



National Audit Office

2007

Independent Performance Assessment

HELPING THE NATION SPEND WISELY

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Yorkshire Forward

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1 Preface

1.1 The National Audit Office (NAO) has undertaken this Independent Performance Assessment of Yorkshire Forward at the request of the Department of Trade and Industry (DTI), which is the sponsor department for Regional Development Agencies (RDAs). Yorkshire Forward is one of nine Regional Development Agencies established under the Regional Development Agencies Act 1998 to further regional economic development, promote business efficiency and competitiveness, increase employment and the skills base, and contribute to regional environmental sustainability.

1.2 The English Regional Development Agencies vary significantly in size, geography, population, and economy. Each operates within a unique environment reflecting the strengths, activities, infrastructure, and character of the region. Regional Development Agencies face diverse challenges with different budgets, so each needs to respond appropriately to its specific circumstances.

1.3 However all Regional Development Agencies face a number of common challenges, including balancing the interests of the region with national policy requirements, managing the conflicting demands of different regional stakeholders, looking outwards to promote the region while staying focused on what is happening inside, and responding to new duties imposed by central government from time to time. The Independent Performance Assessment assesses how well each Regional Development Agency has responded to these common challenges.

1.4 Yorkshire Forward will review its improvement plan in the light of our assessment report. The revised plan should be forwarded to the NAO within one month of publication of the assessment. The NAO will then consider the extent to which the plan addresses areas for improvement identified in the assessment report and provide Yorkshire Forward with advice. Yorkshire Forward will then formally adopt the plan.

1.5 As part of the Independent Performance Assessment process, each Regional Development Agency will include its progress in implementing the improvement plan in the regular performance reports that it puts to its Board, which are shared with Government and are placed in the public domain every six months. Government Offices, as the Government's representatives in the regions, will support their Regional Development Agencies

in continuous improvement and will alert Departments and Ministers to any issues of concern that may arise.

1.6 We are grateful to Yorkshire Forward's Chair, Chief Executive, board members and staff members for their help in the Independent Performance Assessment. We would like to thank the numerous stakeholders and partners who helped us. We are indebted to Peter Watson, Deputy Chief Executive at the East of England Development Agency, who gave valuable time to serve on our team.

2 Summary

2.1 Yorkshire Forward has scored 20 points out of a maximum 24. This is equivalent to performing strongly overall. Further detail on how this mark was arrived at is provided below. The technical annex describes the methodology for arriving at this assessment. Section 3 sets out the context to Yorkshire Forward's activities while sections 4 to 8 provide more detail about the five themes.

Theme	Assessment	Score
Ambition	Performing strongly	4
Prioritisation	Performing well	3
Capacity	Performing strongly	4
Performance management	Performing well	3
Achievement (double weight)	Performing well	3 (6)
Overall Score	Performing strongly	20

2.2 Yorkshire Forward's self-assessment gives a clear picture of the challenges facing the region and its approach to tackling them. The document and the seven-year review carried out by Yorkshire Forward show a high degree of self-awareness and an openness to reflect and learn from experience. The draft improvement plan provides a sound basis for a more developed plan, which Yorkshire Forward will produce in the light of this report.

2.3 The Regional Economic Strategy clearly outlines the key issues in the region and is derived from a robust evidence base. It sets out how these are to be tackled and allocates actions among partner organisations. Key stakeholders were thoroughly consulted in the formation of this document and subscribe to the actions it sets out.

2.4 The Corporate Plan for the period 2006-11 maps out in detail how progress will be made on the Regional Economic Strategy objectives over the period. It could give more detail about how Yorkshire Forward aims to spend its funds.

2.5 Yorkshire Forward operates in partnership through Investment Planning in four distinct sub-

regions. Investment Planning aims to deliver the Regional Economic Strategy and co-ordinate funding in the sub-regions from a wide range of funding bodies. It is undertaken by sub-regional partnerships. It is a challenging and ambitious approach which has the potential to be an excellent example of the strategic leadership role intended for Regional Development Agencies.

2.6 There is incomplete understanding amongst partners as to the status of Investment Plans and the proposals that are in them. The function of sub-regional partnerships in monitoring and managing projects is still not clear. There is also confusion amongst some partners as to the role of the Yorkshire Forward Development Fund, which delivers region-wide projects centrally, as compared with the sub-regional Investment Planning process.

2.7 Yorkshire Forward has worked well with its partners through the Investment Planning process to achieve change and deliver its priorities. It has worked very well with local authorities to build capacity, particularly in renaissance.

2.8 Yorkshire Forward has been assessed as being one of the Sunday Times 100 Best Companies to Work For. It is the only Regional Development Agency to have achieved this. Partners and stakeholders see Yorkshire Forward staff as being capable, committed and passionate about their work. The Chair and Chief Executive form an effective partnership and are highly visible across the region. The Board has a wide range of expertise and is thoroughly engaged, including in the sub-regions.

2.9 Communication is an area where Yorkshire Forward can develop. Promotional activity has been very effective but stakeholders would like simpler and clearer communication about how to engage with Yorkshire Forward. Internally, Yorkshire Forward has acknowledged that cross-directorate working needs to be improved and is progressing this.

2.10 There is a perception amongst some partners and stakeholders that Yorkshire Forward's decision-making can be too slow. The Performance Management Framework itself is relatively streamlined but problems can arise before the process, in developing well-formed proposals, and after the process, in contract negotiation.

2.11 Yorkshire Forward has taken an open and inclusive approach to performance management. Evaluation is built into each project and is tailored according to the size and risk of the project. The

Board is kept informed of overall progress and key projects. Yorkshire Forward seeks and acts upon external assessment. It conducts detailed staff and stakeholder surveys and has submitted itself for assessment against the Business Excellence Model. The results of these assessments have fed into policy improvements. Yorkshire Forward has created a highly regarded regional observatory in Yorkshire Futures and utilised it to assess economic progress in the region.

2.12 Risk management is fully embedded within the operations of the organisation. A sound system of financial controls is in place. Over time, systems for monitoring expenditure have helped to ensure a more predictable and even spend profile over the financial year.

2.13 Yorkshire Forward has performed well in championing the region. This has led to a heightened profile of the region more generally. The cutting-edge renaissance programme, which has been one of Yorkshire Forward's major successes, has been central in this and is delivering real results. Renaissance projects have helped turn around the local economy, lever in investment in both urban and rural settings and raise aspirations.

2.14 Yorkshire Forward has had some successes on the skills agenda, for example a framework of activities to re-engage young people with Science, Technology, Engineering and Maths. However, progress has been slow with the Regional Skills Partnership.

2.15 Some stakeholders have found aspects of Yorkshire Forward's array of business support programmes confusing. It has acknowledged this and is taking steps to streamline arrangements and improve clarity. Nevertheless, Yorkshire Forward has achieved significant successes in its business agenda: delivering real results on young enterprise; using its influence and funding to help universities raise their game on innovation and enterprise; running a series of successful Enterprise Shows and a high growth business start-up programme to provide advice to potential business owners; and achieving 100 per cent broadband coverage of the region. Yorkshire Forward has levered in investment through its renaissance activities but has struggled to attract foreign direct investment.

2.16 Yorkshire Forward has done well in responding swiftly and decisively to economic shocks to the region. It has successfully led the transport agenda as part of the Northern Way, as well as using its own investments to catalyse transport improvements. It has received positive feedback on its lead role with HM Treasury and this

has increased Regional Development Agencies' influence over national policy. Yorkshire Forward has a strong commitment to environmental sustainability and stakeholders praise its achievements in developing exemplar projects.

3 The context for Yorkshire Forward's activities

3.1 The Yorkshire and Humber region is a diverse region with a £75 billion economy and a population of over five million. It is home to more than a quarter of a million companies. Leeds is the largest city in the region, with a population of 717,000. Other major cities include Sheffield, Bradford, York and Hull. The region also has a significant rural population and has more National Park land than any other region.

3.2 Yorkshire Forward operates within four distinct sub-regions: North Yorkshire, West Yorkshire, South Yorkshire and the Humber. The economy of North Yorkshire is largely rural with low unemployment and a gross domestic product that is above average for the UK. However, it is a relatively low-wage economy, with a dependency on tourism. The West Yorkshire economy has grown significantly over the past decade, predominantly through business and financial services in Leeds. Large areas of deprivation remain, characterised by low skills, low wages and high unemployment. South Yorkshire, based around the Sheffield City Region, has grown in recent years and has now moved out of full European Objective 1 status. Major problems remain in skills and enterprise as the area has tried to cope with the transition from manufacturing industry. The Humber, separated geographically from other centres of population in the region, has an economy based around its ports. Again it is a low-skill, low-enterprise economy with high unemployment and low wages.

3.3 In the 1980s and 1990s the region suffered from the decline of its traditional industries, with substantial job losses in coal mining, steel, engineering and textiles. This has been offset by growth in public administration and the service sector. Leeds is now England's second largest legal and financial centre. York has built a reputation as a Science City and a major tourist destination. The Humber Ports together account for 13 per cent of UK sea trade. The Yorkshire and Humber economy has grown faster than the European average in six consecutive years.

3.4 The business structure has a greater focus on traditional low value added industries than in England as a whole, and a below-average number of higher value added industries. Manufacturing accounts for nearly 16 per cent of employment and 21 per cent of gross value added. Spend on research and development in the region is four

times lower than the UK average. The higher education sector accounts for 48 per cent of this expenditure, compared to a UK average of 22 per cent.

3.5 The region suffers from poor levels of economic activity. It ranks eighth out of the nine English regions on gross value added per head. Unemployment levels have fallen across the region in line with the national trend. However there are still areas of high unemployment throughout the region and economic inactivity has not fallen in line with unemployment. In 2004 over 675,000 people were recorded as being economically inactive or workless – a fifth of the working-age population.

3.6 The region has a strong higher education sector with 11 Higher Education Institutions, including the 'White Rose' universities of Leeds, Sheffield and York. It is the region with the fourth highest number of full-time higher education students and produces 166,000 new graduates each year. However, secondary education and basic skills remain a problem. In 2006, just a half of pupils gained five or more good GCSEs (A*-C). This is a significant improvement on prior years but still represents the worst performance of all the regions.

3.7 Yorkshire Forward is one of the larger Regional Development Agencies across England, with a budget of just under £300m (2005-06) and 350 staff. A new Chief Executive was appointed in December 2005, taking up his post in February 2006. The current Chair has been in place since 2003 and was recently reappointed for a period of three years.

3.8 In response to the Deputy Prime Minister's request in 2002, Yorkshire Forward, One NorthEast and the Northwest Development Agency established the Northern Way to unlock the potential for faster economic growth and bridge the £29bn output gap between the North and the rest of England. In order to meet the challenge, the three Regional Development Agencies have set themselves an ambitious vision to achieve national UK average gross value added per head within 25 years. Yorkshire Forward leads on transport in the Northern Way's recently streamlined set of priorities.

4 Ambition

Key sources: *Regional Economic Strategy and related regional strategies, Public Service Agreement framework, external stakeholders*

Yorkshire Forward is performing strongly in relation to ambition (SCORE 4)

- Through the Regional Economic Strategy, has Yorkshire Forward set clear and challenging ambitions for the region?
- Are ambitions based on a shared understanding amongst Yorkshire Forward and partner organisations of regional needs and opportunities?
- Does Yorkshire Forward provide strategic economic leadership across the region and ensure effective partnership working?
- Does Yorkshire Forward, with its partners, have an integrated and cohesive approach to improving regional economic performance?

4.1 The latest Regional Economic Strategy for Yorkshire and Humber, published in July 2006, covers the period 2006 to 2015. It clearly builds on the previous strategy, which covered 2003 to 2012. The Regional Economic Strategy sets out a vision for the region to be 'a great place to live, work and do business'. It describes six overall objectives under three broad headings of business, people and environment. It sets clear, measurable and challenging targets that are monitored by Yorkshire Futures, the regional observatory funded predominantly by Yorkshire Forward.

4.2 Yorkshire Forward provides strategic leadership across the region by setting an example in lining up its own activities behind the Regional Economic Strategy. This gives a clear line of sight from overall regional ambitions into Yorkshire Forward's practical activity. Yorkshire Forward's Corporate Plan for 2006-11 includes three objectives that match the Regional Economic Strategy's three pairs of objectives, while its internal structure has three directorates – Business, Environment and People (now renamed Economic Inclusion) – that exactly match those Corporate Plan objectives.

4.3 The Regional Economic Strategy objectives are broad, but the majority of stakeholders see them as addressing the right issues for the region. The strategy provides a helpful timeline for each of

the six objectives, describing what the region wanted in 2000, what it had delivered by 2005 and what it intends to achieve by 2016. A valuable feature of the Regional Economic Strategy is its analysis of overall public sector spending in the region relevant to each of the six objectives.

4.4 Yorkshire Forward's development of the Regional Economic Strategy was based on a thorough consultation process in which the vast majority of stakeholders felt included, particularly key partners. This has led to a good level of buy-in to the strategy, including endorsement from the Yorkshire and Humber Assembly and the Government Office for Yorkshire and Humber. Members of staff at Yorkshire Forward refer routinely to the strategy when describing their work, and some external partners also refer readily to it, indicating that it is very much a live document.

4.5 Yorkshire Forward has worked closely with the Regional Assembly and Government Office for Yorkshire and Humber to ensure synergy between the Regional Spatial Strategy, the Regional Housing Strategy and the Regional Economic Strategy. These regional partners worked together on 'Advancing Together' and are currently developing an Integrated Regional Framework to update it. These documents provide an overarching regional vision, as a framework for all regional strategies and plans. As a result, the Regional Spatial Strategy, Regional Housing Strategy and Regional Economic Strategy are all mutually supportive.

4.6 The work of Yorkshire Forward and other regional partners is underpinned by a shared evidence base. The regional observatory, Yorkshire Futures, is supported by Yorkshire Forward, the Yorkshire and Humber Assembly and the Government Office for Yorkshire and Humber. Yorkshire Futures has an excellent reputation. It has a clear understanding of regional priorities and works to identify gaps and shortfalls in provision, providing widely-shared analysis of regional challenges and opportunities. It provides a valuable and well regarded resource, including its annual 'Progress in the Region' report.

4.7 There is further depth in the evidence base at the level of the four sub-regions. Sub-regional partnerships, established by Yorkshire Forward, carry out Strategic Economic Assessments. These assessments draw on statistics, evaluation and other research evidence to provide a detailed picture of the economic position of the sub-region. Each looks at the sub-regional economy in the regional, national and global context, exploring recent trends and the potential impact of forecast future change.

It provides a summary of investment in the sub-region, identifying gaps and opportunities. Each assessment is clearly linked to Regional Economic Strategy objectives.

4.8 Yorkshire Forward introduced Investment Planning in 2003 as a new mechanism for delivering the Regional Economic Strategy and allocating funds within each of the four sub-regions. Investment Planning is a bold and ambitious concept that, in the long term, aims to co-ordinate the sub-regional allocation of funds from a wide range of organisations, not simply those of Yorkshire Forward, to maximise the impact of the Regional Economic Strategy. When implemented in this fullest sense, Investment Planning has the potential to be an excellent example of the strategic leadership role intended for Regional Development Agencies. The sub-regional partnerships are responsible for drawing up Investment Plans. Each partnership includes a wide range of sub-regional organisations and has representation from Yorkshire Forward at officer and Board level. Investment Planning is an inherently challenging process, which subsequent sections of this report examine further.

4.9 In addition to sub-regional Investment Plans, which absorb the majority of Yorkshire Forward's own funds, the Yorkshire Forward Development Fund supports activities across the whole region. The role of the Development Fund is to promote regional projects that span sub-regions, to support research and development activity, and to react to in-year opportunities. Yorkshire Forward has clear criteria for determining whether proposed activity should be supported by the Development Fund or by Investment Plans, but there is some confusion among partners about this. Partners have a strong interest in the Development Fund, because they see it as money that is additional to Investment Plans, so it is important that Yorkshire Forward communicates clearly about how proposals become accepted for Development Fund support.

4.10 Yorkshire Forward's Corporate Plan for 2006-11 expresses a vision to become, by 2009, a world leader in improving the regional economy. The vision is bold, making a clear statement that Yorkshire Forward and the region need to compete and be successful in an international market and not simply in a national context. However, the Corporate Plan provides no further detail on what achieving the vision would mean in practical terms. This limits the vision's effectiveness in motivating and driving specific action. Senior members of staff at Yorkshire Forward have given further attention to the practical meaning of the vision, which they now need to communicate to staff and partners.

4.11 The Corporate Plan introduces the new concepts of Team Yorkshire Forward and Team Yorkshire and Humber. These are still in early development following their introduction by the Chief Executive in February 2006 and official launch at the staff conference in May 2006. Their aim is to focus on partnership working in which people and organisations across the region recognise the role they can play in contributing to sustainable social and economic growth within the region. Team Yorkshire Forward refers to internal arrangements while Team Yorkshire and Humber relates to people and organisations across the region.

4.12 Staff members refer to Team Yorkshire and Humber and many believe they are living it already. External partners have heard about the concept and are positive about it, but many are not yet sure what it means. This is because Yorkshire Forward has deliberately given partners the freedom to interpret the concept in their own way. It is important for Yorkshire Forward to communicate the message clearly so that partners are engaged and supportive. If partners are aware of the idea but unsure of its meaning this could undermine its value.

4.13 A particularly good example of Yorkshire Forward's ambition and innovation is its work on making the most of the 2012 Olympics and Paralympics for the region. Yorkshire Forward was one of the first organisations to support the London bid and it did this on the basis of detailed research, linked to the Regional Economic Strategy, which built a strong economic case for the region's involvement in the Games. Yorkshire Forward identified opportunities for increasing the region's exposure to worldwide markets, the potential increase in visitors to the region, and improvements to health and culture. Yorkshire Forward took the initiative in seizing an opportunity to promote the region's interest even though the main event was distant from the region.

Strengths	Areas for development
<ul style="list-style-type: none"> • The structure of the Regional Economic Strategy is clear and reinforced by Yorkshire Forward's Corporate Plan and internal structure • The Regional Economic Strategy addresses the right issues for the region and sets clear, measurable and challenging targets • The Regional Economic Strategy was produced on the basis of a thorough consultation leading to a good level of internal and external buy in • All regional strategies are aligned under 'Advancing Together' • Yorkshire Forward's evidence base, supported by the highly regarded Yorkshire Futures observatory, is good at regional and sub-regional levels • Investment Planning is an ambitious concept, potentially providing strong strategic leadership • Yorkshire Forward displayed ambition and innovation in its approach to the 2012 Olympic and Paralympic Games 	<ul style="list-style-type: none"> • There is some confusion among partners about the purpose and functioning of the Yorkshire Forward Development Fund • The Corporate Plan vision and the Team Yorkshire Forward and Team Yorkshire and Humber concepts need to be explained to partners

5 Prioritisation

Key sources: *Regional Economic Strategy, Corporate Plan, business plans, annual report and accounts, risk management strategy, internal and external stakeholders*

Yorkshire Forward is performing well in relation to prioritisation (SCORE 3)

- Are there clear economic priorities within the ambition for the region?
- Is there a robust corporate strategy expressed within Yorkshire Forward's Corporate Plan to deliver the priorities?
- Is robust action taken to deliver the Regional Economic Strategy?

5.1 The Regional Economic Strategy sets out, for each of its six objectives, a table describing the underlying deliverables and actions. It clearly identifies the partners responsible for each action, including the lead partner in each case. Responsibility for delivery extends across a wide range of regional organisations. Yorkshire Forward has the major responsibility within some Regional Economic Strategy objectives, for example in the business area. Others provide the main lead elsewhere, for example in skills and economic inclusion.

5.2 A novel feature of the Regional Economic Strategy is its analysis of overall public sector spending in the region relevant to each of the six objectives. Expenditure is further analysed by the degree of influence that regional partners have on how the money is spent. The analysis is a valuable contribution to Yorkshire Forward's strategic leadership role in helping to co-ordinate the activities of a wide range of regional partners in achieving shared aims. It makes a clear statement that the Regional Economic Strategy is about much more than Yorkshire Forward's own funding. It sits well with the Investment Planning approach described in the previous section of this report.

5.3 There is a direct link from the Regional Economic Strategy to the external facing objectives set out in the 2006-11 Corporate Plan. Each of the three Regional Economic Strategy pairs of objectives, which cover business, people and environment, maps directly to a Corporate Plan objective.

5.4 The Corporate Plan could communicate more clearly its link to the Regional Economic Strategy. It is not explicit about the fact that its six objectives fall into two groups: three following from the Regional Economic Strategy and three relating to Yorkshire Forward's internal operations. An explanation of this structure, early in the document, would enable Yorkshire Forward to use the Corporate Plan to explain its own activity more widely across the region. Instead, Yorkshire Forward's Corporate Plan has limited visibility outside the organisation.

5.5 The Corporate Plan contains little analysis of how Yorkshire Forward intends to spend its own funds. It states that the money will be split evenly between the three main delivery objectives of business, people and environment, and it sets out overall sub-regional allocations. The Corporate Plan misses an opportunity to explain Yorkshire Forward's priorities in sufficient detail for external readers to understand them more fully.

5.6 The Corporate Plan includes an objective to generate a 20 per cent productivity improvement through building Team Yorkshire Forward. There is no further detail on how this will be achieved. The Team Yorkshire Forward concept was still new when the Corporate Plan was finalised, but the productivity proposal would carry greater weight if the means for implementing it was more clearly articulated.

5.7 In allocating funds equally between business, people and environment, Yorkshire Forward made a deliberate statement about the equal importance of these three objectives. This signalled a shift from an inherited funding approach that, in particular, placed less emphasis on the business objective. Yorkshire Forward plans to review the allocation during 2007 to check whether it still meets the needs and opportunities of the region.

5.8 Yorkshire Forward's allocation of funds among the four sub-regions is based on a formula similar to that used at the national level to allocate money among the nine Regional Development Agencies. It has the advantage of giving clarity to sub-regional partnerships about the extent of Yorkshire Forward's funds available to support activity proposed in Investment Plans. It should help to foster within the partnerships a sense of realism and responsibility in developing Investment Plans, rather than an approach that sees Investment Plans as open-ended wish lists. Yorkshire Forward will need to ensure that the allocation approach continues to place emphasis on both opportunity and need.

5.9 Investment Planning in principle enables sub-regional partners to agree among themselves the relative importance of different proposals before bringing them forward for funding. It has the great benefit that any proposal included in an Investment Plan has, by virtue of getting into the plan, the support of members of the sub-regional partnership.

5.10 Working with partners to align their resources to Investment Plans is very challenging. To date, Yorkshire Forward has provided the majority of funding for activities proposed in Investment Plans. However, it has begun to make progress with its sub-regional partners, so some activities are now being supported by partners' funds.

5.11 There is incomplete understanding amongst some partners about the status of Investment Plans and the proposals included in them. Partners report instances of projects being accepted into Investment Plans but then not subsequently securing funding through Yorkshire Forward's Performance Management Framework. This can happen because each funding organisation, usually Yorkshire Forward at the present, will want to check that any proposal meets its own funding criteria. Proposals might be rejected, for example, because they do not match the funding organisation's priorities or because they do not demonstrate value for money. Yorkshire Forward is beginning to address aspects of the problem by asking partners to identify which of them is the potential funding source for any proposal before including it in an Investment Plan. It needs to do more to help sub-regional partnerships prepare high quality proposals before placing them in Investment Plans. Yorkshire Forward has identified this overall problem in its own improvement plan as part of the self-assessment.

5.12 Proposals are not assigned relative priorities within Investment Plans, so there is a lack of clarity about how proposals are selected from each plan to be taken forward for funding. Members of each sub-regional partnership receive information about what proposals have been moved on from the Investment Plan, typically to Yorkshire Forward's Performance Management Framework, but have limited involvement in the selection process. There is scope for clearer communication.

5.13 In order to rationalise the number of projects currently in development and delivery, Yorkshire Forward is planning a move from projects to programmes. This will lead to fewer programmes than the present number of projects, outsourcing to

partners the management of individual projects within each programme. This approach, although not yet a reality, is seen by many partners and staff as a very positive direction to take in streamlining Yorkshire Forward's activities and helping to build capacity in the region.

Strengths	Areas for development
<ul style="list-style-type: none">• The Regional Economic Strategy provides clear information on actions and responsibilities• The overall public expenditure analysis in the Regional Economic Strategy helps Yorkshire Forward to provide strategic leadership• The external objectives of the Corporate Plan flow broadly from the Regional Economic Strategy• Investment Planning ensures proposals have the support of sub-regional partners• The planned move from projects to programmes, although not yet a reality, is seen as very positive	<ul style="list-style-type: none">• The Corporate Plan contains limited funding analysis and could communicate Yorkshire Forward's priorities more clearly across the region• More work needs to be done with partners to align their resources to Investment Plans• There is incomplete understanding externally about the status of Investment Plans and projects included in them

6 Capacity

Key sources: *Corporate Plan, communications strategy, internal and external stakeholders*

Yorkshire Forward is performing strongly in relation to capacity (SCORE 4)

- Is there clear accountability and decision making to support delivery and continuous improvement?
- Is capacity used effectively and developed to deliver ambitions and priorities?
- Does Yorkshire Forward, with its partners, have the capacity to achieve change and deliver its priorities?

6.1 Partners and stakeholders hold the staff of Yorkshire Forward in high regard. Members of staff at all levels are seen as capable, committed and passionate about their work. They believe firmly in what Yorkshire Forward is doing and they want to make a difference to the region.

6.2 Yorkshire Forward succeeded in being recognised as one of the 100 Best Companies to Work For in 2006, as assessed by The Sunday Times. It is unique amongst Regional Development Agencies in this achievement, and there is only one other public sector body on the list.

6.3 Yorkshire Forward's employee appraisal scheme is aligned with Regional Economic Strategy objectives. The scheme is popular with staff and links training and development needs to assessments. The scheme is currently being revised to assess staff members against Yorkshire Forward's key values. Yorkshire Forward will need to ensure that the transition does not result in a loss of focus on Regional Economic Strategy objectives.

6.4 Yorkshire Forward's Chair and Chief Executive form an effective partnership and are highly visible across the region. Stakeholders and partners believe they promote open, ambitious and positive external relationships. Both are widely respected by partners and stakeholders, who consider them to be excellent communicators.

6.5 Yorkshire Forward has established an effective Board, with a range of valuable expertise, well able to challenge the executive team. The Board meets to consider Yorkshire Forward's strategic direction and to approve proposed projects and investments. The Board monitors key

performance indicators on outputs, financial performance and efficiency. Board members are thoroughly engaged with Yorkshire Forward's work, providing lively and well-informed debate in meetings.

6.6 Every sub-regional partnership includes two Yorkshire Forward Board members, providing Board-level engagement in the Investment Planning process that is integral to Yorkshire Forward's activities. This has the dual benefit of placing Board oversight within Yorkshire Forward's sub-regional activities and of bringing detailed sub-regional knowledge to the full Board.

6.7 Yorkshire Forward has been a catalyst in helping partners work together more effectively at sub-regional level. The Investment Planning process is an important part of this. It helps partners to understand each others' priorities. It provides a mechanism by which partners share information on their activities and so identify scope for joint work to their mutual benefit. Yorkshire Forward has enhanced joint working by developing sub-regional teams to provide closer links to partners.

6.8 Yorkshire Forward has been careful to ensure a good balance between building its own capacity and working with local authorities to build shared capacity on joint projects, particularly in renaissance. This includes a Partnership Skills Programme: a series of seminars designed to develop skills and build capacity within the renaissance Town Teams and the partner local authorities. Maintaining and developing capacity within local authorities has ensured the sustainability of activity. The addition of Yorkshire Forward's own capacity has added fresh ideas and extra credibility to shared projects. Yorkshire Forward's contribution to master planning has been especially valuable.

6.9 Yorkshire Forward has worked well with the Yorkshire and Humber Assembly and the Government Office for Yorkshire and Humber in preparing submissions on the Regional Funding Allocation and the Comprehensive Spending Review 2007, developing the new Integrated Regional Framework and attracting EU funding. It has also been successful in building strong political relationships.

6.10 Yorkshire Forward has recognised that it needs to improve its cross-directorate working. This is important because the impact of interventions can be increased by exploiting their cross-directorate benefits. For example, physical regeneration can make people feel more positive about possibilities and opportunities, raising their

aspirations over work and education, while thriving businesses can create better job opportunities that provide a reason for progressing further in education. Yorkshire Forward's seven-year review notes that renaissance activities need to encompass labour market and competitiveness initiatives, not simply physical development. Yorkshire Forward has set up cross-directorate groups to manage developments in customer relationship management, knowledge management and project management.

6.11 Yorkshire Forward aims to improve its internal communications through an Internal Communications Group and an updated Internal Communications Strategy. Yorkshire Forward has a range of communication channels to keep staff informed, including team briefings at directorate and team levels, a monthly in-house magazine 'On-Track', and the intranet.

6.12 Stakeholders and partners would like Yorkshire Forward to communicate better externally. Yorkshire Forward's promotional activity is very effective but there is a need for clearer explanations of processes and mechanisms for engaging with the organisation. Yorkshire Forward recognises that Regional Development Agencies are complicated organisations with a wide remit and that this can lead to partners finding it hard to identify the best route to engagement. It accepts that its messages are often complex and that it needs to make them simpler and clearer. Yorkshire Forward is examining the issue as part of its seven-year review process.

Strengths	Areas for development
<ul style="list-style-type: none"> • Yorkshire Forward staff members at all levels are highly motivated and well respected • Yorkshire Forward is unique amongst Regional Development Agencies in being one of the Sunday Times 100 Best Companies to Work For in 2006 • Staff appraisals are linked to the Regional Economic Strategy • The Chair and the Chief Executive form a highly effective and visible partnership • The Board has a wide variety of expertise and is thoroughly engaged, including in the sub-regions • Yorkshire Forward has promoted improved working among its partners, especially through the Investment Planning process • Yorkshire Forward has developed good shared capacity with local authorities, including through its Partnership Skills Programme • Yorkshire Forward has worked well with the Government Office and Assembly and has developed strong political relationships 	<ul style="list-style-type: none"> • Internal communications and cross-directorate working could be improved • External communication could be improved by providing clearer and simpler information, particularly on how to engage with Yorkshire Forward

7 Performance management

Key sources: *Corporate Plan, business plans, performance management framework, Government Office performance reports, risk management strategy, evaluation framework, communications strategy, internal and external stakeholders*

Yorkshire Forward is performing well in terms of performance management (SCORE 3)

- Is there a consistent, rigorous and open approach to performance management?
- Do Yorkshire Forward and partner organisations know how well they and each other are performing against planned / expected outcomes?
- Is knowledge about performance used to drive continuous improvement in outcomes and learning?

7.1 Yorkshire Forward provides the Board with the level of information it needs to carry out its role of monitoring and challenging the organisation's operation. Formal reporting is primarily through the report 'Monitoring and Assessing the Performance of the Business and the Region'. The Chief Executive presents it each quarter with abridged updates at every other meeting. The report provides detailed information on the region's performance, Yorkshire Forward's financial and operational performance and progress against Yorkshire and Humber Assembly scrutiny reports. The report also provides detailed updates on projects categorised as requiring special attention, which the Board uses to focus firm control where it is most needed.

7.2 The Corporate Management Group, comprising the Executive Board and Heads of Service, receives quarterly financial and operational performance information for the whole organisation and for each directorate. Further information could usefully be provided and discussed where there are variances on targets. The Group invites Board members and key partners to its meetings as a creative way of building understanding with the senior management team.

7.3 Yorkshire Forward has good information on the state of the region based on the work of Yorkshire Futures and the sub-regional Strategic Economic Assessments. Yorkshire Futures' annual 'Progress in the Region' report provides information on a wide range of economic, social and environmental indicators. The report is based on

the region's 'Advancing Together' document, which has broader and less detailed coverage than the Regional Economic Strategy. Yorkshire Forward has worked hard to gather and monitor other more tailored information, for example an index measuring the health of the rural economy.

7.4 An annual report, presented to the Yorkshire Forward Board and circulated widely across the region, shows progress against Regional Economic Strategy targets and actions. It does not cover areas of Yorkshire Forward's work for which there are no clear economic performance indicators, for example tourism, culture and sport.

7.5 Yorkshire Forward seeks external assessment of its performance, acts upon recommendations and monitors progress against them. Assessment has taken a wide variety of forms including staff, stakeholder and Board member surveys, a review against the Business Excellence Model, a review of Yorkshire Forward's business support provision and an assessment provided when Yorkshire Forward successfully submitted itself to be one of The Sunday Times 100 Best Companies to Work For in 2006. Corporate Plan deliverables are reported every six months to the Board and to the Department of Trade and Industry.

7.6 Yorkshire Forward has shown initiative in undertaking a root and branch internal review of its operations in its first seven years, instigated by the current Chief Executive when he took office early in 2006. Many of the conclusions of the current Independent Performance Assessment are also reflected in the review, demonstrating a high degree of self-awareness. The Board held a two-day meeting in January 2007 to discuss how to move the organisation forward based on the findings of the review. The new Corporate Plan will be based on this review.

7.7 Yorkshire Forward draws up an action plan to implement the recommendations of every scrutiny report from the Yorkshire and Humber Assembly. The Board monitors implementation every six months. Under a newly introduced process, a senior member of staff from Yorkshire Forward also presents updates every six months to the Assembly.

7.8 Yorkshire Forward's internal audit is an in-house function that generally provides good quality reports. The post of Head of Internal Audit was empty for a short time recently, and this may have led to a slight dip in standards. The Audit Committee operates satisfactorily.

7.9 Some partners and stakeholders are frustrated at what they see as Yorkshire Forward's slow decision-making in project approval, although the Performance Management Framework is capable of processing proposals quickly. Yorkshire Forward believes the system is good at assessing the appropriateness and value for money of well specified proposals but is not designed to develop and improve poorly specified proposals. Yorkshire Forward could address perceived problems by ensuring that sub-regional partners receive high quality advice on the quality of proposals before they reach the Performance Management Framework.

7.10 Yorkshire Forward recognises that the contract negotiation process, which follows project approval, can be drawn out. Yorkshire Forward has tried to have standard contracts in place to ensure consistency but some partners will not accept them, leading to lengthy negotiations over specifying deliverables, outputs and clawback arrangements. Yorkshire Forward has held high-level meetings with partners to understand their concerns and find better ways of working together.

7.11 Yorkshire Forward has had an evaluation strategy in place since 2004, updating it in 2006. Evaluation built into each project varies in size and scope according to the nature of the project. Final completion reports go to the Board while lessons are circulated to project managers. Evaluation of lower value and less risky projects is through internal annual reviews, which identify unsatisfactory performance as well as positive achievements. Yorkshire Forward's seven-year review found that evaluation was not built into the cluster process.

7.12 Yorkshire Forward has a strong financial reporting framework, regularly monitoring spend against budgets by directorate and overall. Financial management within the organisation is sound and there is a good system of internal control. Problems arose during 2004-05 in monitoring the split of expenditure between current and capital elements, but these problems have been rectified. Yorkshire Forward's systems for monitoring expenditure have been successful in ensuring a more predictable and even spend profile over the financial year. The introduction of a new project management system in early 2007 is intended to further enhance monitoring.

7.13 Yorkshire Forward's risk management framework is well developed and embedded within operations. Each directorate maintains a risk register at project level, classifying risks by type, likelihood and impact. Directorate representatives

monitor and update the risk registers. They meet quarterly in a forum to share information on directorate risks and they report to the Executive Board which maintains an overall risk register. The Board determines corporate risks annually and reviews them every six months.

7.14 There is a need to clarify and communicate the role of sub-regional partnerships in managing Investment Plans. Partnerships have a clear role in identifying and agreeing proposals for activity to go into Investment Plans. They are now also being encouraged to identify the potential funding source for each proposal. Partnerships' management and monitoring role once a proposal has been funded and become active is less clear. One sub-regional partnership has taken steps to define its role more clearly by establishing an investment planning management group.

Strengths	Areas for development
<ul style="list-style-type: none">• Yorkshire Forward provides the Board with the information it needs to operate effectively• Information on the region provides a good evidence base to monitor progress on Regional Economic Strategy indicators and actions• Yorkshire Forward seeks external assessment and is keen to act on results• Seven-year review demonstrates initiative and a high degree of self-awareness• Financial management and risk management are well developed	<ul style="list-style-type: none">• Sub-regional partnerships' role in managing and monitoring Investment Plan activity needs clarification• Not all areas of work have clear performance indicators• Some stakeholders and partners are frustrated at perceived delays in decision-making and lengthy contract negotiations•

8 Achievement

Key sources: *Annual report and accounts, Government Office performance reports, achievements reports, sustainable development framework, feedback from departments and other Regional Development Agencies, external stakeholders*

Yorkshire Forward is performing well in terms of achievement (SCORE 3)

- Has Yorkshire Forward delivered its contribution to achieving the ambitions identified in the Regional Economic Strategy as set out in the Corporate Plan?
- Has Yorkshire Forward made progress in achieving its ambitions in sustainable development?
- Has Yorkshire Forward made progress in leveraging investment into the region against the priorities set out in the Regional Economic Strategy?
- Has Yorkshire Forward made progress towards achieving its ambitions and priorities for its lead role for treasury matters?

8.1 There is widespread appreciation amongst partners for Yorkshire Forward's work as a champion of the region and in leading on setting strategy. This has brought about a significant increase in business confidence, alongside a heightened profile of the region. Yorkshire Forward has achieved this improvement in the aspirations and vision of local communities particularly through its renaissance work.

8.2 Yorkshire Forward's most impressive achievements have been in renaissance. The vast majority of external partners and staff cite this as Yorkshire Forward's main area of success. In both urban and rural settings, Yorkshire Forward has led projects to turn around local economies. It has done this through extensive consultation, particularly with local residents as well as business and other partners, and local communities have become engaged and inspired to think about what their towns could become. Yorkshire Forward has been instrumental in bringing partners such as local authorities together, and has facilitated the formation of Town Teams to lead development in each locality. There have been significant renaissance activities in former coalmining areas: for example a Joint Venture Partnership developed

the Glasshoughton Colliery site for a mixed use of industrial, commercial, retail, leisure, housing and public open space.

8.3 Support from Yorkshire Forward has included the Partnership Skills Programme. This is a series of seminars designed to develop skills and build capacity within the renaissance Town Teams and the partner local authorities so that there is less reliance on the direct involvement of Yorkshire Forward in the future.

8.4 Yorkshire Forward has acted swiftly and decisively in dealing with economic shocks. One example is the closure of the Selby coal complex in 2002, with the loss of 2,000 jobs. Yorkshire Forward was instrumental in setting up the Selby Task Force, and now four out of five of the former miners are back in work. This represents a highlight of Yorkshire Forward's wider work in coalfields regeneration. Another example is the response to help rural businesses within days of the foot and mouth crisis hitting North Yorkshire in particular. Yorkshire Forward combined activities with partners to combat the immediate effects of the crisis in order to reduce the impact on the rural economy.

8.5 Business support is an area where Yorkshire Forward has recognised that, in common with many other regions, it needs to focus its activities more clearly. Prior to the transfer of responsibility for Business Link operator contracts to Yorkshire Forward in 2005, extensive work had already been undertaken to simplify the business support agenda. Yorkshire Forward developed Better Deal for Business jointly with the Learning and Skills Council and Business Link to put the customer at the heart of its business support. Yorkshire Forward also recognised early on that there was a need to radically reduce the number of products available and improve the efficiency of the business support network. The transfer of Business Link contracts to Yorkshire Forward provided further opportunity to implement these changes. Since then, Yorkshire Forward has carried out a rigorous review of business support across the region. The resulting implementation plan runs from the beginning of 2007 and will continue until the introduction of new Business Link operator contracts in April 2008. This process has been used by the Department of Trade and Industry to inform its Business Support Simplification programme. Yorkshire Forward engaged businesses fully during the review, and intends to do so in its implementation.

8.6 The cluster approach to economic development has been adopted in the region as a

means of growing businesses, incorporating skills, and encouraging academic links and sustainable development. For example, the Advanced Manufacturing Park is a centre of world-class technologies in aerospace and automotive engineering on a former coalfield site, seen by Boeing, a major international private sector partner on the site, as its most successful collaborative venture. However, the seven-year review acknowledges that there have been difficulties in translating cluster theory into action. Some stakeholders are confused about programmes and networks in place and believe that there is duplication.

8.7 Yorkshire Forward has had some success in its business agenda. It has led on developing and implementing Enterprise Shows to help potential business owners obtain professional advice. Attendance has risen from around 900 people in 2001 to over 3380 recently. The proportion of participants in the process of starting a business within six months of attending a show has risen to 42 per cent.

8.8 The relationship between Yorkshire Forward and the region's 10 universities is very strong and has been developed over a number of years. On the innovation agenda Yorkshire Forward has successfully brokered collaborative working between the Higher Education sector and business, notably through Centres of Industrial Collaboration and Science City York, which is a partnership with York University and the City of York Council.

8.9 Yorkshire and Humber was the third UK region to achieve 100 per cent broadband coverage. Yorkshire Forward took a strategic decision to invest in awareness raising of broadband and its benefits in order to reach trigger levels for British Telecom to enable the exchanges. Yorkshire Forward now aims to open up next generation broadband access across the region with the planned Digital Region Project in South Yorkshire potentially representing one of the largest public sector led open access broadband projects in England.

8.10 There is a need to develop the skills agenda, particularly through the Regional Skills Partnership. This body had a slow start but has been reviewed and its progress is being monitored. Yorkshire Forward has recently appointed a new Director for the Regional Skills Partnership. Responsibility for the skills agenda lies with the Learning and Skills Council but Yorkshire Forward needs to help it address the issue of intermediate skills because of their impact on economic performance. The seven-year review found

Yorkshire Forward had a focus on qualifications potentially at the cost of employability skills. Yorkshire Forward has recognised the need to strengthen the links between skills and business.

8.11 Despite issues with the Regional Skills Partnership, Yorkshire Forward has had some successes in skills. For example, Yorkshire Forward developed a framework of activities for Science, Technology, Engineering and Maths to re-engage young people into these key subject areas and give local businesses and the workforce a competitive advantage. Yorkshire Forward has also invested in Directions Finningley which is a training facility at Robin Hood Airport, providing the aerospace industry and local people with opportunities for training and employment. These are examples where Yorkshire Forward has been innovative and has successfully linked skills to business.

8.12 Yorkshire Forward has put renewed emphasis on community. It works with the Faith Forum to provide the various religions in the region with a strategic voice and to engage with local communities. It is working with the Churches' Regional Commission to help excluded groups access economic and skills opportunities.

8.13 Yorkshire Forward has worked with partners to make a number of targeted investments to address key transport priorities in the Regional Economic Strategy, leveraging in substantial funding. These investments have helped to improve rail access to the Humber Ports and have significantly improved rail capacity around Leeds.

8.14 Yorkshire Forward is increasingly taking responsibility for the strategic leadership of tourism. It has developed a Strategic Framework for the Visitor Economy and a Tourism Action Plan, although some partners believe the Strategic Framework had been imposed with little consultation. Yorkshire Forward recognises that tourism can no longer be thought of as a series of isolated initiatives and that long-term strategic thinking needs to be embraced, linking tourism into wider economic activity. The Corporate Communications Strategy 2004–07 notes that a £2 million integrated campaign generated an extra 600,000 trips to the region and a £29 million injection into the region's economy. In adopting a more coherent strategic approach, Yorkshire Forward has developed new delivery structures at regional and sub-regional levels with a common set of targets. However, progress has been slow and will be reviewed in autumn 2007.

8.15 Yorkshire Forward has a good track record on leveraging investment through renaissance. For

example, the renaissance programme in Sheffield is delivering economic benefits and significant investment from the private sector. Overall, since 1999 Yorkshire Forward has levered over £1.6 billion of private sector investment into the region. However, performance in attracting foreign direct investment is poor. This has been recognised by UK Trade and Investment, the Yorkshire and Humber Assembly's scrutiny report on inward investment and Yorkshire Forward's own seven-year review.

8.16 There is positive feedback on Yorkshire Forward's lead role activities from HM Treasury and most Regional Development Agencies. Yorkshire Forward is seen as having a positive relationship with the Treasury and this has worked well for most Regional Development Agencies, although some Regional Development Agencies have at times felt excluded from discussions.

8.17 Yorkshire Forward has made a positive contribution to the Northern Way transport agenda, using an expert secondee to build cross-region consensus about priorities. This approach has met with strong stakeholder approval. It has allowed an evidence based consensus of opinion across the region to be presented to the Department for Transport.

8.18 Yorkshire Forward has a strong commitment to environmental sustainability. It was the first Regional Development Agency to introduce a target for reducing greenhouse gas emissions and has been successful in securing the commitment of major companies in the region to reducing their own emissions. Stakeholders praise Yorkshire Forward's achievements in developing exemplar projects. Examples include the Eco Depot in York, constructed from a timber frame with straw bale cladding, with photovoltaic roof panels, renewable energy and recycled water; and the Humber Environmental Data Centre which aims to help industry in the Humber act in an environmentally sustainable manner.

8.19 For the last seven years, Yorkshire Forward has achieved or exceeded its Tasking Framework targets. Yorkshire Forward has created or safeguarded 130,344 jobs, secured £1.8bn of private sector investment, helped 6,670 businesses to start and survive, reclaimed 1,957 hectares of brownfield land and trained 306,961 people. It has also hit its financial targets.

Strengths	Areas for development
<ul style="list-style-type: none">• Yorkshire Forward has successfully championed the region and raised its profile• Renaissance work is impressive, including investment leverage• Quick and decisive action in dealing with economic shocks• A strategic approach to enable the region to become the third in the UK to achieve 100 per cent broadband enablement• Positive lead role activities with HM Treasury and positive lead on the Northern Way transport agenda• Good performance on environmental aspects of sustainability• Financial and output targets have been consistently achieved	<ul style="list-style-type: none">• Skills agenda needs further development, particularly through the Regional Skills Partnership• Poor record on foreign direct investment

9 Technical Annex

Background

9.1 The National Audit Office (NAO) has undertaken this Independent Performance Assessment of Yorkshire Forward at the request of the Department of Trade and Industry (DTI), which is the sponsor department for Regional Development Agencies. The NAO is responsible for advising Government and Parliament about financial management in public sector bodies. Yorkshire Forward is one of nine Regional Development Agencies established under the Regional Development Agencies Act 1998 to further regional economic development, promote business efficiency and competitiveness, increase employment and the skills base, and contribute to regional environmental sustainability.

9.2 The NAO's Independent Performance Assessment is covering the eight Regional Development Agencies outside London by March 2007. The Audit Commission published its Initial Performance Assessment of the London Development Agency in November 2004. We are grateful to colleagues at the Audit Commission for their help in designing our Independent Performance Assessment and to colleagues in the Regional Development Agencies for their help in tailoring our approach to their activities.

Approach

9.3 The Independent Performance Assessment is structured under three headings:

- aims (covering the two themes of ambition and prioritisation);
- activities (covering the two themes of capacity and performance management); and
- achievement (covering the single theme of achievement).

9.4 We have assigned a score for each theme on the basis of guidance which we prepared in agreement with the Regional Development Agencies. The range of possible scores for each theme is:

- performing inadequately (score 1);
- performing adequately (score 2);
- performing well (score 3); or

- performing strongly (score 4).

9.5 The theme scores combine to give an overall score that gives equal weight to the three headings. This is achieved by doubling the score for the single achievement theme, adding all the resultant scores together and assigning an overall score according to the table below.

Overall score	Weighted theme total
Performing inadequately	6 to 8
Performing adequately	9 to 14
Performing well	15 to 19
Performing strongly	20 to 24

Evidence

9.6 We used a wide range of information sources for our assessment, including existing documents, routine meetings, site visits and tailored interviews and focus groups with internal and external stakeholders. We tested Yorkshire Forward's awareness of its own position by referring to the self-assessment and improvement plan that it prepared before we undertook our assessment. We sought views from other Regional Development Agencies and Her Majesty's Treasury on how well Yorkshire Forward has conducted its lead role. We sought views on Yorkshire Forward from other central government organisations, co-ordinated by the Department of Trade and Industry. We invited external stakeholders to respond to a survey. We consulted our colleagues who visit Yorkshire Forward every year to audit the accounts, developing insights over an extended period. We triangulated all these different information sources to give a rounded view of Yorkshire Forward and, as a further check, our assessment team included a senior executive from another Regional Development Agency.

9.7 In analysing each triangulated information source, we referred to detailed questions underlying each of the five assessment themes, set out at the start of each report section. We drew observations from each source for as many of the questions as were relevant and balanced this against evidence collected from other sources. In arriving at a final score for each theme, we compared the weight of evidence collected against illustrative examples of different performance levels for each question, agreed in advance with the Regional Development Agencies.

9.8 During our assessment we:

- considered over 300 documents and reviewed over 80 of them in depth;
- consulted over 60 Yorkshire Forward staff, in 30 in-depth interviews and 3 focus groups covering
 - middle managers,
 - trade union representatives, and
 - other staff;
 - consulted approximately 90 external stakeholders in 25 in-depth interviews and 11 focus groups covering
- learning and skills,
- sub-regional partnerships and economic partnerships,
- enterprise and business support,
- clusters and businesses,
- culture, major events and tourism,
- voluntary and community sector,
- development partners,
- urban renaissance,
- rural renaissance,
- environment, and
- transport;
 - observed the following meetings
- Board,
- Executive Board,
- Audit Sub-Committee, and
- Corporate Management Group;
 - made site visits around the four sub-regions, meeting further internal and external stakeholders;
 - received 65 questionnaire returns from stakeholders (out of 246 who were given the opportunity to respond);
 - received comments from seven other Regional Development Agencies and HM Treasury regarding Yorkshire Forward's lead role; and
 - received comments from the Department of Trade and Industry on

behalf of all government departments with an interest in Yorkshire Forward.

9.9 To ensure wide coverage of external stakeholders we:

- invited Yorkshire Forward to propose an initial list; and
- invited the Government Office for Yorkshire and the Humber and the Yorkshire and Humber Assembly to comment on the list and add to it as appropriate.

Consistency

9.10 We held a consistency panel, chaired by a member of the NAO Management Board, on 23rd January 2007. The panel comprised an independent consultant and senior National Audit Office staff who had not been involved in the assessment. The consultant examined our work in detail on behalf of the panel to ensure we had applied the Independent Performance Assessment methodology guidance appropriately, used evidence in a consistent manner and applied the same standards across assessment teams covering different Regional Development Agencies.

Actions following issue of report

9.11 Yorkshire Forward will review its improvement plan in the light of our assessment report and will publish a revision. We will provide advice in this process as requested.