



**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY 4 FEBRUARY 2016 AT WELLINGTON HOUSE, LEEDS**

Present:	Cllr Peter Box (Chair)	-	Wakefield MDC
	Cllr Tim Swift (Dep Chair)	-	Calderdale MBC
	Cllr David Green	-	City of Bradford MBC
	Cllr David Sheard	-	Kirklees MC
	Cllr Judith Blake	-	Leeds City Council
	Cllr Keith Aspden	-	City of York Council
	Cllr Jeanette Sunderland	-	Liberal Democrat Representative (City of Bradford MBC)
	Cllr Stephen Baines	-	Conservative Representative (Calderdale MBC)
	Cllr Stewart Golton	-	Liberal Democrat Representative (Leeds City Council)
	Cllr Andrew Carter	-	Conservative Representative (Leeds City Council)
	Roger Marsh	-	Leeds City Region LEP
In attendance:	Cllr Keith Wakefield	-	Chair of WYCA Transport Committee
	Ben Still	-	WYCA
	Angela Taylor	-	WYCA
	Nick Winney	-	WYCA
	Angela Shearon	-	WYCA

59. Apologies for Absence

There were no apologies for absence.

60. Declarations of Disclosable Pecuniary Interests

There were no pecuniary interests declared by members at the meeting.

61. Exclusion of the Press and Public

There were no items on the agenda requiring exclusion of the press and public.

62. Minutes of the Meeting held on 20 November 2015

Resolved: That the minutes of the meeting of the WYCA held on 20 November 2015 be approved and signed by the Chair.

63. Business Flood Recovery Fund

The Authority considered a report seeking approval to establish a Business Flood Recovery Fund to support critical capital investment by those businesses in the Leeds City Region affected by the recent flooding and approval for making an initial investment to the fund from WYCA's Local Growth Fund allocation in 2015/16 and an additional allocation in 2016/17.

Members discussed the effects of Storm Eva which hit the city region in late December 2015 and resulted in severe flooding affecting homes, communities and businesses. The response of Local Authorities across the region who worked collaboratively and speedily to help victims of the floods was commended; in particular help provided by staff, elected members and volunteers, some of whom cancelled holiday plans to offer assistance, was acknowledged.

It was reported that initial assessments suggested that the economic impact to businesses could be between £280m and £365m. Around 2,200 businesses had been affected, the majority within Calderdale, with severe disruption in parts of Leeds, York and Bradford. The level of impact varied but many businesses, including key manufacturers with significant numbers of employees and supply chain linkages, had premises and equipment damaged or completely written-off. Members discussed the damaging economic impact of the floods and the potential job losses across the city region.

Funding was available to flood affected businesses in some Districts via Local Authorities in the form of Business Recovery Grants of up to £2,500, Business Rates Relief for three months and Flood Resilience Grants of up to £5,000, although it was acknowledged that, due to the devastating financial impact on businesses, additional financial support was desperately needed. To complement the funding currently available, it was proposed that a new fund be established primarily aimed at supporting those businesses in the worst affected areas that need to make significant capital investment in machinery, equipment or premises in order to recommence or maintain their operations.

Details of the new fund were currently being developed, but it was proposed to offer grants of between £5,000 and £100,000 to affected businesses to contribute towards capital investment in new equipment, machinery or premises. The criteria for application were set out in paragraph 2.16 of the submitted report. The new

fund would operate along similar lines to the existing LGF-funded Business Growth Programme (BGP) with the focus being on safeguarding jobs as opposed to job creation.

It was proposed that the fund would be supported by an initial allocation of up to £1.4m from the 2015/16 Business Growth Programme (BGP) budget, with an additional amount of up to £3.6m proposed from the BGP allocation for 2016/17 which would be dependent on demand for, and take-up of, the funding. Allocation of funds as proposed would leave the BGP with only £2.4m of its original £6m budget for 16/17. It was reported that based on past and current experience, it was likely that this amount would not meet the ongoing high demand and take-up from businesses. It was therefore proposed that WYCA consider an additional allocation to the BGP from the wider Local Growth Fund allocation for 2016/17 of approximately £3.6m.

The proposal to establish a Business Flood Recovery Fund was welcomed by members who acknowledged that the resilience grants currently available, although going some way to help, were largely insufficient to mitigate the financial loss to businesses. Members were keen to ensure that affected businesses were made aware of the financial help available both via the existing Local Authority held grants and the newly proposed fund and that all efforts be made to encourage them to come forward and take up the help being offered.

Members highlighted issues of concern following the recent flooding, including the urgent need for the Environment Agency to identify flood risk and put in place defences to prevent rivers from breaching their banks, Yorkshire Water's reservoir management policy, the inadequate response to the floods by the electric companies, and the need for an urgent review of the Environment Agency's outdated formula for calculating financial support to residents.

Members felt that it was crucial for the future preservation of businesses in the city region that a co-ordinated approach to flood resilience be developed involving key stakeholders. It was suggested that authorities should work collaboratively, and with other neighbouring authorities such as North Yorkshire, to formulate a collective response on the economic impact of the floods which could be fed into the Government's Review of National Flood Resilience, to be chaired by Oliver Letwin.

Resolved –

- (i) That the establishment of a new Business Flood Recovery Fund using up to £5m of WYCA's Local Growth Fund allocation for 2015/16 and 2016/17 be approved, subject to the following conditions:
 - That the fund uses up to an initial £1.4m of funding from the LGF-funded Business Growth Programme in 2015/16, with additional funding of up to £3.6m made available from 2016/17 LGF monies depending on demand for, and take-up of, the support.

- That the fund be used to support businesses in the city region affected by the recent floods with capital investment grants of between £5,000 and £100,000.
 - That any business supported has a recovery plan in place that clearly sets out the funding gap to be filled and its insurance position.
 - That the funding awarded to a business does not duplicate any public funds already received to support flood recovery or resilience.
 - That the fund operate along similar lines as the BGP, but with a higher intervention rate (possibly up to 75%) and a focus on jobs safeguarded as opposed to jobs created.
- (ii) That, subject to the above recommendations, the fund be opened and proactively promoted to target businesses as soon as possible.
- (iii) That the Head of Economic Strategy & LEP Director, in consultation with the Director of Resources develop a returnable financial facility aimed at assisting the cash flow of businesses, particularly those not directly affected by flooding, but suffering hardship by virtue of being within the supply chain, this facility to be funded as part of the Business Flood Recovery Fund as set out above.
- (iv) That the approval of the draft financial facility be delegated to the Head of Economic Strategy & LEP Director, in consultation with the Chair of the Investment Committee.

64. Growth Deal Approvals

The Authority considered a report seeking approval to the gateway stages for the Growth Deal schemes outlined in the submitted report.

Leeds City Centre

The Leeds City Centre scheme comprises of a number of changes to the existing network in and around Leeds City Centre and is focussed on supporting the continued development and regeneration of the city. A summary business case and value for money statement was attached as Appendices 1a and 1b to the submitted report.

Approval was sought from the Authority to progress the project from Gateway 1 to 2 and for expenditure of £3.455m.

Glasshoughton Southern Link Road

The Glasshoughton Southern Link Road scheme will provide a 7.3m carriageway, with footways and a segregated cycle route from the roundabout at Whistler Drive/Colorado Way extending the existing Whistler Drive and linking to the

Coalfields Link Road at Flass Lane. A summary business was attached as Appendix 2 to the submitted report.

Approval was sought from the Authority to progress the project from Gateway 1 to 2 and for expenditure of £723,000.

Rail Station Car Parks

A package of extensions has been identified to car parks at selected rail stations to enhance connectivity to, from and within West Yorkshire. For the purpose of delivery, the work programme has been split into two tranches. A summary business case and value for money statement was attached as Appendices 3a and 3b to the submitted report.

Approval was sought from the Authority to progress Tranche 1 (4 sites) through Gateway 2 to Gateway 3; and Tranche 2 (7 sites) through Gateway 1 to Gateway 2 and for expenditure of £732,339.

A629 Halifax to Huddersfield Phase 1b

The A629 Halifax to Huddersfield Phase 1b scheme will deliver improvements on the A629 corridor, particularly targeting the pinch point of the Calder & Hebble junction. A summary business case and value for money statement was attached as Appendices 4a and 4b to the submitted report.

Approval was sought from the Authority to progress the project from Gateway 1 to 2 and 3 and for expenditure of £1,125,394.

Halifax to Huddersfield A629 Phase 2

The A629 Halifax to Huddersfield Phase 2 scheme will address key route traffic use through and around Halifax Town Centre and unlock and improve access to development sites to encourage economic growth. A summary business case and value for money statement was attached as Appendices 5a and 5b to the submitted report.

Approval was sought for an initial £700,000 to fund essential survey work in advance of seeking approval for Gateway 1 in the future.

Revised Budgets

Approval was also sought to revise budgets in respect of the following projects:-

- An additional £135,000 to progress the Tong Street project to Gateway 1.
- An additional £600,000 to progress the Airport Link Road project to Gateway 1.
- An allocation of £80,000 to allow key work streams to commence on the Bradford Interchange Gateway project.

Resolved:

- (i) That progression of Leeds City Centre through Gateway 1 and expenditure of up to £3.455m to progress the project from Gateway 1 to 2 be approved.
- (ii) That progression of Glasshoughton Southern Link Road through Gateway 1 and expenditure of up to £723,000 to progress the project from Gateway 1 to 2 be approved.
- (iii) That progression of Rail Station Car Parks – Phase 1 through Gateway 2 be approved.
- (iv) That progression of the Rail Station Car Parks – Phase 2 through Gateway 1 be approved.
- (v) That expenditure of up to £732,339 to progress Phase 1 through Gateway 2; and Phase 2 through Gateway 1 be approved.
- (vi) That progression of A629 phase 1b through Gateway 1 and expenditure of up to £1,125,394 to progress the project from Gateway 1 to Gateway 2 and 3 be approved.
- (vii) That the initial funding allocation of up to £700,000 for the A629 Phase 2 to fund critical survey work be approved.
- (viii) That additional expenditure of up to £135,000 to progress Tong Street to Gateway 1 be approved.
- (ix) That additional expenditure of up to £600,000 to progress the A65 LBIA link road to Gateway 1 be approved.
- (x) That pre-mandate expenditure of up to £80,000 for master plan work to commence on Bradford Interchange be approved.

65. Business Plan and Budget 2016/17

The Authority considered a report:

- setting out the outline business plan for the West Yorkshire Combined Authority for 2016/17 and its strategic aims on behalf of local people;
- seeking approval to the proposed revenue budget and transport levy for 2016/17, the indicative three year capital programme and the treasury management statement.

Business Plan 2016/17

The Business Plan, which was currently in the process of being developed, set out the practical actions for the Authority in 2016 that would assist in delivering its aspirations in support of those put forward in the SEP. The outline of the Business Plan was appended to the submitted report at Appendix A, and set out a number of key actions, including agreeing and implementing the proposed devolution deal, moving to the delivery phase of the Growth Deal and West Yorkshire plus Transport Fund and supporting the work on connectivity.

Revenue Budget 2016/17

Members were asked to consider the revenue budget and transport levy for 2016/17. The budget, as presented to members, was the first budget to include the economic activities of the LCR Enterprise Partnership, in addition to transport activities.

It was reported that the proposed budget allowed for the continuation of current activities and allowed some capacity to respond to a growing agenda. It assumes that the transport levy and LEP contributions from District Council partners will remain unchanged and proposes that, as closing reserves are above the level required by the reserves policy, reserves be used to balance the budget. Reserves would be utilised to support the general budget and also to manage the timing difference relating to the business rates income from the Enterprise Zone at the Aire Valley.

Capital Programme 2015/16 and 2016/17

The capital programme for 2015/16 and 2016/17 set out significant amounts of funding and a large programme of projects reflecting the success of the Growth Deal award. It was noted that a number of capital projects had been completed during 2015/16 including the Leeds Station Southern Entrance and Apperley Bridge Rail Station and that work was underway on two further rail stations and on improvement works at a number of FE colleges. The report set out details of how the Authority would make the best use of the funding available, whilst ensuring it was used to deliver projects in accordance with the conditions attached to the funding streams. It was reported that the Investment Committee had overseen this work and endorsed the approach whereby Growth Deal funding, which must be used in the year it is awarded, is applied to a range of infrastructure projects with the funding for those (mainly Local Transport Plan Integrated Transport Block) being carried forward to be applied to Growth Deal projects in 2016/17.

Treasury Management

Members noted, at Appendix C, the annual Prudential Statement which the Authority was required to prepare and which set out treasury management activity in the year, the arrangements in place and details of the funding position. It was reported that the Prudential Statement proposed amendments to investment

criteria to enable more effective management of the cash balances held by the Authority.

Resolved –

- (i) That the revised budget for the WYCA for 2015/16 and the proposed budget for 2016/17 be approved.
- (ii) That the indicative capital programme for 2016/17 - 2018/19 be approved.
- (iii) That the Transport Committee be delegated to approve individual schemes within the Integrated Transport Block of the 2016/17 capital programme up to a maximum cost of £3m.
- (iv) That, in accordance with the powers contained in the Local Government Finance Act 1988 (as amended) and by virtue of article 9(6) of the West Yorkshire Combined Authority Order and the Transport Levying Bodies Regulations 2015 (as amended), a levy of £107m be determined for the year ended 31 March 2017.
- (v) That the Chief Financial Officer be authorised to issue the levy letter in respect of the financial year ending 31 March 2017 to the five District Councils in West Yorkshire.
- (vi) That a payment of £5.099m be made to the District Councils in accordance with Table 4 of the submitted report.
- (vii) That the Chief Financial Officer be authorised to arrange appropriate funding for all expenditure in 2015/16 and 2016/17 subject to statutory limitation, including the most appropriate application of capital funding as set out in the report.
- (viii) That the adoption of the CIPFA Code of Practice for Treasury Management in Public Services be reaffirmed.
- (ix) That the treasury management policy, as set out in Appendix C of the submitted report, be approved.
- (x) That the prudential limits for the next three years, as set out in Appendix C of the submitted report, be adopted.

66. Officer Arrangements – Officer Delegation Scheme

The Authority considered a report on variations to the Officer Scheme of Delegation following the creation of, and appointment to, the post of Managing Director.

Members noted that with the appointment of Ben Still to the post of Managing Director of the WYCA, it was recommended that all functions not reserved to the

WYCA or delegated to a committee or the other Statutory Officers be delegated to him. The Managing Director may then sub-delegate those functions to Directors as appropriate. This would ensure that, as Head of Paid Service, the Managing Director will be empowered to carry out all of the functions of the Authority that it has not specifically reserved to itself.

The proposed new Officer Delegation Scheme reflecting the proposals detailed in figure 2 of the submitted report was attached as Appendix 1.

Resolved:

- (i) That the proposals for changes to the Officer Delegation Scheme, as detailed in figure 2 of the submitted report, be approved.
- (ii) That the Secretary and Solicitor revise the Officer Delegation Scheme and the Standing Orders to reflect the approved changes.

67. Rail North and Transport for the North

The Authority considered a report providing an update in relation to Rail North and Transport for the North.

Rail North

It was reported that Rail North Ltd, comprising 29 northern transport authorities, will be jointly responsible, with the Department for Transport, for managing the new Northern and Trans-Pennine rail franchises, which both commence on 1 April. Both franchise awards will provide significant economic benefit to the Leeds City Region. The service enhancement and plans for new trains were detailed in Appendix 1 of the submitted report. It was noted that a formal Partnership Agreement had been signed between Rail North and the Secretary of State for Transport setting out Rail North's level of engagement in the franchise management process which was seen as the first step towards the further devolution of rail franchising powers.

Transport for the North

It was reported that legislation to establish Transport for the North as a statutory sub national transport body had now received Royal Assent and that further work was underway to determine the powers that would be devolved to Transport for the North. Work was progressing on a number of work-streams, some of which were being led by WYCA, including Strategic Local Connectivity and Integrated Smart Travel. The Strategic Local Connectivity work-stream would consider whether any additional interventions should become part of the Transport for the North work programme. It was reported that WYCA's Transport Committee had endorsed the Calder Valley line electrification, the proposal for a 'metro-style one system network' and HS2 integrated rail hubs for consideration through this work-stream.

Members discussed the importance of the economic case for investment in rail connectivity for the Calder Valley Line, whilst acknowledging that there was still much work to be done. It was noted that in response to proposals submitted to the Secretary of State by the Electrification Task Force in respect of a prioritised north of England electrification programme, the Calder Valley line had achieved the highest score in the prioritisation of all the North of England's rail routes and was recommended for further development and assessment.

Members noted that a meeting had been arranged for them to meet with the Chair and Chief Executive of Transport for the North on 10 February in Leeds.

Resolved: That the developments with Rail North and Transport for the North, as detailed in the submitted report, be noted.

68. Strategic Economic Plan Refresh

The Authority considered a report providing an update on the progress of work to revise the Leeds City Region Strategic Economic Plan.

It was reported that a first working draft of the revised Strategic Economic Plan had been produced and was appended to the submitted report for consideration by members. Work to date on updating the SEP had included updating the economic evidence base underpinning the strategy, internal consultation on the policy areas of skills, business, energy/resource efficiency, housing, regeneration and transport, together with external consultation which afforded stakeholders the opportunity to share, shape and influence the Plan.

The draft Plan had been considered by the LEP Board at its meeting on 26 January and had now been brought before the Authority for consideration and feedback. Following the meeting of the Authority, it was proposed that further external consultation would commence with businesses, wider public sector stakeholders and members of the public, along with elected members and officers across the City Region's local authorities. The intention was that a final draft would be considered by the LEP Board at its meeting on 5 April.

Members considered and discussed the contents of the draft Plan and expressed their support for the defining concept to support good growth.

Resolved: That progress to date on the revision of the Leeds City Region Strategic Economic Plan be noted.

69. Feedback from Combined Authority Spokespersons Representing the WYCA on External Bodies

The Committee were provided with feedback from the meeting of the Association of Rail North Partner Authorities held on 12 January attended by Councillor Keith Wakefield, Chair of WYCA's Transport Committee.

Councillor Wakefield reported that the Association had met to review the outcome of the new rail franchises which had been awarded to Arriva and First in December 2015. Through Rail North's influence, the outcome of the franchise process had secured additional train capacity, enhanced services and new rolling stock for West Yorkshire's rail network. It was reported that rail passengers in the region would start to see the benefits from 2017 with all of the planned enhancements in place by 2020. The team managing the new franchises would be established in WYCA offices in Leeds in preparation for the commencement of the franchises on 1 April 2016.

It was reported that the Association had, at their meeting, received presentations from representatives of both First Transpennine and Arriva Rail North who had set out their companies' plans for the new franchises. The Association were keen to ensure that Rail North continued to be ambitious to develop the franchises further in line with the Rail North Long Term Rail Strategy adopted in 2014.

Members discussed the importance of a communications strategy to ensure that members of the public were made aware of the benefits which would be delivered via the new rail franchises.

Resolved: That feedback provided by Councillor Wakefield be noted.

70. Minutes of the meeting of the Overview and Scrutiny Committee held on 23 September 2015

Resolved: That the minutes of the meeting of the Overview and Scrutiny Committee held on 23 September 2015 be noted.

71. Minutes of the meeting of the Transport Committee held on 9 October 2015

Resolved: That the minutes of the meeting of the Transport Committee held on 9 October 2015 be noted.

72. Minutes of the meeting of the West Yorkshire & York Investment Committee held on 3 November 2015

Resolved: That the minutes of the meeting of the West Yorkshire & York Investment Committee held on 3 November 2015 be noted.

73. Draft Minutes of the Meeting of the Governance & Audit Committee held on 19 November 2015

Resolved: That the draft minutes of the meeting of the Governance & Audit Committee held on 19 November 2015 be noted.

74. Draft Minutes of the meeting of the Overview and Scrutiny Committee held on 2 December 2015

Resolved: That the draft minutes of the meeting of the Overview and Scrutiny Committee held on 2 December 2015 be noted.

75. Draft Minutes of the meeting of the Transport Committee held on 11 December 2015

Resolved: That the draft minutes of the meeting of the Transport Committee held on 11 December 2015 be noted.