



**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY 28 JULY 2016 AT WELLINGTON HOUSE, LEEDS**

Present:	Cllr Peter Box (Chair)	-	Wakefield MDC
	Cllr Tim Swift (Vice Chair)	-	Calderdale MBC
	Cllr Susan Hinchcliffe	-	City of Bradford MDC
	Cllr Simon Cooke	-	Conservative Representative (City of Bradford Council)
	Cllr David Sheard	-	Kirklees Council
	Cllr Judith Blake	-	Leeds City Council
	Cllr Stewart Golton	-	Liberal Democrat Representative (Leeds City Council)
	Cllr Keith Aspden	-	City of York Council
	Bob Cryan	-	Leeds City Region LEP
In attendance:	Councillor Keith Wakefield	-	Chair of Transport Committee
	Ben Still	-	WYCA
	Angie Shearon	-	WYCA

25. Apologies for Absence

Apologies for absence were received from Councillors Andrew Carter and Jeanette Sunderland and Roger Marsh.

26. Declarations of Disclosable Pecuniary Interests

Bob Cryan declared an interest in Agenda Item 9 (Project and Spending Approvals) – paragraph 2.7 (Huddersfield Innovation & Incubation Project) as Vice-Chancellor of the University of Huddersfield.

27. Minutes of the Meeting held on 23 June 2016

Resolved: That the minutes of the meeting of the WYCA held on 23 June 2016 be approved and signed by the Chair.

28. Implications of the Referendum on EU Membership

The Authority considered a report of the Director of Policy, Strategy and Communications regarding implications of the referendum on EU membership on the city region.

It was reported that immediately following the result of the EU referendum, the Leeds City Region LEP Board and local business leaders had met to discuss the implications of the “leave vote” and to identify the risks and emerging opportunities for the city region. West Yorkshire Leaders had also written to the Government about the work of WYCA and pressing for a prompt discussion to seek to conclude negotiations on a transformational package of devolution to the city region.

In the lead up to the referendum, the Authority and LEP had identified some of the potential implications of a ‘leave’ vote and based on discussions with businesses, local authorities, universities, colleges and Government, a joint West Yorkshire/Leeds City Region plan had been developed identifying issues which it was felt would be best responded to at a city-region level. The plan focussed on 3 key areas:-

- Understanding local business feeling and building confidence;
- supporting a cohesive society;
- ensuring funding is flexible and responsive to needs.

The plan, which was appended to the report, had been developed in the context of strong local approaches led by each council which it was considered was important to maintain local cohesion. A series of annexes were appended to the plan setting out potential implications for important areas of city region work.

Members discussed the local implications of ‘Brexit’ recognising that the effects would be felt differently across the city region. Members made the following observations:-

- The referendum had highlighted the stark divisions in society - between rich and poor, young and old, city and suburbs/rural areas, people enthusiastic about globalisation and those concerned by it. Concern was expressed that people felt disaffected and not valued. It was considered to be vital to respond to the concerns of the local electorate – particularly those people feeling insecure, those who felt they were not benefiting from globalisation and those affected by public services under strain from austerity.
- It was considered important to reinforce the values of the city region being an international, diverse, welcoming and outward looking place. The Chinese Ambassador had visited Leeds on 27 July signifying that the region was globally recognised which was vital to the success of the city region. Partners, investors and communities alike should be re-assured that WYCA, the LEP and local councils remain positive and outward-looking and that the

region has a strong and stable economy and all efforts would be made to ensure this continued.

- It was important that WYCA continued to monitor economic information and work collaboratively with member authorities to understand where and when there may be a need to respond and to target resources accordingly.
- It was considered vital that core cities have an input into the government's discussions on Brexit and that there is local government representation at the table with WYCA leading and co-ordinating activities. In light of the complete change in the government's Cabinet, contacts should be established, and relationships fostered, with key ministers as a matter of priority.
- Recognising the support which the city region had received in terms of European funding, concern was expressed that intelligence suggested that over the period 2017-2021 the LCR may potentially lose £8b of activity in its economy. It was considered essential to create the right environment and conditions for businesses to prosper and take advantage of opportunities to ensure that the city region economy would not be affected to such an extent.
- In view of the need and deprivation in parts of the city region, it is essential that any European funding is directed back to the city region and not directly to Westminster.
- It was important for WYCA to ensure that local businesses and the electorate fully understand what they and their local councils have done, and are doing, to mitigate the impacts of the 'leave' vote. It was also important to promote the positive/good news aspects to build confidence.

Members stressed that the outcome of the referendum made it more important than ever to deliver on the Strategic Economic Plan's goal of 'good growth'.

Resolved:

- (i) That the feedback provided by members be noted and that a watching brief be kept on the emerging situation.
- (ii) That the joint WYCA/LEP plan to ensure the city region is prepared to act and provide reassurance to investors be approved.

29. Leeds City Region Growth Deal 3 and Large Local Major Schemes Bids

The Authority considered a report of the Director of Policy, Strategy and Communications regarding bids for additional Growth Deal funding and for Large Local Major Scheme funding.

As previously reported to the June meeting of the Authority, the LEP had been invited by government to submit proposals to bid for two separate, but parallel, funding competitions as follows:

- £1.8bn was available from the Department for Communities and Local Government from the Local Growth Fund to support LEPs in their promotion of local economic development (Growth Deal 3);
- £475m was available from the Department for Transport for Large Local Major Schemes.

It was noted that decisions on the awarding of the funding were to be taken separately, however government had specifically asked that LEPs consider the two bids together in order that a single narrative could be provided about their combined impact.

The LEP Board had discussed and agreed the two bids at its meeting on 19 July and the content of the bids was summarised in paragraphs 3.1 to 4.3 of the submitted report.

Growth Deal 3 bid

It had been agreed that the bid should be strategically focussed around the new opportunities, challenges and priorities identified in the Strategic Economic Plan. A bid for £1.9m was to be submitted. The individual schemes comprising the bid had been developed in close consultation and collaboration with districts and with other relevant agencies, including the Homes & Communities Agency, the Environment Agency and Highways England.

Large Local Major Scheme bid

It was noted that there had been extensive dialogue with district partners regarding potential submissions and that all suggestions had been assessed on strict criteria, as set out in paragraph 2.4 of the report, meaning that a number of ideas had been deemed ineligible. The following two schemes had emerged as the best from the assessment process:

- North Kirklees Orbital Road (£151.6m)
- Dualling of A1237 York Northern Outer Ring Road (£141m)

The LEP Board had agreed to put forward the North Kirklees Orbital Road scheme for funding of approximately £1m to develop the scheme to Outline Business Case stage with funding for implementation subject to further competitive process.

The bids would be submitted by the government's deadline of noon on 28 July.

Resolved: That members note the content of the Growth Deal 3 and Large Local Majors Scheme bids to be submitted to government by noon on 28 July.

30. Transport for the North – proposal to the Secretary of State for the creation of a sub-national Transport Body

The Authority considered a report of the Managing Director seeking approval in principle to the proposal to establish a sub-national transport body (STB), Transport for the North (TfN), and agreement for WYCA to be a constituent authority of the STB.

It was reported that in order to establish TfN on a statutory footing, constituent authorities such as WYCA must:-

- together make a proposal to the Secretary of State for an STB to be established; and
- consent to the making of the regulations.

Members are asked for authority to progress the first of these actions; that is to make a formal proposal to the Secretary of State. WYCA's consent to any draft regulations would be sought at a later date and would provide WYCA with a further opportunity to consider arrangements.

A draft proposal, developed by the Transport for the North Partnership Board, on which WYCA and the LEP were represented, was appended to the submitted report for consideration. The report set out details of membership of the STB, voting arrangements, and powers and functions

The proposal would be submitted to government during the summer parliamentary recess for the Secretary of State to review the proposal and provide a decision. Once a decision to proceed had been given, it was anticipated that DfT lawyers would draft the regulations over the summer, following which the Secretary of State would consult on the draft regulations. Each constituent authority, including WYCA, would have a further opportunity in the autumn to review and consent to the regulations and to being a member of TfN.

The timetable for laying the regulations before Parliament would be dependent on policy and legislative processes; however discussions would continue with the DfT with a view to securing regulations in Spring 2017.

Members welcomed the progress with the proposal to establish TfN as a sub-national transport body acknowledging that transport was crucial to unlock productivity and grow the economy. The importance of tackling congested roads was discussed and the need to have a serious debate about movement of freight. It was reported that WYCA's Overview & Scrutiny Committee was in the process of establishing a working group to look at delivering transport priorities.

Members stressed the importance of ensuring that the STB was fully accountable and that appropriate scrutiny arrangements be put in place.

Resolved:

- (i) That the draft proposal, appended to the submitted report, to establish a sub-national transport body (Transport for the North) for the area of the constituent authorities, be approved in principle.
- (ii) That WYCA agree in principle, to be a constituent authority of Transport for the North.
- (iii) That authority to progress the matter, including finalising the proposal with the other constituent authorities, to the Secretary of State over the summer, be delegated to the Managing Director in consultation with the Chair of WYCA.
- (iv) To note that the final regulations to establish Transport for the North as a sub-national transport body will be subject to the consent of WYCA in due course.

31. HS2 Update and Leeds City Region Input to Northern Powerhouse Rail

The Authority considered a report of the Director of Policy, Strategy and Communications, providing an update on proposed changes to HS2 in South Yorkshire and seeking approval for a Leeds City Region (LCR) position on Northern Powerhouse Rail to be progressed for development and implementation through Transport for the North.

HS2

WYCA has been fully supportive of, and closely engaged in, the development of HS2 recognising that only transformational change to connectivity through new and radically improved HS2 and NPR networks, together with improvements to City Region transport networks, would support the Leeds City Region's Strategic Economic Plan vision and objectives. HS2 was expected to create significant additional capacity on north-south rail networks and radically reduce journey times.

The report provided an update on proposed changes to HS2 in South Yorkshire announced by Sir David Higgins on 7 July as follows:-

- HS2 to serve Sheffield city centre at the existing Midland Station;
- the HS2 station at Meadowhall to be removed;
- changes to the alignment between South and West Yorkshire;
- HS2 were considering the case for a new Parkway station between Leeds and Sheffield.

- HS2 journey times between Leeds and York would be quicker with the frequency remaining the same as originally proposed.

The report set out the pros and cons of the proposed changes which it was noted were likely to save a significant amount of money for HS2 and improve the business case for the eastern leg.

Members noted that the proposed changes would impact on the Wakefield District differently than had originally been proposed and that discussions were still ongoing. The change of the Sheffield station stop was welcomed.

It was reported that the proposals would not be confirmed until the Secretary of State route decision for HS2 Phase 2 later in 2016.

Northern Powerhouse Rail

At its meeting on 31 March, WYCA had agreed the importance of setting out a consistent and clear narrative to influence the northern and national agenda and to have a clearly defined list of regional priorities which could be delivered through Transport for the North. In that context, a study had been undertaken by WYCA, in partnership with consultants, to shape the Transport for the North agenda around Northern Powerhouse Rail (NPR) in terms of potential intermediate stations.

The work had looked at the economic impacts NPR could have on the Leeds City Region and had considered the additional impacts of having calling points in addition to Leeds. Paragraph 2.23 of the report set out areas of consensus which had emerged through dialogue with partners, including:

- that there should be an NPR stop at York to serve the northern and eastern parts of LCR and Yorkshire;
- that there should be an NPR stop between Leeds and Manchester with evidence strongly pointing towards the west of Leeds, particularly in Bradford city centre.

The draft results of the work had been shared with district officers and it was proposed that the conclusions be formally communicated to TfN in time to inform their technical work. Further feasibility work had been approved by WYCA's Transport Committee to explore and establish options to accommodate an NPR stop in Bradford as well as at a Parkway type facility that could serve both Bradford and other centres which members expressed their support for.

Members stressed the importance of increasing rail capacity and improving infrastructure in the north in order to deliver economic growth, but were also keen to ensure that this was not at the expense of a diminished service elsewhere.

Resolved:

- (i) That the proposed changes to HS2 in South Yorkshire and the associated implications for West Yorkshire be noted.
- (ii) That the areas of consensus on the LCR's requirements of Northern Powerhouse Rail, outlined in paragraph 2.23 of the submitted report, and supported more specifically through the evidence outlined in paragraph 2.24 be approved.

32. Project and Spending Approvals

The Authority considered a report of the Director of Resources seeking approval to funding from the Local Growth Fund, additions to the 2016/17 revenue budget and capital expenditure for an improved telephony system.

Local Growth Fund – Capital Approvals

The Authority were asked to approve funding from the Local Growth Fund for projects which had previously been considered and recommended by the Investment Committee. Details of each of the schemes were set out in paragraphs 2.1 to 2.10 of the submitted report. It was proposed that detailed arrangements regarding funding terms be delegated to WYCA's Managing Director.

Revenue Budget 2016/17

It was reported that since the approval of the budget in February, further funding had been secured and approval was sought to increase budgets as set out in paragraph 2.12 of the submitted report.

Capital Expenditure

Approval was sought to utilise £350k of local transport funding to replace the life expired main telephone and call centre systems across WYCA with more modern solutions which would integrate within its ICT desktop environment and mobile platform. Once implemented, the new system would also enable WYCA to record and live broadcast meetings.

Resolved:

- (i) That funding from the Local Growth Fund, with a decision on the final details on terms to be delegated to the Managing Director, be approved as follows:
 - £100k grant for pre-feasibility work on the A641 Bradford-Brighouse-Huddersfield corridor;
 - £21k grant for preparatory work for Castleford Rail Station;
 - £325k loan or grant investment for Bradford Odeon;
 - 4.62m loan investment for Forge Lane, Dewsbury;

- £2.55m loan and/or grant investment for York Central, including a maximum grant of £200,000;
- £2.922m grant funding, (profiled £1.89m in 2016/17 and £1.032m in 2017/18), subject to legal formalities including confirmation of revenue funds an overage agreement for the Huddersfield Innovation and Incubation Project;
- £2.5m loan to Yorkshire Finance, on commercial terms, to contribute to funding for the interim period until the Northern Powerhouse Investment Fund is established.

(ii) That increases to the revenue budgets as set out below be approved:

- Employer Ownership Pilot (EOP) - £8.7m for 2016/17;
- Apprenticeship Grant for Employers (AGE) - £4.064m for 2016/17.
- Business Growth Service. WYCA has received an indicative award of £1.025m for 2015-17 with a confirmed award of £512.5k for 2016/17 to enable the continuation of the Growth Hub activities.
- £150k - to support the management costs of the Better Homes Management contract.
- £625k - HS2 Growth Strategy to support work on HS2 in the region.
- £6m for 2016/17 for the Business Growth Programme to continue the support to small and medium sized businesses by providing capital grants to invest in land, buildings, plant and equipment.

(iii) That expenditure of £350k for enhanced telephony systems across WYCA be approved.

33. West Yorkshire Transport Strategy

The Authority considered a report of the Director of Policy, Strategy and Communications providing an update on work to develop a West Yorkshire Transport Strategy.

It was reported that WYCA's Transport Committee had overseen technical work to develop a new, draft Transport Strategy to align transport policy and delivery with the Strategic Economic Plan over a 20 year period (2016-36). The Transport Strategy is a high level statement of intent for delivering a step change in transport provision. It framed West Yorkshire policy in the context of national and pan-northern investment bringing together the aspirations of partner authorities into a shared set of principles to guide local transport investment.

A draft set of Transport Policy statements have been developed, with input from partner authorities, and were appended to the submitted report. The policy statement would be tested through consultation. A complementary work stream was also underway to develop and consult on a West Yorkshire Bus Strategy to provide a long term vision for the bus system.

It was reported that public and stakeholder consultation on the Transport Strategy and related Bus Strategy (branded as 'YourTravelYourSay') had commenced on 18 July and would run for 3 months up until 21 October. The public consultation would include online surveys, 80 public drop-in sessions across all West Yorkshire districts, plus stakeholder workshops. Hard copies of consultation materials would also be available via various sources and would be available in alternative formats and community languages on request.

Members of the Authority were encouraged to promote the consultation within their constituent local authority areas and invited to participate in a photo-shoot to publicise the consultation launch.

Members felt that it was important to recognise the significant shift in transport across the piste and technological advances, particularly in relation to real-time technology and intelligent systems. The issues surrounding air quality and pollution were discussed and the difficulties in regulating taxis.

It was envisaged that the two Strategies would be adopted by WYCA in late 2016/early 2017.

Resolved:

- (i) That work to develop the Transport Strategy, the Integrated Sustainability Appraisal conclusions and the links between the Transport Strategy and Local Plans and Strategies be noted.
- (ii) That the feedback provided by members be noted.

34. LCR Infrastructure Investment Framework

The Authority considered a report of the Director of Policy, Strategy and Communications seeking agreement to commence work on the LCR Infrastructure Investment Framework (IIF).

In September 2015, WYCA provided officers with a mandate to scope a City Region Infrastructure Investment Framework (IIF) as part of endorsing the Strategic Planning Review recommendations and devolution deal.

The report outlined the proposals for the Framework which would provide a long term (20+ years) integrated approach to identifying infrastructure needs, aligning investment and co-ordinating delivery across the City Region to support the economic and housing growth ambitions of both the LEPs Strategic Economic Plan and district Local Plans. The Framework would help inform WYCA and LEP input into key long term infrastructure programmes such as Transport for the North and Northern Powerhouse Rail.

The Framework would satisfy WYCA's, LEPs and local authorities' Duty to Cooperate responsibilities and would cover all types of infrastructure including transport, employment land, digital and broadband, green infrastructure and flood mitigation, energy and utilities.

Work on the Framework would be overseen by the LCR Planning Portfolios Board and include members from all eleven local authorities. The Portfolios Board would report to WYCA and the LEP Board at key milestones and decision making stages. The timescale for completing the Framework is anticipated to be approximately 18 months with key milestone dates provided in the report at paragraph 3.5.

Comment was made that clear demarcation lines would need to be drawn between the IIP Framework and the planning process in local authorities.

Resolved:

- (i) That the Authority approve the preparation of the LCR Infrastructure Investment Framework in line with the scope and timescales outlined within the submitted report.
- (ii) That the LCR Planning Portfolios Board oversee the preparation of the LCR Infrastructure Investment Framework reporting to WYCA and the LEP Board at key decision milestones.

35. Project Delivery and Portfolio Management Office

The Authority considered a report of the Director of Resources seeking approval to establishment of a Portfolio Management Office.

It was reported that, following an independent review commissioned in 2015, a set of proposals had been prepared by consultants to improve the delivery capability of WYCA and its District Authority partners in light of the size and scale of the capital funding involved in the delivery of Growth Deal and West Yorkshire plus Transport Fund projects.

The report set out detailed proposals for new shared processes, a new organisational design and capabilities and a fully integrated portfolio information management IT system (PIMS) to provide accurate data and reporting. Work was underway to procure support to deliver those elements and the use of internal staff would be maximised to keep costs lower than those proposed by the consultants with ongoing costs being met from the Growth Deal projects.

In order to allow faster progress of projects through the current decision making system whilst the new processes were being fully developed, it was recommended that WYCA's Managing Director exercise his existing powers of delegation to approve smaller scale projects which had been considered and recommended by the Investment Committee.

Arrangements would be reviewed as the new PMO process was developed in further detail.

Resolved:

- (i) That the establishment of the new Delivery Directorate, including an enhanced Project Management Office (PMO) that will, once properly embedded, equip WYCA and its partners with the processes, skills and information required to ensure project delivery on the scale required be approved.
- (ii) That the outline PMO process and the principle that this framework be used for all projects that are spending CA or LEP funds be approved.
- (iii) That the procurement and planned implementation of a new portfolio management IT system (PIMS) to enable transparent reporting of projects across the partnership be approved.
- (iv) That the proposed transitional arrangements of delegation to allow faster progress of projects through the current decision making system, while still ensuring suitable democratic accountability and oversight, be approved.

36. WYCA Corporate Plan for 2016-2017

The Authority considered a report of the Director of Resources regarding the Corporate Plan for 2016-2017.

At its meeting in February, the Authority approved the outline Corporate Plan which was presented alongside the budget for the year.

The Corporate Plan had been further developed to set out how WYCA would deliver against the Strategic Economic Plan together with a review of what had already been achieved. Annexes to the Plan set out how performance would be measured and how the One Organisation Programme would assist in achieving WYCA's ambitions.

Members were asked to consider the revised version of the Plan appended to the report.

Resolved: That WYCA's Corporate Plan for 2016/17 be approved.

37. WYCA Appointments and Nominations

The Authority considered a report of the Director of Resources in respect of the following:-

- A change in Kirklees Council's appointment to WYCA.
- The resignation of Councillor Baines as a WYCA member.

- A change in WYCA substitute members.
- A change in Kirklees Council's nominations to the Transport Committee.
- A change in Bradford Council's nominations to the Overview & Scrutiny Committee.
- The notification of Kirklees Council's representative on the West Yorkshire & York Investment Committee.

Resolved:

- (i) That the termination of Kirklees Council's appointment of Councillor Shabir Pandor and the appointment of Councillor David Sheard be noted.
- (ii) That the resignation of Councillor Baines as a WYCA member be noted.
- (iii) That the changes to WYCA substitute members be noted.
- (iv) That Kirklees Council's revised nomination to the Transport Committee be noted and that Councillor Marielle O'Neill be co-opted onto the committee in place of Councillor Mohan Sokhal.
- (v) That Bradford Council's revised nomination to the Overview & Scrutiny Committee be noted and that Councillor Nussrat Mohammed be co-opted onto the committee in place of Councillor Mohammed Amran.
- (vi) That the Authority note Councillor Peter McBride as Kirklees Council's representative on the West Yorkshire & York Investment Committee.

38. Business Rates Consultation

The Authority considered a report of the Director of Resources regarding the recently announced business rates consultation.

It was reported that on 5 July, the Government had launched a consultation on their commitment to allow local government to retain 100% of business rates raised locally. It was acknowledged that this was likely to have consequences for WYCA and local West Yorkshire authorities.

In view of the fact that a response to the consultation would need to be submitted prior to the next meeting of the Authority, it was proposed that WYCA's Managing Director should work with District partners to draft a response for submission by the required deadline.

Members discussed the implications for local authorities of the government's proposals. Councillor Aspden suggested that, as York City Council were preparing a response to the consultation it would be useful to share and co-ordinate responses.

Resolved:

- (i) That a response to the 'Self-sufficient local government: 100% Business Rates Retention' consultation be submitted by 26 September, with the detailed content to be delegated to the Managing Director in consultation with the Chair.
- (ii) That WYCA's response be circulated to all WYCA Members prior to submission.

39. Draft minutes of the meeting of the Transport Committee held on 1 July 2016

Resolved: That the draft minutes of the meeting of the Transport Committee held on 1 July 2016 be noted.

40. Draft Minutes of the meeting of the West Yorkshire & York Investment Committee held on 6 July 2016

Resolved: That the draft minutes of the meeting of the West Yorkshire & York Investment Committee held on 6 July 2016 be noted.