of the chapter headings for the YHEO business plan, the full plan for 2006/7 was approved by the Region's European Strategy Board in July 2006. This is now being implemented, with contractual arrangements between Yorkshire Forward and the Assembly being finalised. Contact JaneHustwit@yorkshire-forward.com for a copy of the plan or any other information about the work of YHEO.

Item 12 New Governance Arrangements

- 8.** Information was provided to Government Office as requested on the way rural representatives on the functional boards have been selected and on the procedure for appointing sustainable development experts.

COMPREHENSIVE SPENDING REVIEW 2007

For Decision

To consider, comment on and agree the regional response to the Comprehensive Spending Review 2007 for submission to Government

To consider and comment on the Northern Way response to the Comprehensive Spending Review 2007

Background

1. The Comprehensive Spending Review will report in 2007 and will cover spending for the period 2008/9, 2009/10 and 2010/11.
2. CSR2007 is going to be tough. In the context of a tight fiscal climate and growing global challenges CSR2007 will be very much focussed on how to make better use of existing levels of funding in order to achieve Government targets and priorities. The prospect of additional funding being made available at the regional level is slim.
3. Building on the Regional Funding Allocations process the Assembly and Yorkshire Forward have been invited to submit evidence and advice setting out how existing levels of public funding could be better used to achieve the Government's regional economic performance and regeneration targets. The regional submission is to be framed in terms of the five drivers of productivity and employment – enterprise, skills, innovation, investment and competition.

General Content

4. Over the Summer the Assembly has been working closely with Yorkshire Forward and Government Office to develop the draft submission, additionally comments have been sought from the Regional Executive Board Advisory Group.
5. The report is being drafted following comments from the functional Boards and others, but in summary it contains the proposals set out at **Annex A**. A full copy of the draft report (20 pages) is available from Nicola.Plumstead@yhassembly.gov.uk. The final version will be available at the meeting.
6. In addition to the specific proposals the response sets out the evidence base against which these proposals have been developed. Where appropriate it includes examples of relevant, successful activity. It will also describe the regional arrangements for working in partnership. This will describe how we work at regional level including our new governance arrangements.

Timetable

- 7.** The draft response is here for comment and agreement today. The response will then be submitted to Government by the deadline of 30 September. We understand that over the next three months the response will be considered by Treasury colleagues and then passed to funding Departments to comment on the detailed proposals. There will be a further opportunity to submit views during this period.

Pan Northern Activity

- 8.** The Northern Way has also producing a response to CSR2007. Drafting has been done by the Northern Way Secretariat and there have only been limited opportunities to influence the response. The final Northern Way response will be signed off by the Chair and Management Group of the Northern Way on 26 September. The current draft Northern Way response is available from Nicola.Plumstead@yhassembly.gov.uk. The final version will be available at the meeting.

Sue Jeffrey,
Executive Director
September 2006

Regional CSR 2007 – Key Propositions at 21 September 2006

1. Headline Propositions

- a. **Extend the scope of any future Regional Funding Allocation exercise** – with the potential inclusion of skills and rail projects
- b. **Government to prioritise activity in line with the Regional Strategic Framework** – In particular, the RSS and RSS
- c. **Government should adopt an aligned targetry framework across Departments, which aligns activity within the regions**

2. Enterprise

- a. **Business Support** – Utilising the Business Links Network Better
- b. **Education in Enterprise** – Review of educational content on generic business skills and entrepreneurial behaviours.
- c. **Enterprise and Social Inclusion** – Better linkages between enterprise and employment. More linkages needed at an extremely local level through LEGI etc.

3. Innovation and Science

- a. **Hub and Spoke Innovation Development** – Government assist us in creating a coherent science and innovation network within the region and then wider North
- b. **Flexibilities, Freedoms and further responsibilities for the Science Councils** – As with the local authorities, give the Science Council the ability to spend and work coherently with the private sector.
- c. **Retain Graduates** – Utilise revenue raised from worklessness savings for graduate retention.
- d. **HEIF Alignment with RDA Spend** – Ensure that university spend is aligned with RDA activity, wherever practicable.

4. Employment

- a. **Shared Targetry Framework for Employment** - Central departments to have a shared targetry framework on employment and social development and inclusion
- b. **Workless Pilots Extended and Rolled Out** – If successful
- c. **Review of how to encourage workers in diverse groups into employment**
- d. **Higher Level Employment** – Increased employment focus on level 4 type jobs and graduates, as well as entry level activity

5. Skills

- a. **Education** – Further improvement needed to school performance, rather than further funding of Level 2. This should not, however, mean a reduction in FE budgets, which are badly needed for workforce development activity.
- b. **Further Empowerment of the RSP** – More flexibility and control to be given the RSP, with the most critical skills decisions made at a local level.
- c. **Government to utilise the Business Links Network**– Train to Gain and other workforce development activity routed through business links structures for maximum benefit to business.
- d. **Better linkages between LSC and Job Centre Plus** – Again possibly through a single employment target
- e. **Renewed Level 4 emphasis** – Government to consider the need for a new emphasis on level 4 as well as level 2.

6. Investment

- a. **Work to promote a stable private sector environment** – By devolving further powers and responsibilities to a local and regional level and creating a working environment for public/private activity
- b. **Careful consideration of TIF bids** – Government to carefully consider those applications coming through the TIF process from the North
- c. **Government to consider the submission from the Northern Way on Transport**
- d. **Improve Linkages between Manchester and Leeds** – Specific consideration needed of existing capacity and future franchise capacity.

7. Quality of Place

- a. **Support the current proposition for a Planning Gain Supplement**
- b. **Allow public agencies to reinvest profits made from assets sales back into development activity**
- c. **Allow for more public/private flexibilities at a local level for regeneration and other activity**
- d. **Tackle low demand and affordability in Housing**

STRATEGIC REVIEW OF INVESTMENT PLANNING

For Discussion

To discuss and agree and a contribution from the Regional Executive Board to inform the review of Sub-Regional Investment Planning.

Background

1. Yorkshire Forward announced its review of the Sub-Regional Investment Planning process (SRIP) in the revised RES. The review focuses on three areas: joining up delivery activity, developing better quality projects and building stronger partnerships.
2. The purpose of the review is to evaluate how well the SRIP process has worked in the four sub-regions, and what changes are required to improve investment planning.
3. The four Sub-Regional Economic Partnerships have been asked to comment on each of these three areas, and have also been asked to consider whether investment planning should be delivered on a local, city-region or sub-regional basis.

Consultation Process

4. Yorkshire Forward began to gather data for the Strategic Review in June 2006 in a desktop review. The data includes the outcomes of the Yorkshire Forward review on Business Support and information gathered during the compilation of the new RES. Yorkshire Forward has also compared its processes and mechanisms for investment planning and RES delivery to other Regional Development Agencies.
5. Using this information together with the early feedback from the Sub Regional Economic Partnerships, Yorkshire Forward intend to develop a consultation document to be circulated towards the end of this year (probably after the publication of the Local Government White Paper).

Sub-regions and City Regions

6. At this stage in the process one of the key issues under consideration is how planning takes place below the regional level in particular the respective roles of City Regions and Sub Regions.
7. As agreed at the last meeting of the Regional Executive Board, Local Authority Leaders and Chief Executives met on the 8 September 2006 to discuss this issue.

8. Key messages coming from the debate were:
 - City-regions are already an economic reality;
 - The region needs to be proactive in responding on this agenda – rather than waiting for Government; and
 - The focus needs to be on delivery.
9. The meeting agreed that further thinking was needed and asked that Local Authority Chief Executives consider the issue in more detail at their meeting on 21 September. Outcomes of this discussion will be reported at this meeting.
10. The SEE Partner group also discussed the issue of city-regional and sub-regional planning at its meeting on 22 September. Outcomes of this discussion will also be reported at this meeting.

**REGIONAL GOVERNANCE ARRANGEMENTS: IMPLEMENTATION AND
EVALUATION**

For Discussion

To update members on the implementation of the new governance arrangements and set out arrangements for evaluation of the structure as proposed at the Annual General Meeting in July.

Implementation of the new arrangements

1. The Annual General Meeting agreed the new governance arrangements. Since then we have completed the first round of functional and other board meetings. Generally feedback has been good. Set out below is a very brief summary of progress.

Scrutiny Board

Meeting took place on 6 September 2006 and was well attended. Key agenda items included the Role of the Scrutiny Board and the Independent Performance Assessment of Yorkshire forward, Presentation of the Northern Way Action Plan and Monitoring of the Skills Enquiry and the Innovation Scrutiny Review. Bill Adams and Naheed Arshad-Mather were approved as Members to fill the final two vacancies. This is subject to agreement at the full Assembly meeting on 19 October.

Regional Planning Board

Meeting took place on 15 September 2006 and was well attended considering that the EiP was taking place. Key agenda items included RSS – Update and Next Steps, Implementing the Yorkshire and Humber Plan, CSR2007, the Planning and Housing Delivery Grant consultation and the Regional Housing Research Programme.

One nomination was received from Wendy Bundy, the Rural representative on the full Assembly, for the role of Deputy Chair of the Board. As only one nomination was received, Wendy will be appointed as Deputy Chair, subject to endorsement at the full Assembly Meeting on 19 October.

Regional Housing Board

Meeting taking place on 20 September 2006 and the majority of members have confirmed attendance. Key agenda items include CSR2007, the Regional Investment Strategy, the Regional Housing Research Programme, the Planning and Housing Delivery Grant consultation and the Gypsy and Travellers Action Plan.

Regional Transport Board

Meeting taking place on 22 September 2006 and the majority of members have confirmed attendance. Key agenda items include RSS/RTC Update and Next Steps, RFA Transport Announcements, DfT Consultation on RFA, CSR2007, Northern Way Transport Compact and DfT Regional Planning Assessment for Rail.

Sustainable Development Board

Meeting taking place on 26 September 2006 and over half of the members have confirmed attendance. Key agenda item is the work programmes of the other Boards and the selection of issues for consideration by the Sustainable Development Board.

The four SD Experts have now been appointed and the majority are able to attend this meeting. There were 18 applicants for these positions and all the unsuccessful candidates have been invited to join the Advisory Group for the Board.

Regional Executive Board Advisory Group

Meeting took place on 23 August 2006. All officers who had expressed an interest in joining the group were invited to attend. A good discussion around items such as the functional boards, terms of reference for the group, Comprehensive Spending Review 2007, Integrated Regional Framework and a future work programme for the Regional Executive Board. There was also some early consideration of how to most effectively support Assembly and Board Members. Feedback from this meeting has been very positive.

Evaluation

2. At the Annual General Meeting Members agreed that the new governance arrangements should be evaluated to ensure they are appropriate and effective. The evaluation will take place over the coming year and track our work as it develops. The study is timetabled to begin in the middle of October and will report to the Annual General Meeting in July 2007.
3. The brief for the work is currently out to tender and we will let you know the successful consultant at the meeting. The full brief is available from Emma King emma.king@yhassembly.gov.uk

Sue Jeffrey
September 2006

AGENDA ITEM: 6b

REGIONAL EXECUTIVE BOARD:
28 SEPTEMBER 2006



REGIONAL GOVERNANCE ARRANGEMENTS: AWAY DAY AND FORWARD WORK PROGRAMME FOR THE REGIONAL EXECUTIVE BOARD

For Discussion

To consider holding an away half for Regional Executive Board Members to discuss the work of the Executive Board and develop a forward work programme.

1. Following the Assembly Annual General Meeting in July, it was suggested that Regional Executive Board members be invited to an away half day before the end of the year to consider a forward work programme for the Board, ways of working and priorities for the coming year.
2. The proposals for the forward work programme are also being discussed with the Regional Executive Board Advisory Group.
3. Following discussion with the Chair and Deputy the 6 November (am) has been suggested as a possible date and a draft programme is attached at **Annex A**. We will need to consider whether we want to use an external facilitator.
4. Members views/comments/ideas for the day are requested.

Emma King
Business Services Officer
September 2006



**REGIONAL EXECUTIVE BOARD AWAY DAY
MONDAY 6 NOVEMBER 2006
VENUE TO BE CONFIRMED**

DRAFT AGENDA

- 9.30 – 10.00 Arrival and refreshments
- 10.00 – 11.30 Making the Regional Executive Board Work:
- Role of members;
 - Working with the Functional Boards including monitoring delivery; and
 - The challenge role – sustainable development and scrutiny
- 11.30 – 11.45 Coffee Break
- 11.45 – 13.00 Developing a forward work programme – with input from the REB Advisory Group
- 13.00 – 13.30 Lunch and depart

SCOPING REPORT FOR THE INTEGRATED REGIONAL FRAMEWORK

For Decision:

The board is asked to approve this Scoping Report as the basis for developing the new Integrated Regional Framework and the response to Defra on how high-level regional strategies in Yorkshire and Humber will be 'refreshed' in accordance with Government guidance.

Background

1. Earlier this year, in 'Securing the Regions' Futures', Government set out guidance on strengthening delivery of sustainable development in the English regions. The guidance states that each region should rationalise current arrangements to produce a single high-level strategic framework that is fully in line with the UK Sustainable Development Strategy and incorporates a set of 'essential ingredients' by December 2007.
2. Defra has invited regions to report by the end of September 2006 on how their own regions' high-level strategy arrangements are taking account of these "essential ingredients". A copy of this letter is attached at annex 1.
3. This report explains how we shall produce an Integrated Regional Framework that merges Advancing Together and the Regional Sustainable Development Framework. It also covers who will be involved and how the essential ingredients will be incorporated. Annex 2 summarises this.
4. Our region has a fully supported vision for a sustainable future that is set out in Advancing Together and a set of aims for sustainable development in the Regional Sustainable Development Framework. Despite effective regional strategies that are bringing about economic, social and environmental improvements and are raising average standards of living in Yorkshire and Humber, we are not bringing about sustainable development in the region and are not delivering a better quality of life for everyone.
5. The Integrated Regional Framework is an opportunity to deal with this. The framework's principle roles have been agreed as tackling difficult issues that stand in the way of sustainable development and aligning / integrating regional policies and funding so that they work with greater synergy to deliver sustainable development.

Developing the Framework

6. The vision for the sustainable future set out in Advancing Together is likely to be retained as this has widespread support. The six objectives in Advancing Together and the 15 aims and cross-cutting themes in the Regional Sustainable Development Framework can be rationalised and simplified. Inconsistencies between these can also be resolved.
7. The full Assembly has agreed to direct the development of the Framework and has delegated responsibility to the Regional Executive Board to oversee its development, implementation and monitoring and to use the Framework to secure alignment of regional activity.

Key Policy Issues for the IRF

8. A key element of the Framework is using regional intelligence (provided in Progress in the Region) to identify and explore where there are problems achieving regional goals. Dealing with long term problematic trends that cut across regional strategies should be the principle focus of the Framework.
9. Further work will take in the Autumn of 2006 to look at the more up to date information available to examine progress against targets. Yorkshire Futures, the Regional Observatory, will lead on this work.
10. Preliminary examination of the data and existing regional strategies has flagged up that the following issues are where there are persistent and problematic trends that need to be addressed to deliver sustainability in the region.
 - ***Widening Gaps in Income and Inequalities***
How can economic growth, particularly in the city regions, also benefit the most deprived sections of our communities?
 - ***Transport***
How can the promotion and enhancement of the city regions be achieved without increasing the impact of travel within them, particularly from commuting? How can economic growth be achieved in North Yorkshire in the context of general housing restraint, without leading to increasing commuting?
 - ***Climate Change/Energy***
How are Regional Strategies each contributing to the attainment of regional targets for reducing greenhouse gas targets? What further policy changes and actions are needed to address shortfalls?
 - ***Housing Affordability***
How can housing needs be addressed taking account of the split in the housing market in the region with parts of the region suffering market failure and parts with very high house prices?

- **Obesity**
How can regional policies and investment turn around the trend towards increasing levels of obesity in region?

Development Process

11. The Regional Executive Board has established an Advisory Group that will manage the development of the Integrated Regional Framework alongside other initiatives being overseen by the Regional Executive Board, including the regional response to CSR2007. The Advisory Group includes representatives from sub-regions, city-regions, local authorities and SEE partners to ensure that clear connections are made between the regional priorities, aims and objectives in the Integrated Regional Framework and the work of delivery agencies.
12. The responsibilities and key tasks of the Advisory Group have been agreed and are set out below.

Responsibilities:

- to prepare the draft and final versions of the Integrated Regional Framework;
- to base the development of the Framework on robust evidence;
- to involve and consult relevant stakeholders;
- to ensure that the Framework is prepared in accordance with the expectations of the Regional Executive Board and in line with Government guidance*; and
- to oversee the work of two sub groups responsible for developing the indicators and monitoring framework and a sustainability/ integration appraisal system for the Integrated Regional Framework.

Key tasks:

- By mid-September complete the scope and project plan for the Integrated Regional Framework;
 - Prepare the consultation draft of the Integrated Regional Framework by end March 2007;
 - Manage the consultation on the Draft Integrated Regional Framework over a 12-week between March – June 2007; and
 - Review the results of the consultation process and prepare the final version of the Integrated Regional Framework by September 2007.
13. The Advisory Group is accountable to the Regional Executive Board. The Advisory Group will report to meetings of the Board as follows:
 - 28 September 2006: Scope and project plan, and September draft response to Government.
 - 16 November 2006: Progress report, including proposals for the key significant issues that the Framework will address.
 - 18 January 2007: Consultation draft of the Integrated Regional Framework and consultation plan.
 - 21 June: Results of the consultation process.
 - September 2007: Proposed final draft of the Integrated Regional Framework.

14. It is anticipated that the Regional Executive Board will refer the consultation and final drafts of the Integrated Regional Framework to meetings of the full Assembly. It is expected that the consultation version will be presented to the meeting of the Full Assembly to be held on 15 February 2007.

Sian Ferguson,
Head of Strategy Integration and Sustainable Development
September 2006

Our Ref: PB/SF/DEFRA

18th September 2006

Mr David Cooper
DEFRA

Dear Mr Cooper

REFRESHING/UPDATING REGIONAL HIGH-LEVEL STRATEGIES

Thank you for your invitation to update you on how, in Yorkshire and Humber, we are responding to the guidance in 'Securing the Regions' Futures' to refresh regional high-level strategies. I am pleased to set out our approach in this letter. I will explain how we shall produce an Integrated Regional Framework that merges Advancing Together and the Regional Sustainable Development Framework. I will also cover who will be involved and how the essential ingredients will be incorporated. There is an appendix to my letter that summarises this.

Our region has a fully supported vision for a sustainable future that is set out in Advancing Together and a set of aims for sustainable development in the Regional Sustainable Development Framework. Despite effective regional strategies that are bringing about economic, social and environmental improvements and are raising average standards of living in Yorkshire and Humber, we are not bringing about sustainable development in the region and are not delivering a better quality of life for everyone.

Our Integrated Regional Framework is an opportunity for us to deal with this. The framework's principle roles have been agreed as tackling difficult issues that stand in the way of sustainable development and aligning / integrating regional policies and funding so that they work with greater synergy to deliver sustainable development.

The full Assembly has agreed to direct the development of the Framework and has delegated responsibility to the Regional Executive Board to oversee its development, implementation and monitoring and to use the Framework as a working tool to secure alignment of regional activity.

A key element of the Framework will be using regional intelligence (provided in Progress in the Region) to identify and explore where there are problems achieving regional goals. The Framework will deal with long term problematic trends that cut across regional strategies. Work is currently being undertaken to look at the most up to date information available to examine progress against targets. Yorkshire Futures, the Regional Observatory, are leading on this work.

However, preliminary examination of the data and existing regional strategies has flagged up that the following issues are where there are persistent and problematic trends that need to be addressed to deliver sustainability in the region:

- ***Widening Gaps in Income and Inequalities***
How can economic growth, particularly in the city regions, also benefit the most deprived sections of our communities?
- ***Transport***
How can the promotion and enhancement of the city regions be achieved without increasing the impact of travel within them, particularly from commuting? How can economic growth be achieved in North Yorkshire in the context of general housing restraint, without leading to increasing commuting?
- ***Climate Change/Energy***
How are Regional Strategies each contributing to the attainment of regional targets for reducing greenhouse gas targets? What further policy changes and actions are needed to address shortfalls?
- ***Housing Affordability***
How can housing needs be addressed taking account of the split in the housing market in the region with parts of the region suffering market failure and parts with very high house prices?
- ***Obesity***
How can regional policies and investment turn around the trend towards increasing levels of obesity in region?

The Regional Executive Board has established an Advisory Group that will manage the development of the Integrated Regional Framework alongside other initiatives being overseen by the Regional Executive Board, including the regional response to CSR2007. The Advisory Group includes representatives from sub-regions, city-regions, local authorities and Social, Economic and Environmental partners. This is to ensure that clear connections are made between the regional priorities, aims and objectives in the Integrated Regional Framework and the work of delivery agencies.

The responsibilities and key tasks of the Advisory Group have been agreed and are set out below.

- to prepare the draft and final versions of the Integrated Regional Framework;
- to base the development of the Framework on robust evidence;
- to involve and consult relevant stakeholders;
- to ensure that the Framework is prepared in accordance with the expectations of the Regional Executive Board and in line with Government guidance, and
- to oversee the work of two sub groups responsible for developing the indicators and monitoring framework and a sustainability/ integration appraisal system for the Integrated Regional Framework.

The Regional Executive Board will refer the consultation and final drafts of the Integrated Regional Framework to meetings of the full Assembly. It is expected that the consultation version will be presented to the meeting of the Full Assembly to be held on 15 February 2007.

I trust our approach meets fully your expectations. We are taking this opportunity to refresh our high-level strategies very seriously. We intend to produce an Integrated Regional Framework that will deliver measurable progress towards a sustainable region and be a model for local communities strategies to do the same.

Yours sincerely

Peter Box
Chair, Yorkshire and Humber Assembly

How the Yorkshire and Humber Integrated Regional Framework will address the 'Essential Ingredients' on Sustainable Development for Regional High-Level Strategy/Strategies

Evidence Base	Existing intelligence will be used to inform the development of the framework. Additional research needs have been identified and will be progressed during 2006. These are: The Regional Observatory, Yorkshire Futures, is a key partner.
Stakeholder Involvement	Assembly members, including local authorities and SEE partners and stakeholders will be involved in the working groups responsible for drafting the framework. The consultation on the draft version will actively involve other regional partners and local organizations, such as local strategic partnerships, primary care trusts and businesses.
Integrated Vision	The IRF will set out the region's vision for a sustainable future and relate this in a straightforward and clear way to the region's priorities included in the main regional strategies
Aims and Objectives	The aims and objectives in the framework will address issues that impede progress on regional priorities that are not covered by existing regional strategies and how to achieve better integration between regional policy and resource allocation.
Indicators, Actions and Targets	The regional observatory, Yorkshire Futures, produces the region's annual monitoring report, Progress in the Region. This report will, in the future, be the reporting system for the framework. A working group, chaired by the Director of Yorkshire Futures, will develop proposals for the indicators that will be adopted. These will take into account the national sustainable development indicators as well as regional priorities. The framework will include an action plan with targets to deliver the objectives.
Monitoring and Reporting	As mentioned above the monitoring and reporting on the framework will be undertaken by Yorkshire Futures and published as Progress in the Region.
Sub Regional and Local Levels	The framework will ensure the mechanisms are in place with partners at regional, sub-regional and local levels to deliver the objectives. This is considered as a crucial part of the development of the framework.
Sustainability Appraisal	A sustainability appraisal of the draft framework as well as a REAP analysis will be undertaken during the consultation period.

UPDATE ON STATEMENT OF FINANCIAL ACCOUNTS 2005/2006

For Recommendation

To recommend the revised Statement of Accounts 2005/06 to the full Assembly.

For Approval

To approve the transfer of reserves to Local Government Yorkshire and the Humber.

1. Background

The draft consolidated Statement of Accounts for 2005/06 was presented to the Assembly AGM in July. The audit was then in progress and has now been completed.

2. Amendments

The amended Statement of Accounts is presented was presented to the Regional Executive Board on 29 June and also to the Assembly AGM on 20 July. The following amendments have been made to the draft Statement of Accounts presented in July:

- Depreciation costs reduced by £20,450. The effect of this amendment is to:
 - Reduce expenditure (Accommodation and Equipment) by £20,450 with a consequential reduction of the deficit for the year.
 - Increase the net book value of fixed assets by £20,450.
 - Increase general reserves by £20,450.
- Minor changes to wording on the guidance of the Audit Commission and correction of typographical errors.
- Insertion of the Audit Report and 'Value for Money' Report (pages 12 & 13).

The full document is available on the Assembly website.

3. Audit Report

The Audit Commission has concluded that the financial statements give a true and fair view of the state of affairs of the Assembly/ALA as at 31 March 2006 and of its income and expenditure for the year.

A new report has been required from 2005/06 on "arrangements for economy, efficiency and effectiveness in the use of resources. The Audit has concluded that, in all significant respects, the Assembly/ALA has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2006.

4. Audit Action Plan

The draft Annual Governance Report has been issued. When finalised, this will be presented to the Executive Co-ordination Team together with an agreed Action Plan to address the issues raised.

5. Transfer of Reserves

As agreed at the Special ALA leaders' Group Meeting on 16 March 2006, closing reserves are to be allocated to the Assembly and Local Government Yorkshire and Humber using the methodology set out at Annex B. A total of £305,876 will be transferred to LGYH with a total of £737,321 retained by the Assembly comprising the following:

Lease reserves	£55,000
Planning reserve	£47,809
Liability for redundancy payments in The event of winding up	£429,029
General reserves	£46,574

Proposals for a new reserves policy for the Assembly will be brought to the next meeting of the Regional Executive Board.

Source Papers

Past reports on this subject are available as follows:

Report	Location
Yorkshire and Humber Assembly AGM: 20 July 2006 Draft Statement of Accounts and Appointment of Honorary Treasurer.	All available from: Emma King Yorkshire and Humber Assembly 18 King Street Wakefield WF1 2SQ
Special ALA Leaders' Group Meeting: 16 March 2006. Dissolution of YHA and Formation of LGYH: Appendix 2, Reserves and Levies of LGYH.	Tel: E-mail: Emma.King@yhassembly.gov.uk

Catherine Cook,
Resources Manager
September 2006

METHODOLOGY FOR APPORTIONING YHA/ALA RESERVES TO YHA AND LGYH

Extract from paper presented to Special ALA Leaders' Group Meeting, 16 March 2006

SPECIFIC YHA RESERVES (including lease related items estimated at £55,000 and Planning reserve estimated at £43,000)

- To remain with YHA.

YHA/ALA GENERAL RESERVES (including "minimum reserve")

- Allocation to LGYH and YHA of a sum sufficient to cover potential liability for redundancy costs relating to relevant YHA/ALA staff.
- Allocation of remaining balance in line with allocation of Local Authority contribution: 70% to LGYH, 30% to YHA.

EUROPEAN STRUCTURAL FUNDS CONSULTATION

For Decision

To inform members of the process for consultation on the draft Operational Programme for the European Structural Fund 2007 – 2013, and to invite members to submit their comments on the programme and its priorities.

Background

1. The existing European Structural Fund programme, incorporating the European Regional Development Fund (ERDF) and European Social Fund (ESF), will end on 31 December 2006.
2. Earlier this year, the Department for Trade and Industry consulted the regions on a draft framework (National Strategic Reference Framework), for the replacement programme. The Department are expected to announce their response to this consultation, and the funding amounts allocated to each region, in October 2006.
3. All regions must produce and submit an agreed Operational Programme to the European Commission by 30 April 2007, and a Task Group of approximately 20 regional partners and stakeholders has been formed to produce a draft Operational Programme on which to consult.
4. The Task Group has produced an early draft version of the Operational Programme, and the views of Assembly members are sought on this draft so that they can be incorporated into a final draft for full consultation across the region in December 2006.

Operational Programme Content

5. The draft Operational Programme is detailed and substantial, and it states the priorities for funding and why these priorities are proposed. The attached *Consultation Note* at Annex A provides a short summary of the Operational Programme's content and priorities. The note also includes a series of questions which Assembly members are asked to consider and respond to.

Timetable for Consultation

6. The consultation on the draft Operational Programme will be subject to the following timetable:
 - Assembly Member Consultation on early draft – between 28 September and 19 October 2006
 - Response from Ministers on funding allocations for the region – early October 2006

- Task Group compile final draft for full consultation – between 20 October and 6 December 2006
- Regional consultation on final draft – between 18 December 2006 and 9 March 2007
- Operational Programme agreed by Task Group – 12 April 2007
- Operational Programme agreed by YHA Regional Executive Board – 19 April 2007
- Operational Programme agreed by Yorkshire Forward Board – 19 April 2007
- Operational Programme submitted to Department for Communities and Local Government for clearance – 19 April 2007
- Operational Programme submitted to European Commission – 30 April 2007

How to Respond

7. Comments and views on the draft Operational Programme should be emailed to Patrick Heffron by **Thursday 19 October 2006** at patrick.heffron@goyh.gsi.gov.uk
8. Further comments and views from Assembly members will be sought again during the formal consultation phase between December 2006 and March 2007. This will include discussion at the Assembly's functional and Sustainable Development Board meetings.

Source Papers

There are no past reports on this subject.



Consultation Note:
September 2006



European Structural Fund 2007 – 2013: Draft Operational Programme

Background

In 1999, the United Kingdom was allocated £10 billion in European Structural Fund receipts for the period January 2000 to December 2006. The funding was apportioned between the following four programmes:

- **European Regional Development Fund (ERDF)** – for economic and social development, including diversification of industries
- **European Social Fund (ESF)** – for training, human resources and equal opportunity projects
- **European Agricultural Guidance and Guarantee Fund (EAGGF)** – for the restructuring and diversification of rural areas
- **Financial Instrument for Fisheries Guidance (FIFG)** – for modernising and diversifying the structure of the fisheries sector and related industries

The existing European Structural Fund programme will end on 31 December 2006. The Department for Trade and Industry consulted the regions on the draft National Strategic Reference Framework (NSRF) for the replacement programme between February and May. In October 2006, the Department will announce their response to the consultation, and will announce the funding amounts allocated to each region. Each region must produce and submit an Operational Programme to the European Commission by 30 April 2007.

Government Office for Yorkshire and the Humber has established a Task Group to formulate a draft Operational Programme on which to consult in December 2006. Members of the Task Group include Yorkshire Forward, Yorkshire and Humber Assembly, Local Government Yorkshire and Humber, the Regional Forum, Yorkshire and Humber Chambers of Commerce and the four Sub-regional Economic Partnerships.

The Task Group has produced an early draft version of the Operational Programme, and the views of Assembly members are sought on this draft so that they can be incorporated into the final consultation document. This paper summarises the Operational Programme and asks Assembly Members to submit responses to a series of questions.

Funding Priorities and Strands

The draft Operational Programme is detailed and substantial, and it states the priorities for funding and why these priorities are proposed. The programme includes an analysis of the region's economy. The analysis is based on information gathered for Progress in the Region, statistics compiled for the Regional Economy Strategy and data from the sub-regional Strategic Economic Assessments. The Task Group have used this analysis to identify two priorities for the funding and a number of strands that are linked to the Regional Economic Strategy.

Priority 1: Stimulating enterprise and supporting successful businesses This priority promotes sustainable economic development. There are three strands under this priority, and the proposed activities that will be supported by each strand are as follows:

STRAND	PROPOSED ACTIVITY
<i>Enterprise</i>	<ul style="list-style-type: none"> a. Encouraging more people to start a business <ul style="list-style-type: none"> • Targeted assistance for entrepreneurs and businesses that can add high economic value • Business leadership and entrepreneurial programmes • Support for young people's enterprise b. Improve support to help new business start-ups <ul style="list-style-type: none"> • Support for pre-start, early stage and growing businesses through specialist incubation facilities • Improved access to finance or growing businesses (equity and loan finance, grants and venture capital) c. Grow business and employment in knowledge based regional clusters <ul style="list-style-type: none"> • Support for implementing the Action Plans of the region's knowledge based clusters • Support for incorporating environmental resource efficiency goals into key clusters d. Improve business support to support business growth <ul style="list-style-type: none"> • Tailored high-level business support for innovative and high-growth businesses based on their individual needs to improve their competitiveness

STRAND	PROPOSED ACTIVITY
<i>Enterprise cont/d.</i>	e. Help businesses to win and expand markets <ul style="list-style-type: none"> • Support for promoting internationalisation and fostering international trade links with key emerging markets
<i>Innovation and Research and Development</i>	a. Foster innovation to develop new markets and products <ul style="list-style-type: none"> • Support for businesses undertaking research and development and exploiting new knowledge • Assistance for businesses to develop new products, processes and services • Exploitation of the region's higher education expertise and research base • Support for the growth and quality of the region's research and science base • Support for businesses to cut waste through resource productivity (including energy efficiency and renewable energy)
<i>Prosperous Places: Urban Centres and Coastal</i>	a. Boost the role of the city-regions as economic drivers <ul style="list-style-type: none"> • Support for the delivery of city-region development plans and transformational projects b. Deliver integrated renaissance programmes in major cities and towns <ul style="list-style-type: none"> • Support for the delivery of integrated renaissance programmes in prioritised cities and towns c. Secure a strong and diverse coastal economy <ul style="list-style-type: none"> • Support for the delivery of integrated renaissance programmes in prioritised coastal towns

Priority 2: Connecting people to economic opportunities

This priority will connect people to economic opportunities, improve the environment and help to create sustainable communities. There are two strands under this priority, and the proposed activities that will be supported by each strand are as follows:

STRAND	PROPOSED ACTIVITY
<i>Worklessness</i>	a. Develop programmes and projects to tackle Worklessness and get more people into good jobs <ul style="list-style-type: none"> • Tackling social and economic exclusion and barriers to work for those in the poorest communities (10% most deprived communities based on Super Output Area and the immediate surrounding area) and communities of interest • Fostering a dynamic enterprise culture through economic activity, business development and entrepreneurship in the poorest communities (10% most deprived communities based on Super Output Area and the immediate surrounding area) • Supporting initiatives in renaissance market town plans that directly link rural communities to economic opportunity
<i>Utilising the Voluntary Sector</i>	a. Utilise the voluntary sector to reach local people and improve service delivery <ul style="list-style-type: none"> • Supporting innovative service delivery models • Strengthening the social economy and local social enterprise development in the poorest communities (10% most deprived communities based on Super Output Area and the immediate surrounding area)

Questions

Guidance from Government states that the Operational Programme must be clearly aligned with the Regional Economic Strategy. The emphasis of the draft programme is on supporting projects which will add value to the region and maximise all other funding streams being invested in the region (for example, Yorkshire Forward's single pot, investment by the Learning and Skills Council and Jobcentre Plus, Local Authority economic development funds and funds through Local Area Agreements such as the Local Enterprise Growth Initiative).

All comments on the draft Operational Programme are welcomed, however Assembly members are asked to provide their comments and thoughts on the specific questions outlined below:

1. Do you believe that the priorities and proposed funding strands outlined above will allow your organisation to maximise its budgets for economic development?
2. Are there any funding strands in the draft Operational Programme that you do not believe should be funded through this programme, or which could be funded through other sources and should therefore be omitted?
3. The Enterprise strand focuses primarily on support for key sectors and knowledge clusters. What are your views on this?
4. The Enterprise strand targets high-growth businesses, particularly in relation to the provision of 'high-level' business support. Do you think that business support activities funded through this programme should be high-level as opposed to funding generic business support? Do you think that business support under this programme should be targeted at high-growth businesses?
5. Should support for start-up businesses be focussed on the high-growth sectors, or should the programme also support start-ups in low-level sectors and social and community enterprises under Priority 2: Connecting people to economic opportunities? Please state the reason(s) for your answer.
6. As the Rural Development Programme for England will address rural economic development, do you agree that the Operational Programme should focus on support for urban centres such as cities and major towns and towns in coastal areas?

Timetable

The consultation on the draft Operational Programme will be subject to the following timetable:

ACTION	TIMESCALE
Assembly Member Consultation on early draft	28 September to 19 October 2006
Response from Ministers on funding allocations for the region	Early October 2006
Task Group compile final draft for full consultation	20 October to 6 December 2006
Regional consultation on final draft	18 December 2006 to 9 March 2007
Operational Programme agreed by Task Group	12 April 2007
Operational Programme agreed by YHA Regional Executive Board	19 April 2007

ACTION	TIMESCALE
Operational Programme agreed by Yorkshire Forward Board	19 April 2007
Operational Programme submitted to Department for Communities and Local Government for clearance	19 April 2007
Operational Programme submitted to European Commission	30 April 2007

Once the European Commission are satisfied that an acceptable Operational Programme has been submitted, spend can be incurred.

How to Respond

Comments and views should be emailed to Patrick Heffron by **Thursday 19 October 2006** at patrick.heffron@goyh.gsi.gov.uk

Further comments and views from Assembly members will be sought again during the formal consultation phase between December 2006 and March 2007. This will include discussion at the Assembly's functional board meetings. The Sustainable Development Board will also be asked to comment on the draft Operational Programme, Strategic Environmental Assessment and Sustainability Appraisal for the programme which are currently under development.

Government Office Yorkshire and Humber are also developing a weblog to capture progress, which will be live by 30 September 2006.

Further Information

For more information on European Funding, contact Lyndsey Bunn, Economy and Skills Manager on telephone number 01924 331565, or via email at lyndsey.bunn@yhassembly.gov.uk.

Alternatively, further information including a copy of the draft Operational Programme, is available on the Government Office for Yorkshire and the Humber website, www.gos.gov.uk/goyh/