

WEST YORKSHIRE COMBINED AUTHORITY

**MEETING TO BE HELD AT 11.00 AM ON THURSDAY 29 MAY 2014
IN COMMITTEE ROOM A, WELLINGTON HOUSE,
WELLINGTON STREET, LEEDS**

A G E N D A

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**
- 3. EXCLUSION OF THE PRESS AND PUBLIC**
- 4. MINUTES OF THE PREVIOUS MEETING HELD 1 APRIL 2014
(pages 8 - 15)**

STRATEGY AND POLICY

- 5. ADOPTION OF THE STRATEGIC ECONOMIC PLAN (SEP)
(pages 16 - 42)**
- 6. SINGLE TRANSPORT PLAN
(pages 43 - 46)**
- 7. SINGLE APPRAISAL FRAMEWORK
(pages 47 - 50)**

ECONOMY

- 8. SUPERFAST BROADBAND EXTENSION PROGRAMME**
(pages 51 - 55)

TRANSPORT

- 9. WEST YORKSHIRE PLUS TRANSPORT FUND**
(pages 56 - 61)
- 10. RAIL NORTH PARTNERSHIP**
(pages 62 - 67)
- 11. EAST COAST MAINLINE: BUSINESS CASE FOR INVESTMENT**
(pages 68 - 71)

ORGANISATIONAL

- 12. DCLG CONSULTATION ON COMBINED AUTHORITY LEGISLATION**
(pages 72 - 75)
 - 13. CONSIDERATION OF REVENUE AND CAPITAL BUDGETS**
(pages 76 - 96)
 - 14. GOVERNANCE AND AUDIT COMMITTEE**
(pages 97 - 98)
 - 15. WEST YORKSHIRE COMBINED AUTHORITY COMMUNICATIONS STRATEGY**
(pages 99 - 107)
-

FOR INFORMATION

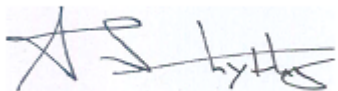
- 16. MINUTES OF THE MEETING OF THE TRANSPORT COMMITTEE HELD ON
25 APRIL 2014**
(pages 108 - 113)

17. MINUTES OF THE MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE HELD ON 30 APRIL 2014
(pages 114 - 118)

18. MINUTES OF THE MEETING OF THE WEST YORKSHIRE AND YORK INVESTMENT COMMITTEE HELD ON 15 MAY 2014
(pages 119 - 124)

19. ANY OTHER BUSINESS

Signed:

A handwritten signature in blue ink, appearing to be 'AS by the'.

Head of Paid Service WYCA

WEST YORKSHIRE COMBINED AUTHORITY
DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS

NAME OF MEMBER:

COMMITTEE: **Combined Authority Meeting**

DATE: **29 May 2014**

| AGENDA ITEM NO | NATURE OF INTEREST |
|-------------------|--------------------|
| | |
| | |
| | |

Signed

You should complete this form only if you have a disclosable pecuniary interest in any particular item on this agenda. (See attached appendix for schedule of disclosable pecuniary interests.) Completed forms should be handed in to the Secretary and Solicitor **before** leaving the meeting.

NOTE: Should you have a disclosable pecuniary interest in an item on the agenda you should not participate in any discussion on the matter, vote on the matter or remain in the meeting during discussion and voting on the matter subject to paragraph 24 of the Code of Conduct.

If you are unsure of the correct course of action to take, you should seek advice from the Secretary and Solicitor prior to the meeting.

SCHEDULE OF DISCLOSABLE PECUNIARY INTERESTS UNDER THE LOCALISM ACT 2011 AND THE CODE OF CONDUCT OF THE WYCA

| Disclosable Interest | Description |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employment, office, trade, profession or vocation | Any employment, office, trade, profession or vocation carried on for profit or gain. |
| Sponsorship | <p>Any payment or provision of any other financial benefit (other than from the relevant Authority) made or provided within the relevant period in respect of any expenses incurred by a Member in carrying out duties as a member, or towards the election expenses of the Member.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</p> |
| Contracts | <p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the Authority—</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p> |
| Land | Any beneficial interest in land which is within the area of the Authority. |
| Licences | Any licence (alone or jointly with others) to occupy land in the area of the Authority for a month or longer. |
| Corporate tenancies | <p>Any tenancy where (to the member's knowledge)—</p> <p>(a) the landlord is the Authority; and</p> <p>(b) the tenant is a body in which the relevant person has a beneficial interest.</p> |

Securities

Any beneficial interest in securities of a body where—

- (a) that body (to the Member's knowledge) has a place of business or land in the area of the Authority; and
- (b) either—
 - (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
 - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

If a Member has a disclosable pecuniary interest in a matter under discussion, the Member may not:-

- (a) participate, or participate further, in any discussion of the matter at the meeting;
- (b) participate in any vote, or further vote, taken on the matter at the meeting (unless the Member has requested and been granted a relevant dispensation), or
- (c) remain in the room during the discussion or vote on the matter.

Where Members have a disclosable pecuniary interest in a matter to be considered at a meeting, they may attend the meeting but only for the purposes of making representations, answering questions or giving evidence relating to the matter, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise. Once Members have finished, or the meeting decides they have finished, Members must leave the room and may not remain in the room during the discussion or vote on the matter.

Note: If a close family member has a Disclosable Pecuniary Interest, this is deemed to be a Disclosable Pecuniary Interest of the Member of the Authority.

**PUBLIC INSPECTION OF DOCUMENTS AND ACCESS
TO MEETINGS OF THE WEST YORKSHIRE COMBINED AUTHORITY**

- (a)** Files containing correspondence etc, relating to items to be discussed at the meeting may be inspected by contacting the originating department - please see below. Certain information may be confidential and not open to inspection.

- (b)** The attached Agenda Items do not contain any exempt information as defined in Part 1 of Schedule 12A to the Local Government Act 1972.

| | |
|----------------------------------|-----------------------|
| Compilation of Agenda by: | David Burrell |
| Telephone No: | Leeds (0113) 251 7216 |
| Date: | 21 May 2014 |

**MINUTES OF THE FIRST ANNUAL MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON TUESDAY 1 APRIL 2014 IN WELLINGTON HOUSE, LEEDS**

| | | | |
|-----------------|------------------------|---|-----------------------------------------------------|
| Present: | Cllr Peter Box (Chair) | - | City of Wakefield MDC |
| | Cllr Imran Hussain | - | City of Bradford MDC |
| | Cllr Tim Swift | - | Calderdale MBC |
| | Cllr David Sheard | - | Kirklees MC |
| | Cllr Keith Wakefield | - | Leeds City Council |
| | Cllr James Alexander | - | City of York Council |
| | Roger Marsh | - | Leeds City Region LEP |
| | Cllr Janet Battye | - | Liberal Democrat Representative (Calderdale MBC) |
| | Cllr Andrew Carter | - | Conservative Representative (Leeds City Council) |
| | Cllr Robert Light | - | Conservative Representative (Kirklees MC) |

In attendance:

| | | |
|----------------|---|--------------------|
| Adrian Lythgo | - | Combined Authority |
| Nick Winney | - | Combined Authority |
| Caroline Allen | - | Leeds City Council |
| Clare Elliott | - | Combined Authority |
| Angie Shearon | - | Combined Authority |

1. Membership of the West Yorkshire Combined Authority

The Authority considered a report of the Secretary and Solicitor regarding the appointment of the Leeds City Region Local Enterprise Partnership (LEP) member and substitute member to the Authority and were asked to consider voting rights to be granted to the LEP member and to the member of the Authority appointed by the City of York Council.

Resolved:

- (i) That the appointment of Roger Marsh as the LEP member and Bob Cryan as substitute member until the next Annual Meeting, be approved.
- (ii) That voting rights be granted to the LEP and City of York members; such rights to be exercisable at any meeting of the Authority (including any

committee or sub-committee to which they may be appointed) on any decision subject to the following exceptions:-

- budget and levy setting, and
- the adoption of the West Yorkshire Local Transport Plan.

(iii) That the appointment of substitute members by the Constituent Councils and the City of York Council, as detailed in the appendix to the submitted report, be noted.

2. Appointment of the Chair and Vice Chair of the West Yorkshire Combined Authority

Members were asked to consider nominations for the positions of Chair and Vice Chair of the West Yorkshire Combined Authority.

Councillor Peter Box was proposed and seconded for the position of Chair and Councillor Tim Swift was proposed and seconded for the position of Vice Chair.

Resolved:

- (i) That Councillor Peter Box be appointed as Chair of the Authority.
- (ii) That Councillor Tim Swift be appointed as Vice Chair of the Authority.

3. Apologies for Absence

An apology for absence from Councillor David Green (represented by Councillor Imran Hussain) was noted.

4. Exclusion of the Press and Public

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

5. Approval of Standing Orders and Miscellaneous Provisions

The Authority considered a report of the Secretary and Solicitor regarding the adoption of Standing Orders, Financial Regulations and formalities of the West Yorkshire Combined Authority.

Resolved:

- (i) That the Procedure Standing Orders, as detailed in Appendix 1 of the submitted report, be adopted by the Authority.
- (ii) That the Scrutiny Standing Orders, as detailed in Appendix 2 of the submitted report, be adopted by the Authority.

- (iii) That the Contracts Standing Orders, as detailed in Appendix 3 of the submitted report, be adopted by the Authority.
- (iv) That the Financial Regulations, as detailed in Appendix 4 of the submitted report, be adopted by the Authority.
- (v) That the corporate seal, referred to in paragraph 3.8 of the submitted report, be adopted by the Authority.
- (vi) That the principal office, as stated in paragraph 3.9 of the submitted report, be adopted by the Authority.
- (vii) That the role of Deloitte as the External Auditors of the Authority be noted.

6. Approval of Standards Arrangements

The Authority considered a report of the Secretary and Solicitor regarding a Code of Conduct for members of the Authority, arrangements for dealing with allegations of misconduct, appointment of independent persons pursuant to the Localism Act 2011 and dispensations in relation to members' interests.

Resolved:

- (i) That the draft Members' Code of Conduct, as detailed in Appendix 1 of the submitted report, be adopted.
- (ii) That the arrangements for dealing with allegations, as detailed in Appendix 2 of the submitted report, be adopted.
- (iii) That the independent persons appointed by the former WYITA be confirmed in their post within the Authority on an interim basis and that arrangements be made for the appointment of independent persons by the Authority as soon as reasonably practicable.
- (iv) That, in principle, 4 year dispensations be granted (if requested by any member) to enable that member to speak and vote in any decision affecting:-
 - any office held within the Authority for which the member receives a taxable income; and
 - any office held in a constituent council for which the member receives a taxable income.

7. Declarations of Disclosable Pecuniary Interests

Councillor Imran Hussain declared a Disclosable Pecuniary Interest in Agenda Item 13 (Members' Allowances) being a member of the Police and Crime Panel.

8. Introduction to the West Yorkshire Combined Authority

Councillor Box outlined the vision for the new Combined Authority signifying the beginning of an exciting new era for transport and economic development.

The Combined Authority will provide ambition and drive for the development and growth of the economy and the transport infrastructure and services of West Yorkshire, York and the wider City Region. The Authority will incorporate the strategic transport planning and operational powers of the West Yorkshire Integrated Transport Authority and the Passenger Transport Executive which are of fundamental importance to the local economy and the quality of life of residents. The Authority establishes a clear, democratically rooted, strategic planning and decision making body which will work with the LEP structures to deliver a Single Economic Plan for the Leeds City Region.

The Combined Authority will enable full implementation of the City Deal with government and provide the basis for devolved funding and decision making powers.

Members highlighted the importance and size of the West Yorkshire/York economic area and welcomed the opportunities presented by the new Authority, as well as recognising the strong economic links and transport connections between the towns and cities across West Yorkshire and York. It was emphasised that by bringing the five constituent district councils together with York, and by working with the private sector, the Authority would be able to develop better transport networks and deliver increased and sustainable economic growth across the region.

9. West Yorkshire and York Transport Fund

The Authority considered a report of the Head of Paid Service providing an update on the proposed West Yorkshire Plus Transport Fund (WY+TF) which is a commitment in the City Deal and the steps which need to be taken to establish a funding model with Government.

Resolved:

- (i) That progress in establishing a West Yorkshire Plus York Transport fund be noted.
- (ii) That the critical need for Government to engage with the PBR funding model be noted.
- (iii) That urgent discussions continue with the Government in order to identify a workable funding solution for the Fund.
- (iv) That a progress report be submitted to the next meeting of the Authority.

10. Establishment of Committees and Appointments

The Authority considered a report of the Secretary and Solicitor regarding the appointment of committees of the Authority for the year 2014-2015, appointment of members to those committees and the granting of voting rights.

Resolved:-

- (i) That the following committees be established to discharge the functions set out in the terms of reference appended to the submitted report:-
 - Transport Committee
 - Overview and Scrutiny Committee
 - Governance and Audit Committee
 - West Yorkshire and York Investment Committee
 - Recruitment Committee

- (ii) That, in accordance with S17 of the Local Government and Housing Act 1989, the Authority nominate the following of its members to sit on each of the committees (except for the Overview and Scrutiny Committee):-
 - Transport Committee - Cllr Andrew Carter
 - Governance and Audit Committee - Cllr Robert Light
 - West Yorkshire and York Investment Committee - Cllr David Green, Cllr James Alexander and Roger Marsh
 - Recruitment Committee - Cllr Peter Box and Cllr Keith Wakefield

- (iii) That a place on the West Yorkshire and York Investment Committee be allocated to the LEP's representative, Roger Marsh, and that the LEP also be entitled to nominate a substitute.

- (iv) That appointments be made to the committees of the Authority, including the appointment of Chairs of the committees, in accordance with the nominations tabled at the meeting and detailed in the annex to these minutes.

- (v) That the appointment of deputy chairs be a matter for each of the respective Committees to decide upon as appropriate.

- (vi) That voting rights be granted to the members appointed from the City of York Council to the Overview and Scrutiny Committee.

- (vii) That all members appointed by the Authority to the Transport Committee, Governance and Audit Committee, the West Yorkshire and York Investment Committee and the Recruitment Committee (including members appointed from Constituent Councils, the City of York Council and the LEP) be voting

members of that committee, and of any sub-committee to which they may be appointed by that committee.

- (viii) That a review of appointments to committees be undertaken in June following the local elections, with a view to reflecting, as far as reasonably practicable in respect of the Transport Committee, the balance of political parties for the time being prevailing across the constituent councils.

11. Officer Arrangements

The Authority considered a report of the Secretary and Solicitor regarding officer arrangements.

Resolved:

- (i) That the appointment of the officers detailed in paragraph 3.1 of the submitted report be made and the transfer of officers detailed in paragraph 3.1 be noted.
- (ii) That the proposals in paragraph 3.2 of the submitted report relating to the post of Executive Director of Transport be approved.
- (iii) That the Secretary and Solicitor be delegated to put in place appropriate arrangements between the Authority and Kirklees Council and with the Chief Executive of Kirklees Council for his secondment to the post of Head of Paid Service to the Authority for an initial period of 12 months.
- (iv) That the Secretary and Solicitor put in place appropriate arrangements between the Authority and Leeds City Council and with the Head of Regional Policy for his secondment to the post of Leeds City Region LEP Director and Head of Economic Strategy of the Authority.
- (v) That the following post holders be designated as statutory officers:-

| Statutory Officer | Post holder |
|-----------------------|-----------------------------------------|
| Head of Paid Service | The Chief Executive of Kirklees Council |
| Chief Finance Officer | Director of Resources |
| Monitoring Officer | Secretary and Solicitor |

- (vi) That the draft Officers' Code of Conduct attached as Appendix 1 to the submitted report be adopted.
- (vii) That the application of the Human Resources Policies of the former WYPTE and WYITA to the officers of the Authority by virtue of TUPE be noted.

12. Officer Delegation Scheme

The Authority considered a report of the Secretary and Solicitor regarding the adoption of an Officer Delegation Scheme by the Authority.

Resolved:

- (i) That the Officer Delegation Scheme, as appended to the submitted report, be adopted by the Authority and that the Acting Director of Transport discharge the functions delegated under the scheme to the Executive Director of Transport, until an Executive Director of Transport is in post.
- (ii) That the Officer Delegation Scheme be subject to immediate review and that a report be submitted to a subsequent meeting of the Authority.

13. Members' Allowances

The Authority considered a report of the Secretary and Solicitor regarding the adoption of a Members' Allowances Scheme by the Authority.

Resolved:

- (i) That the Report of the Independent Remuneration Panel be noted.
- (ii) That the draft Members' Allowances Scheme be adopted by the Authority subject to clarification in the Scheme that members of the Authority may claim under the scheme in relation to travel and subsistence only.

14. Budgets and Treasury Management

The Authority considered a report of the Director of Resources regarding budgets and treasury management.

Resolved:

- (i) That the revenue and capital budgets for the financial year 2014-15 be endorsed.
- (ii) That the treasury management policy of the former WYITA be endorsed.
- (iii) That a meeting be arranged for the Authority to review the revenue and capital budgets in greater detail and that a report be brought back to a subsequent meeting.

15. Policies of the West Yorkshire Combined Authority

The Authority considered a report of the Secretary and Solicitor regarding the current Local Transport Plan, general policies under Section 9a(5) of the Transport Act 1968 and the role of the Authority as the Local Transport Body (LTB).

Resolved:

- (i) That the Authority adopts the Local Transport Plan, subject to a future review.
- (ii) That the Authority adopts the general policies of the former WYITA, as appended to the submitted report, subject to a proposal to review the policies being brought to the next meeting of the Authority.
- (iii) That the Authority assumes the role of the Local Transport Body for West Yorkshire.

16. Calendar of Meetings for 2014 – 2015

The Combined Authority considered a report setting out a proposed calendar of meetings for 2014-15.

Resolved: That the Calendar of Meetings be approved.

Originator: Rob Norreys, LEP
Director and Head of
Economic Strategy



ITEM 5

Report to: Combined Authority

Date: 29 May 2014

Subject: Adoption of the Strategic Economic Plan (SEP)

1. Purpose

1.1. To outline the current scope of the Leeds City Region Enterprise Partnership's Strategic Economic Plan (SEP) as submitted to government at the end of March 2014; and to inform the Combined Authority of the ongoing process of negotiating a settlement with Whitehall Departments.

1.2. To adopt the SEP as the overarching Integrated Economic Plan for the Combined Authority.

2. Information

2.1. As part of the 2015-16 Spending Review the government announced the introduction of the Local Growth Fund (LGF) from April 2015. The £2bn annual funds available from the LGF will be distributed across each of the 39 LEP areas on the basis of individually-negotiated 'growth deals'. The growth deal for each area will be agreed after a competitive bidding process – the Strategic Economic Plan (SEP) is our "bid" document.

2.2. The Strategic Economic Plan is a document with 2 purposes:

- An economic growth strategy – how best to use public and other funds, together with devolved powers, to promote growth, based on a strong and clear analysis of the local economy and the barriers/opportunities offered.
- An implementation and delivery plan – containing detailed proposals and information on projects/programmes, funding, management, monitoring, risk and evaluation. A final delivery plan will be produced in light of the financial settlement.

- 2.3. A first draft of the SEP was submitted in December 2013, followed by a further more detailed plan at the end of March 2014. This was agreed by the LEP Board and presented to the Leeds City Region Leaders Board prior to submission.
- 2.4. The Executive Summary is attached for information and discussion. The Summary is also available publicly on the [LEP website](#), as is 'Part A' of the City Region's submission, the 'Growth Plan'. Other sections of the Plan, including Appendices, are available from the LEP on request.
- 2.5. The headline proposition we are making to Government is set out on page 3 of the Executive Summary. This indicates that, if the LEP and WYCA were to receive the level of funding requested along with the required powers and flexibilities to operationalise it, then the City Region would create significant above trend economic growth. Specifically, the Plan would generate:
- An additional £5.2 bn of economic output (GVA)
 - An additional 62,000 jobs
 - £675 m in benefits savings to the Exchequer
 - £10 of economic output for every £1 invested by the taxpayer
 - And result in the City Region becoming a net contributor to the public purse.
- 2.6. The growth deals for each LEP area are due to be announced in July. The government has requested clarification of some details from all areas before embarking on the final negotiations to agree the deals. The £2bn Fund has been several times overbid and we have been asked to undertake further prioritisation of our proposals, focusing particularly on spending in 2015-16. The situation is currently very fast moving, and an update of the latest position will be provided at the meeting.

3. Financial

- 3.1. The activity undertaken to create the SEP is supported wholly financially through the current City Region Budget via a grant contribution from BIS; and existing WYCA resources and budget provisions.

4. Legal Implications

- 4.1 There are no specific legal implications at this time.

5. Staffing Implications

- 5.1 There are no specific staffing implications at this time.

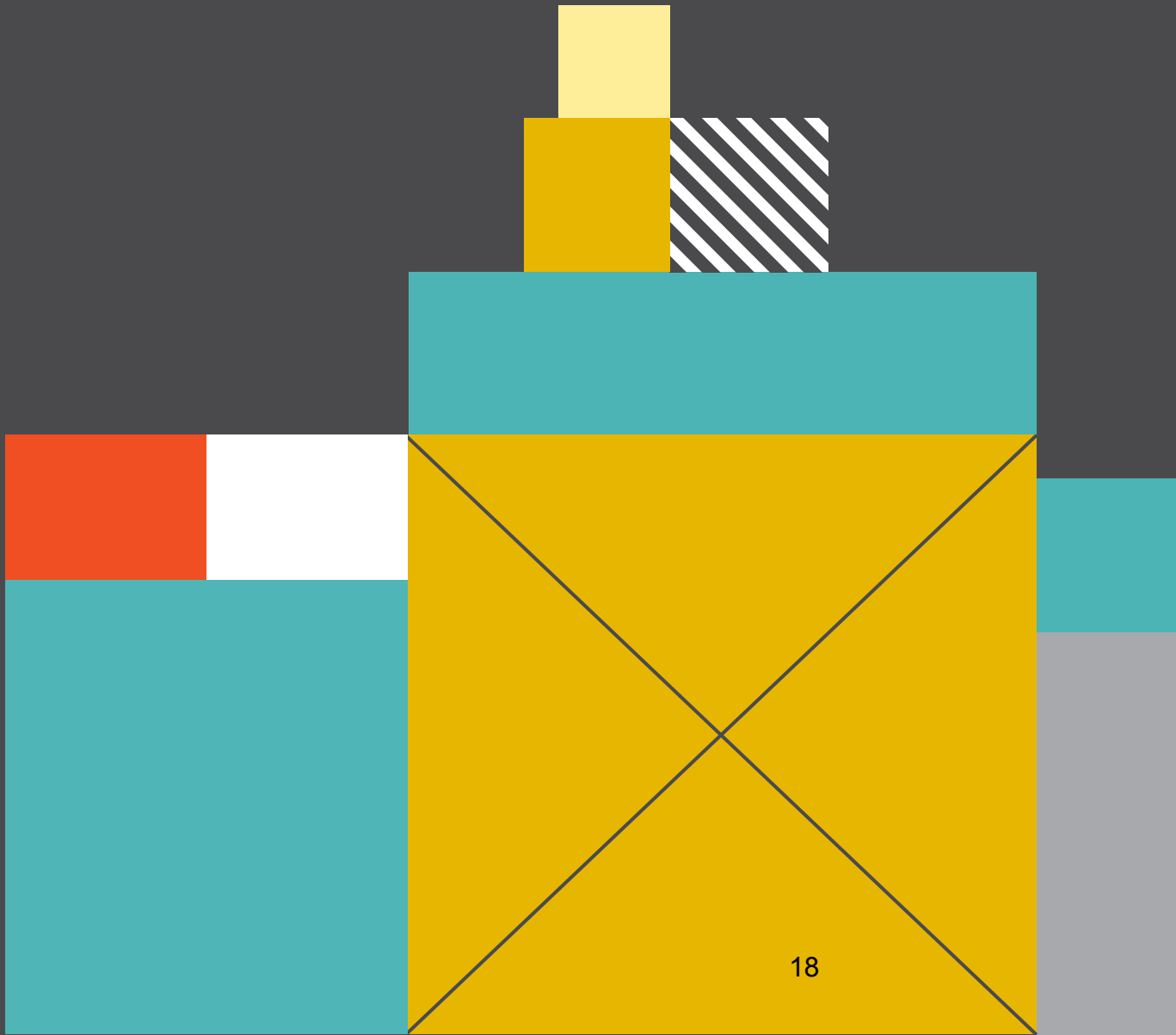
6. Recommendations

- 6.1 That the Combined Authority adopts the SEP as its overarching Integrated Economic Plan.

STRATEGIC ECONOMIC PLAN 2014

EXECUTIVE
SUMMARY

MARCH 2014



CONTENTS

| | |
|------------------------------------------|----|
| Unlocking potential, accelerating growth | 5 |
| Why invest in Leeds City Region? | 6 |
| Our economic assets | 8 |
| Our key industry sectors | 9 |
| Our Vision and priorities | 10 |
| Our Plan in more detail | 15 |
| Strategic Pillar 1 | 16 |
| Strategic Pillar 2 | 17 |
| Strategic Pillar 3 | 18 |
| Strategic Pillar 4 | 19 |
| Our spatial priorities | 20 |
| Playing our part in ensuring success | 21 |
| Our asks of government | 22 |
| Our Local Growth Deal | 23 |
| Our partners | 25 |

AS A RESULT OF THIS PLAN, WE WILL DELIVER BY 2021:



£5.2BN IN **ADDITIONAL**
ECONOMIC OUTPUT



62,000 **EXTRA** JOBS

£675
MILLION

IN BENEFITS SAVINGS
TO THE EXCHEQUER



FOR EVERY £1 INVESTED BY
THE TAXPAYER, THE CITY
REGION'S – AND THE NATION'S –
ECONOMIC OUTPUT WILL
GROW BY NEARLY £10



AND THE CITY REGION WILL
BE A **NET CONTRIBUTOR**
TO THE PUBLIC PURSE

**IN 2014, GROWTH IS
BACK ON THE AGENDA.**

THIS IS OUR PLAN:

**TO UNLOCK THE LEEDS
CITY REGION'S POTENTIAL,
BECOME THE GROWTH
ENGINE FOR THE NORTH,
AND REBALANCE THE NATION.**

**WE ARE READY TO SEIZE
THIS OPPORTUNITY.**

 **#TIME4GROWTH**



Roger Marsh (L) at award-winning textiles exporter, Camira Fabrics in Huddersfield

UNLOCKING POTENTIAL, ACCELERATING GROWTH

ROGER MARSH CHAIR, LEEDS CITY REGION ENTERPRISE PARTNERSHIP

Nowhere is better placed than Leeds City Region to rebalance the UK economy and deliver sustained future growth.

Our Plan is clear: to unlock the City Region's immense potential, becoming the growth engine for the North – and the nation.

With more affordable housing and better connectivity through HS2, integrated local transport and high-speed broadband for all, we will attract the next generation of jobs to inspire prosperity and ensure growth is felt across the City Region. We will develop talent that is the envy of the world, through our outstanding academic institutions and employer-led investment in skills.

We will address community challenges at home by becoming a NEET-free City Region, and globally by developing affordable healthcare technology for an ageing population while fostering innovation in energy generation. And we will engineer an ecosystem of fast-growing manufacturing firms, who will redefine the traditional industries we pioneered through the Industrial Revolution to become world-leading makers and doers of the 21st Century.

The LEP already has significant achievements to its name, so government knows we can deliver. As a relevant, essential and enabling partner to business growth in the region, we've given a vital cash injection to over 200 SMEs, helping them realise their growth ambitions while creating 2,000 new jobs. We've created job opportunities and new life chances for over 1,000 young people and we're putting the building blocks in place to ensure this Plan succeeds by capitalising on our powerful partnership capacity and investing our own resources in schemes that will deliver big rewards.

In 2014 growth is back on the agenda – growth for the nation, and growth for Leeds City Region. Our unemployment is down and more NEETs are moving into employment, education and training. We were the only northern region to show export growth in 2013, our investment pipeline now exceeds £2.5bn, and business confidence is at its highest level for more than a decade. But we need to go further and faster to ensure growth reaches all parts of the City Region.

With government more committed than ever to ensuring all parts of the country benefit from this return to prosperity, we are ready to seize this game-changing opportunity for the North and become a net contributor to the national economy. All that remains is for government to support our Plan – because we are ready.

WHY INVEST IN LEEDS CITY REGION?

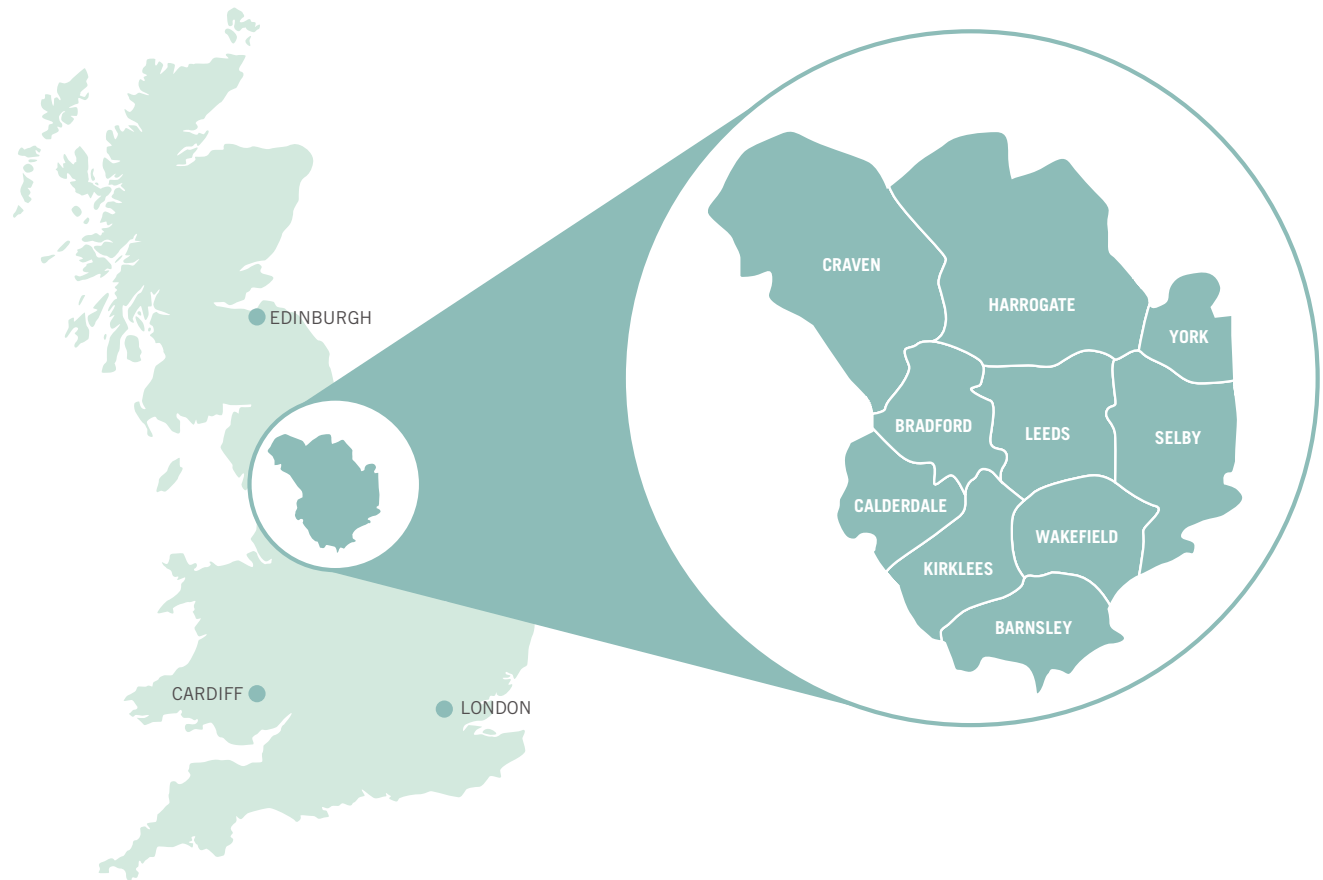


WHY INVEST IN LEEDS CITY REGION?

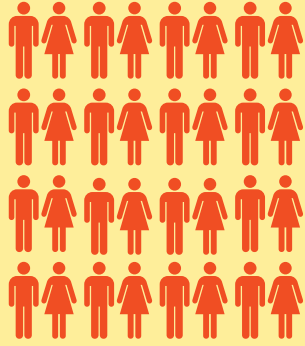
- **Our scale:** we're not just the largest of all core UK city regions in both output and population – we're bigger in economic terms than nine EU countries. Few areas have the scale to make the real difference to national competitiveness that we do.
- **Our businesses:** 106,000 businesses are located here, from multi-nationals to dynamic SMEs that have defied the downturn and are now gearing up for faster growth. As a City Region of makers and doers – with our roots in the Industrial Revolution and more people employed today in manufacturing than anywhere else – we're in pole position to lead the UK's re-industrialisation.
- **Our people:** with the largest workforce in northern England, and a working age population set to grow faster than the national rate, we can close our productivity gap and become the nerve centre for the North's knowledge economy by creating more, better quality jobs.
- **Our location:** we're at the centre of the country, on the main national road and rail networks and within an hour's drive of 7 million people. Investment here would reverberate across the whole North of England, developing an economic powerhouse to rebalance the nation.
- **Our readiness:** Our partnership capacity is fired by a decade of economic intelligence-gathering and collaborative working across the public, private and third sectors, and by our willingness to invest local resources into the projects that will deliver big rewards. With our Combined Authority in place from 1 April 2014, we are ready to seize this opportunity.

“OUR PEOPLE ARE OUR STRENGTH: FROM BUSINESS AND INDUSTRY TO THE ARTS AND SPORT, CREATIVITY, ENTERPRISE AND INNOVATION IS IN OUR DNA.”

LEEDS CITY REGION: HEART OF THE NATION



DEMOGRAPHICS AND WORKFORCE



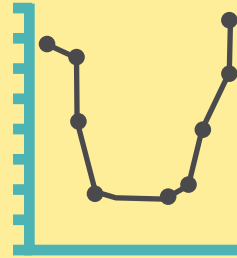
Population of 3 million

1.9 MILLION

Working age population growing faster than the national average

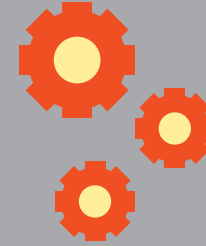


1.4 million employees

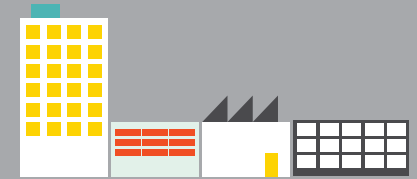


Employment fully recovered to better than pre-recession levels

BUSINESS



139,000 manufacturing jobs, more than anywhere else in the country



106,000 businesses



Largest UK financial centre outside London

SKILLS AND EDUCATION



8 Higher education institutions and 14 further education colleges



36% of research is world-class - 10% world-leading

ECONOMY

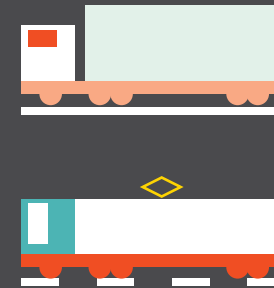


Largest city region economy outside London

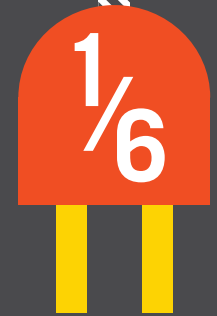
£55 BILLION

Economic output - 5% of England's total

CONNECTIVITY



Well-located at the centre of the UK strategic road and rail network – within an hour's drive of 7 million people



At the heart of the nation's electricity network, generating 1/6 of UK power

OUR KEY GROWTH SECTORS: DRIVING INNOVATION AT HOME AND ABROAD

The factories that once billowed smoke across our skylines are now home to a new generation of entrepreneurs and wealth creators, whose enterprising zeal is driving the City Region forward – at home and internationally. As a key workshop of the world, we are exporting innovation and developing responses to global challenges and opportunities.

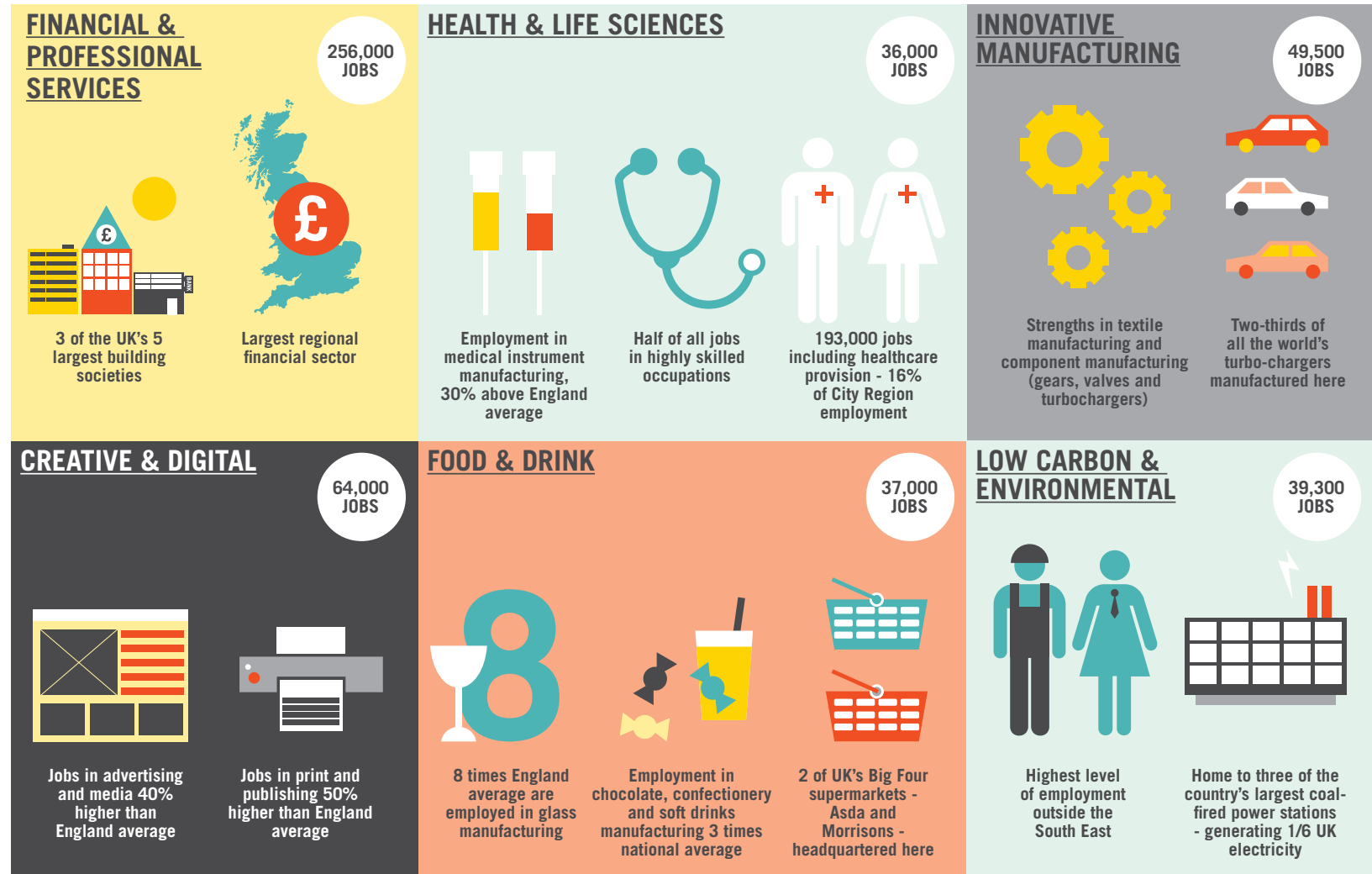
We are offering healthcare to a population that is living longer through our medical and surgical technological breakthroughs, and innovative approaches to telehealth.

The fossil-fuelled power stations that have kept the UK's lights on since the 19th Century are evolving into new centres of innovation to lead the country's renewable energy revolution, with expertise in carbon capture, bio-renewables and decentralised energy generation.

And if it weren't for the components engineered in Leeds City Region – including two-thirds of the world's turbo-chargers – the world would literally grind to a halt. Meanwhile, digital technology pioneered here is helping to transform the way we live, work, play and respond to global issues.

There are six industry sectors where we have distinctive and world-leading capabilities, and where there are real opportunities for rapid, sustained growth:

OUR KEY INDUSTRY SECTORS



OUR VISION AND PRIORITIES



OUR VISION

To unlock the potential of the City Region, developing an economic powerhouse that will create jobs and prosperity.

OUR HEADLINE TARGETS BY 2021

- £5.2bn additional economic output beyond current projections
- 62,000 extra jobs
- £675m in benefits savings
- Making the City Region a net contributor to the national economy

OUR STRATEGIC PILLARS

Our Plan is founded on four strategic pillars, which respond to our key economic challenges and opportunities:

- 1 Supporting growing businesses
- 2 Developing a skilled and flexible workforce
- 3 Building a resource smart City Region
- 4 Delivering the infrastructure for growth

A PARTNER GOVERNMENT CAN RELY ON

OUR ACHIEVEMENTS SO FAR

We have already achieved a great deal in partnership with government – through our 2012 City Deal and other devolved control. We have delivered substantial return on investment and in many cases achieved better outcomes locally than have been achieved nationally.

For example, we have:

- helped over 200 SMEs realise their growth ambitions through our £25m RGF-funded **Business Growth Programme**. We've invested £15m to date, creating around 2,000 jobs for an average cost-per-job of £8,000.
- enabled around 300 SMEs to take the first steps towards trading internationally through our **We are International export campaign** – delivered, as a result of our City Deal, in partnership with UKTI and local partners.
- taken significant steps towards our City Deal pledge of becoming a **NEET-free City Region**, with 69% of participants in our Devolved Youth Contract having moved from 'NEET to EET'.

- secured the support of 300 Leeds City Region companies for our **five three one skills campaign**, generating an estimated £7m return for the City Region economy.
- exceeded SME engagement targets for the first year of our £4.6m **Apprenticeship Hubs Programme**, with 500 companies that hadn't previously employed an apprentice now offering vacancies.
- delivered £3m of **Green Deal pilots** in Bradford, Calderdale, Kirklees, Leeds, Wakefield and York. In Leeds alone the Green Deal pilot has resulted in 1,000 main insulation measures being installed, turning a £1m DECC grant into £5m-£6m of installed measures – well above target outputs.
- unlocked £103m private sector investment and generated £147m GVA through **Growing Places Fund** loans totalling £17.5m. The first loans are already being repaid, providing a sustainable revenue stream to invest in other City Region priorities through our £400m Investment Fund.





£5.2BN IN **ADDITIONAL**
ECONOMIC OUTPUT



62,000 **EXTRA**
JOBS

£675
MILLION

IN BENEFITS SAVINGS
TO THE EXCHEQUER



FOR EVERY £1 INVESTED BY
THE TAXPAYER, THE CITY
REGION'S – AND THE
NATION'S – ECONOMIC
OUTPUT WILL GROW BY
NEARLY £10



AND THE CITY REGION
WILL BE A **NET**
CONTRIBUTOR TO THE
PUBLIC PURSE

WHAT THIS PLAN WILL DELIVER

This Plan is our roadmap to unleashing the potential of this powerful City Region.

On current forecasts, we are already on course to add £7bn and 50,000 jobs to the Leeds City Region economy by 2021.

With the tools and resources to fully implement our Plan, we will create an additional £5.2bn in economic output and 62,000 extra jobs by 2021.

So by 2021, the City Region economy will be almost a quarter bigger, and we will have almost 10% more jobs.

The City Region's accelerated growth will save the nation a total of £675m in benefits, and we will be a net contributor to the Exchequer.

HOW WE WILL DO IT

A city region as large and diverse as ours does not become an economic powerhouse through isolated initiatives and one-off investments. It requires coordinated action to capitalise on opportunities for growth and ensure we reach our full potential.

This is our Plan to deliver:

- **better connectivity** – our economic potential is clear: our ambition and intention is to connect people to jobs and goods to markets seamlessly. We are determined to seize the transformative opportunity of HS2 and, with parallel investment in the City Region's local transport infrastructure, provide the key to unlocking the full potential of that national investment. By shrinking the distances between the key economic centres in the Leeds, Manchester and Sheffield city regions we can create a single northern economic area of 8 million people and £134bn GVA, able to compete globally for the UK alongside the capital.
- **more and better jobs** – in addition to delivering a NEET-free City Region, we will create more of the good quality jobs that offer real opportunity for prosperity – including 3,000 apprenticeships.
- **more and better housing** – we will double house-building by 2021, creating more affordable housing to increase living standards and disposable income, and reduce our benefit bill yet further.
- **private sector growth** – that is sustainable, above-trend and based on innovation, exports and inward investment.
- **a lean, resource-efficient City Region** – underpinned by a 21st Century energy infrastructure that is already generating one-sixth of the country's electricity.

CONNECT THE NORTH, REBALANCE THE NATION



BETTER CONNECTIVITY: THE LYNCHPIN OF OUR PLAN

Better connectivity in Leeds City Region is the key to unlocking the full potential of the government's HS2 investment – and to bringing the major city regions of the North together into a combined economic engine.

We sit at the heart of this northern economic area. Gaps in connectivity here are the missing links to developing a second UK economic powerhouse to compete for the country globally, alongside London and the South East.

We have a formidable set of economic assets: what we need is a high-performing transport network – alongside a world-class digital infrastructure – to connect people, places and jobs seamlessly and attract new investment.

Although our transport network supports a high volume of passenger and freight movement, it is not keeping up with the pace of growth in our economy and our workforce.

In short, we stand to lose over 20,000 jobs and more than £1bn of annual economic output if we do not invest to create the 21st Century infrastructure our economy requires.

Or, through the West Yorkshire plus Transport Fund and other connectivity improvements proposed in this Plan – alongside Trans-Pennine rail electrification and other key investment programmes already in place – we could bridge those missing links, releasing billions of pounds of additional economic investment and creating thousands of jobs.

Good international connectivity will also support our drive to attract more foreign direct investment and boost companies' export performance. Better links to the airport are the key to realising these ambitions.

This is why better connectivity is the lynchpin of our Plan.

HS2-READY LEP

We are determined to seize the transformative economic opportunity of HS2.

HS2 will directly benefit Leeds City Region to the tune of over £1bn a year in extra economic output and, by shrinking the distances between the big city regions of the North, rebalance the national economy.

This is a once-in-a-generation opportunity, and we will ensure we are HS2-ready:

- **ready** to use our £1.6bn Transport Fund to ensure the other key centres of this large and diverse City Region – an area roughly the same size as the Munich city region – have fast, efficient access to the high-speed network;
- **ready** to regenerate the South Bank of Leeds city centre, and other city and town centres across the City Region, to maximise the government's national investment and attract major new business opportunities;
- **ready** to help local companies win a big slice of the £25bn in contracts that will be let as HS2 is built, and to create a bigger pool of highly-skilled rail and construction workers to meet these demands;
- **ready** to put forward a strong case to site the HS2 College in Leeds City Region. More people are employed in the rail industry and its supply chain here than anywhere else in the North, by companies including Network Rail, East Coast, Northern Rail, WSP, Omnicom Engineering and Siemens. This – combined with assets such as our well-networked group of 14 FE colleges, research strengths at the University of Huddersfield Institute of Railway Research and York University Joint Rail Safety Research Centre, and the future HS2 terminal in Leeds – makes us the logical choice to ensure the success of the new College.

MORE JOBS, BETTER JOBS

The LEP's nationally regarded work on boosting skills and employment received Royal endorsement in March 2014, when the Duke of York launched the Leeds City Region Apprenticeship Challenge – our drive to encourage 1,000 small businesses to offer apprenticeships by March 2015.

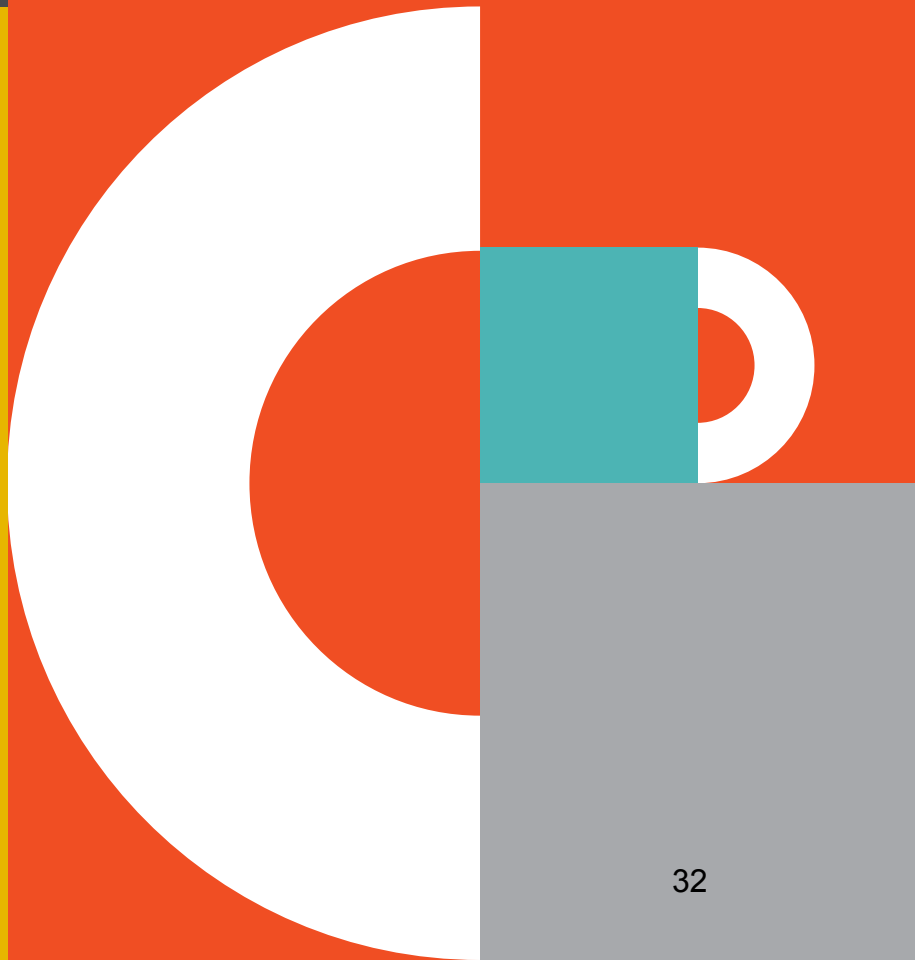
The Apprenticeship Challenge is part of our ongoing mission to become a NEET-free City Region and develop the workforce of the future. We have made significant progress already on our City Deal pledges: 69% of our Devolved Youth Contract participants have moved from 'NEET' to 'EET'; 500 SMEs that hadn't previously employed an apprentice are now offering vacancies; and we've added £7m to the City Region economy through our own **five three one** campaign to encourage more businesses to invest in their employees' skills.

Through this Plan we intend to do even more. Our goal is not simply to create an extra 62,000 new jobs; we want to create more of the better quality jobs that offer young people and those on lower incomes the hope of a bright future – and will give our City Region the best chance of closing our £3,300 per head gap in output, while accelerating good growth that benefits all.

We plan to encourage a further 5,000 SMEs to participate in training, unlock £21.5m of skills investment by employers, and create an additional 3,000 apprenticeships above and beyond our existing targets. This in turn will deliver major benefits savings to the Treasury, as well as developing a talented workforce that will attract yet more jobs and investment in the future.



OUR PLAN IN MORE DETAIL



SUPPORTING GROWING BUSINESSES

The opportunity

- UK's largest manufacturing base
- UK's largest regional financial and professional services sector
- Large and resilient SME base of 106,000 companies
- Significant strengths in key industries with huge global growth potential
- 8 higher education institutions with research and innovation strengths in new technologies and strong links with business
- Long history of innovation and global trading on which to build

The challenges

- To build on our improving – yet still below-average – export performance
- To unlock more innovation in our SMEs, improving our below-average performance on R&D spend and patent registrations
- To double our share of inward investment from a comparatively low baseline
- To kick-start business investment projects that have stalled due to a lack of suitable finance
- To enable vibrant private sector growth through a significant increase in start-up rates and the number of high-growth companies in the City Region

OUR LONG-TERM AMBITION

To enable vibrant private sector growth, based on innovation and exports

Key action areas

- Create a Leeds City Region **Business Growth Hub** to get the right help to SMEs with growth ambition
- Continue our highly successful **Business Growth Programme** to unlock commercial lending and create jobs
- Deliver a **start-up programme for SMEs** that have the ambition and capability to grow
- **Accelerate business innovation**, by investing in capital infrastructure to develop 'flagship' innovation assets (similar to national Catapult Centres) and initiatives to fully exploit the City Region's science and technology assets
- Put more of our own resources into **attracting inward investment** and further improving our export performance
- Help SMEs make optimum use of **digital technologies** to improve productivity

PROJECT: GROWTH HUB

We have a large, diverse and resilient SME base that has recovered all of the jobs the City Region lost during the recession. However our start-up rates, business innovation, export performance and company growth all lag the national average, and are out of kilter with our economic size and scale.

The Growth Hub will address this by providing growing SMEs with fast, straightforward access to a tailored package of information, advice, coaching and mentoring services to accelerate their growth.

Evidence shows that businesses that receive targeted support grow faster than those that don't. The key is to get the right products and services to companies at the right time. The Growth Hub will operate both online and via locally based teams to direct firms to the most suitable national or local products. Our model will be cost-effective, generating revenue savings to support the future viability of the Hub.

Over the next five to six years, the Growth Hub will engage with and support 20,000 new and existing SMEs that have the ambition and ability to grow. This will lead to the creation of 50,000 new jobs.

DEVELOPING A FLEXIBLE AND SKILLED WORKFORCE

The opportunity

- Largest workforce in the North of England
- Working age population set to grow faster than the national rate
- 14 further education colleges and 8 higher education institutions, working in close partnership with the LEP
- Student body of 230,000 in those colleges and universities
- Dynamic labour market, with over 500,000 posts that will need to be filled over the next decade
- Opportunity to create a labour market, transport and housing offer that attracts jobs and investment including 'north-shoring' investment from London

The challenges

- To move to a NEET-free City Region and further reduce the high levels of unemployment among the under-25s
- To improve workforce skill levels across Leeds City Region to fit the needs of a modern and growing economy and address low levels of educational attainment in some areas
- To encourage job creation in better-paid occupations to address deprivation in parts of the City Region and increase lower-than-average disposable incomes
- To tackle skill shortages in key occupations such as software development and engineering
- To ensure that training and skills provision addresses the needs of employers in a fast-changing job market

OUR LONG-TERM AMBITION

To create a NEET-free City Region, with more and better jobs, and the skilled and flexible local workforce to sustain them

Key action areas

- Deliver a **skills capital investment programme** to ensure our key sectors and sources of growth are supported by high quality skills and education facilities
- Deliver a pioneering **Skills Hub and Fund** programme to address the skills needs of SMEs in sectors with the greatest opportunities for economic and employment growth
- Create the **next generation of entrepreneurs and wealth creators** through initiatives to promote enterprise, entrepreneurship and innovation among young people
- Expand the City Region **Apprenticeship Hub Programme**, providing a central local point of contact for free, independent and better co-ordinated apprenticeship advice and support for SMEs
- Extend the scope of the new **Youth Contract** 18-24 Head Start model and the proven Devolved Youth Contract, delivering more and better jobs to boost prosperity and reduce deprivation
- **Bring the HS2 Rail College to Leeds City Region.** We would welcome early conversations with government about the opportunity for national centres of provision in advanced engineering and software development to address significant skills shortages in these sectors

PROJECT: SKILLS HUB

The LEP is well-regarded by government as a national leader in improving skills, creating job opportunities for young people, and transforming lives. The Skills Hub and Fund builds on this significant track record.

The £17.5m government funding recently agreed from the Employer Ownership Pilot, will enable us to work with more employers to produce more coherent and demand-led training from skills providers. The Skills Hub will itself be a key part of the co-ordinated and integrated business support system for growing SMEs offered through our Growth Hub.

The Skills Fund will work with SMEs to address some of the difficult and more local skills challenges in key sectors, which cannot be met by mainstream national provision. For example, we are already working collaboratively with employers to design bespoke solutions to particular difficulties we have identified around software coding skills.

Our ambition is to build on the Pilot to create a £30m+ flagship Skills Fund that will deliver:

- 5,000 SMEs participating in training
- £21.5m of investment by employers
- 15,000+ employees with improved skills
- 3,000+ apprenticeships
- 10,000 young people engaged in business-education experiences

BUILDING A RESOURCE SMART CITY REGION

The opportunity

- One sixth of the UK's electricity is generated in Leeds City Region
- UK's largest manufacturing base with significant untapped growth potential
- Energy companies – such as Drax in Selby – driving innovation in sustainable, resource-efficient energy generation
- Greater resource efficiency will raise productivity and reduce energy costs for companies and homes alike, unlocking business growth and increasing disposable incomes

The challenges

- To reduce rising energy costs for businesses as a result of inefficient buildings, infrastructure and business models – (10% of GDP is currently lost to the City Region through energy costs)
- To embed resource efficiency in our manufacturing supply chains and unlock manufacturing growth
- To address limited investment, and investment-ready projects, in decentralised low carbon energy

OUR LONG-TERM AMBITION

To become a lean, resource efficient economy, underpinned by a 21st Century energy infrastructure

Key action areas

- Develop new energy infrastructure – including energy efficiency, energy generation, supply chain and distribution and storage – across Leeds City Region through our **Energy Hub**, which will boost innovation and product development
- Develop **BioVale** as an innovation cluster that will support Yorkshire and Humber's growth as an international hub for the knowledge-based bio-economy
- **Deliver programmes to help SMEs** adopt new environmental technologies and resource smart operations that reduce resource impact on the environment, while improving competitiveness and boosting growth
- Support the Leeds City Region Green Deal and ECO Partnership to deliver **solid wall insulation** across the City Region that will generate long-term demand, giving companies the confidence to invest in training and new employees

PROJECT: ENERGY HUB

With new specialist entrants to the low carbon finance market such as the Green Investment Bank, the time has never been better for the UK's energy sector to flourish. And yet, the potential for commercially viable, revenue-generating projects is still largely untapped within Leeds City Region. The main barrier is the initial risk associated with project development that prevents good schemes from leveraging the finance available to them.

The Leeds City Region Energy Hub will directly address this barrier by investing in feasibility and project design to take projects from concepts to market-ready propositions, and by crowdsourcing funding from private and public finance. Focusing on an initial £330m pipeline of projects, it will operate only in sectors in which commercial funding is not at present readily available. The Hub will also support local authorities to develop ambitious district heating schemes, and bring together smaller projects into the larger propositions that will be attractive to private investors.

DELIVERING THE INFRASTRUCTURE FOR GROWTH

The opportunity

- Reversing decades of under-investment in infrastructure to better connect people, jobs and goods seamlessly
- Improving connectivity to unleash the latent potential of a northern economic powerhouse – creating a single £134bn trans-Pennine economy of 8m people
- Creating more, better quality housing by kick-starting strategic housing developments of City Region significance
- Maximising the investment opportunities of HS2 by regenerating the south side of Leeds city centre and other major centres across the City Region
- Creating a magnet for inward investment by developing the Aire Valley Leeds Enterprise Zone
- Attracting new jobs and investment by making development-ready key schemes that the market would not otherwise develop, and by developing our green infrastructure

The challenges

- To transform overcrowded road and rail connectivity within the City Region
- To build on the Northern Hub and other major national investments to transform our connectivity nationally
- To double the rate of house-building to meet growing demand and provide more affordable homes
- To achieve full coverage of superfast broadband across the City Region
- To unlock commercial investment to regenerate our key urban centres and develop strategic employment sites
- To ensure all parts of the City Region benefit from the arrival of HS2 by master-planning development and regeneration around the high-speed project

OUR LONG-TERM AMBITION

To build a 21st Century physical and digital infrastructure that enables us to reach our growth potential

Key action areas

- Ensure that **transport connectivity** provides the engine for growth by implementing our delivery plan from 2015-16. This includes:
 - **West Yorkshire plus Transport Fund** - 32 prioritised schemes delivered over 10 years to increase employment opportunities and economic growth, creating 20,000 jobs and increasing economic output by £2.4bn each year
 - **DfT legacy schemes** – three ongoing major schemes: New Generation Transport, Leeds Inner Ring Road and Leeds Rail Growth Package for 2015-16 and beyond
 - **Accelerated Growth programmes** – quick-win transport interventions targeted at strategic growth areas and network connectivity enhancements to generate additional GVA and jobs, and prepare the City Region to be HS2-ready
- **Double house-building** particularly in strategic housing and employment growth areas, and deliver new affordable homes
- **Bring forward development sites** that commercial investors will not currently finance through site decontamination, clearance and other upfront infrastructure works
- **Deliver improvements to digital and green infrastructure** to accelerate further growth and investment

PROGRAMME: WEST YORKSHIRE PLUS TRANSPORT FUND

Better transport connectivity is the driving force of this Plan. The West Yorkshire plus Transport Fund is a £1.6bn package of investments over a 10-year period to release billions of pounds of untapped economic growth and create thousands of new jobs.

The Transport Fund schemes will increase business productivity by reducing transport costs, expanding labour catchment areas and widening the number and range of accessible employment opportunities. They will unlock growth in existing employment sites and open up new sites for jobs and housing. The Fund has been carefully targeted to maximise economic impact, and a high proportion of the benefits will be felt by communities that currently have limited access to good job opportunities.

By 2035 the Transport Fund will support:

- 20,000 new jobs
- £2.4bn of extra economic output each year
- 10,000 new homes

Taken as a whole, the package is great value for money, returning £5 of benefits for every £1 invested. And it will be carbon neutral – even though there will be more journeys to work as a result of the extra jobs created, the Fund will encourage greater use of sustainable modes of travel.

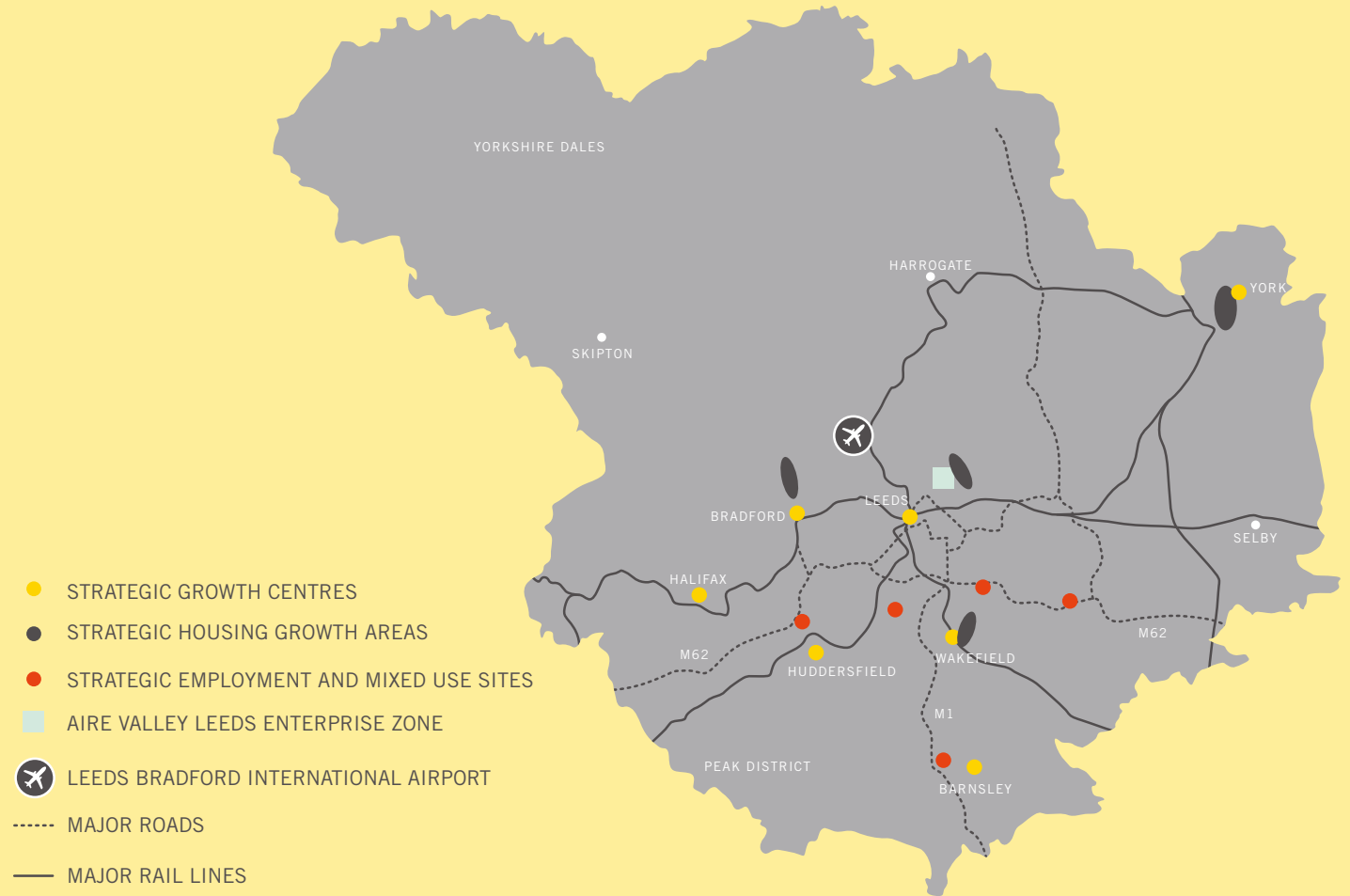
OUR SPATIAL PRIORITIES

Our strengths lie not just in our economic diversity, but in our geographic diversity as well. We are a genuinely polycentric City Region – with a thriving core city at our heart, complemented by other major cities, towns and attractive rural areas that all play their distinctive part in creating prosperity.

We have agreed a set of spatial priority areas to maximise our growth potential and ensure prosperity is felt across the whole City Region. These are areas where either the growth opportunities or the level of market failure are of strategic significance to the whole City Region:

- **Strategic growth centres** – the city and town centres of Barnsley, Bradford, Halifax, Huddersfield, Leeds, Wakefield and York, along with the Aire Valley Leeds Enterprise Zone
- **Strategic housing growth areas** – the four largest proposed housing developments, which are almost development-ready and present significant investment and growth opportunities
- **Strategic employment and mixed-use sites** – five major development area proposals have been identified that will combine easy motorway and public transport access with proximity to towns and labour markets

OUR SPATIAL PRIORITIES



PLAYING OUR PART IN ENSURING SUCCESS

Our Plan is ambitious, but it is also credible. It is rooted in our track record of success as a LEP founded on a decade of effective economic partnership-working.

We have achieved a great deal already. Now we are putting in place the foundations to ensure this Plan succeeds by:

1. Committing our own resources

Our bid for resources from the Local Growth Fund is just one element of a much wider package of financing to support economic development across the City Region – with much of this coming from our own pooled resources.

We have already made significant commitments of money and other resources to deliver the City Deal. We have reached agreement to provide the local resources needed to fulfil our end of the bargain in creating our £1.6bn Transport Fund, and our local authority partners have also agreed to pool business rates, Enterprise Zone receipts, and £20m of their own capital funding to kick-start our £400m Investment Fund.

We are also aligning other funding sources within our control with our Investment Fund priorities, including our Growing Places Fund, European funding, Business Growth Programme funding and our Transport Fund.

2. Creating a self-sustaining fund to enable future investment

We are in discussion with a wide range of other co-investors, including the local pension fund, the main banks, the Homes and Communities Agency (HCA) and the Green Investment Bank to complete our £400m Investment Fund.

A key element of our approach is to offer loan finance wherever possible, as we do already with our Growing Places Fund and Revolving Investment Fund. Our aim is to create a self-sustaining revenue stream for the Leeds City Region, growing over time, to invest in local infrastructure priorities and support growing businesses.

3. Ensuring robust appraisal and governance

Strong governance structures, public accountability and a robust appraisal mechanism will underpin our Investment Fund.

We will use a 'Single Appraisal Framework' to assess all investment projects put forward for consideration by the Fund. This will use a Treasury-approved approach and a single set of criteria to assess the viability and strategic fit of proposed projects. Comprehensive and transparent economic modelling will analyse the relative economic benefits of each project.

On 1 April 2014 we will formally establish the West Yorkshire Combined Authority to provide a robust governance framework for our investments, and democratic accountability to our decision-making. The new body will help us drive growth by making collective decision-making possible between statutory partners in economic development, regeneration and transport.

The decisions of the Combined Authority will be fully in line with the LEP's strategic priorities, supported by structures to ensure this is the case. In particular:

- this Plan will form the basis of the work of both the LEP and the Combined Authority
- the LEP Chair and several council leaders will be members of both the Combined Authority and LEP Boards
- Combined Authority membership will always be cross-party

Through this combined approach we will create our own self-sustaining prosperity and, over the medium to long term, reduce our reliance on national investment, becoming a net contributor to overall UK growth.





OUR ASKS OF GOVERNMENT: FREEDOMS AND FLEXIBILITIES

In return for our commitments to ensuring that our ambitious plans succeed, we need more freedoms and flexibilities from government so that we can play our full part in driving growth across the north and rebalancing the country.

The main freedoms and flexibilities we are seeking through this plan are:

1. To enable delivery of the West Yorkshire plus Transport Fund

The original plans to fund £1.6bn of transport investment over the next decade, agreed under the Leeds City Region City Deal in 2012, have become unworkable as a result of subsequent changes to legislation.

Building on our ongoing discussions with the Cities Minister and Deputy Prime Minister, and based on a detailed proposal submitted to the Chief Secretary to the Treasury on 6 March, we are seeking government's agreement to a payment by results deal, based on us retaining a proportion of the increase in the national tax take we achieve as a result of our local transport investment.

2. To enable delivery of our Investment Fund and Strategic Economic Plan

Working with government, we have made good progress towards establishing the £400m Investment Fund envisaged in our City Deal. But if we are to create a true single pot for investment, a number of essential financial conditions must be put in place:

- **Retention of HCA asset receipts** – retaining the receipts from disposal of the HCA's local economic assets and other HCA 'growth' investments will allow us to recycle and invest them in other City Region development projects.
- **VAT recovery for the Combined Authority** – under current legislation, the new West Yorkshire Combined Authority will not be able to recover VAT on expenditure for the economic development and regeneration functions that it will be empowered to deliver. We ask that this anomaly be addressed to prevent this substantial cost penalty from inhibiting the work of the Combined Authority in delivering growth and jobs.

• Revenue funding within the Local Growth Fund

– when the Local Growth Fund was announced as part of the 2015-16 Comprehensive Spending Review, government said that around 25% of the Fund would be available as revenue spending.

The Chancellor reversed this announcement in the 2013 Autumn Statement, and there is now zero revenue support available. This situation will make implementing this plan and our EU funding strategy very difficult. We ask government to reconsider the removal of revenue support from the Local Growth Fund if it genuinely wants to promote real growth in Leeds City Region and other LEP areas.

- **LEP involvement in European decision-making** – to ensure that LEPs have formal involvement in implementing European funding strategies, as government envisages, we would ask that government gives us the appropriate level of authority to satisfy the European Commission.
- **Enhanced Capital Allowances** – subject to the announcement on Assisted Area status, we would like to discuss the potential to secure Enhanced Capital Allowances for the Aire Valley Leeds Enterprise Zone.

3. To accelerate City Region growth and prosperity by bringing forward HS2

Current plans for HS2 have long timelines and a very late start date for the eastern leg to Leeds. This development has huge regeneration and growth potential in Leeds and the wider City Region, and we need to unlock this potential now – not in 2027. What's more, a journey time disadvantage with Birmingham and Manchester of several years, which would be the result of current plans, could act as a disincentive to investment, undermining the economic impact of the government's HS2 investment in this City Region.

We agree whole-heartedly with the recommendations of the Higgins report and the HS2 Growth Taskforce that the start date for construction of Phase 2 should be brought forward to the soonest practical date. This would bring forward both the local and national economic benefits of the scheme, ensuring government makes the most of this once-in-a-generation opportunity to truly rebalance the economy by shrinking distances between our major cities. This is part of our HS2 'Five Point Plan' that we recently submitted to HS2 Ltd.

OUR LOCAL GROWTH DEAL: A GOOD DEAL FOR LEEDS CITY REGION, A GREAT DEAL FOR THE NATION

As this document makes clear, our approach is not one of pleading for financial assistance from national government. We will continue to unlock potential through partnership – as we have done for a decade – and invest our own resources to ensure our residents benefit from more jobs and prosperity.

Our detailed Plan sets out 16 programmes for which we are seeking Local Growth Fund support as funding as a last resort; in some cases to match the resources we hope to receive through EU funding, in others to help bring in funds from other sources and ensure that vital development activity gets underway.

Taken together, we are asking for £231m from the Local Growth Fund in 2015-16 and £1.2bn in total by 2020-21.

This ask will lever in over £750m of investment into the City Region in 2015-16, and no less than £5bn over the lifetime of the next Parliament. The total comprises £1.5bn of new private investment, as well as £340m of EU Structural Funds and substantial contributions from our local authority and other partners.

In return we will deliver an extra £5.2bn of economic output beyond the current projections, accelerating the expected growth of 13.5% by 2021 to a figure of 23%.

By implementing this Plan we will also generate an extra 62,000 jobs, more than doubling the expected growth from 4% to 9%.

All this can be achieved at great value for the taxpayer. By 2021, the benefit savings to the Exchequer from the extra people in work will reach £675m. The net public contribution to delivering this Plan will therefore **not** be £1.2bn over the next six years, but just £556m.

Taking into account the additional tax revenues that arise from the extra output and employment generated by this investment, the City Region will be a net contributor to the public purse by 2021.

IF 2013 WAS ABOUT GREEN SHOOTS OF RECOVERY, 2014 IS ABOUT ESTABLISHING THE FIRM ROOTS OF FUTURE PROSPERITY AND LOOKING TOWARDS NEW POSSIBILITIES FOR GROWTH.

THIS IS OUR PLAN TO UNLOCK THAT GROWTH, AND DEVELOP A NORTHERN ECONOMIC POWERHOUSE AT THE HEART OF THE NATION. IT IS A PLAN BASED ON OUR EVIDENCE ABOUT WHAT'S NEEDED AND WHAT WORKS HERE, OUR STRATEGY FOR GROWTH DEVELOPED OVER A DECADE, AND OUR HARD WORK.

ALL THAT REMAINS NOW IS FOR GOVERNMENT TO SUPPORT OUR PLAN SO THAT WE CAN TAKE GREATER CONTROL OF OUR PROSPERITY AND PLAY OUR FULL PART IN DRIVING LASTING NATIONAL GROWTH.

 **#TIMEFORGROWTH**

CONTACT US

Leeds City Region
Enterprise Partnership (LEP)
2nd Floor East
Civic Hall
Leeds
LS1 1UR

0113 2474227
LCR@leedscityregion.gov.uk
www.leedscityregion.gov.uk
Twitter: @LeedsCityRegion

 **#TIME4GROWTH**

Originator: David Hoggarth
Director, Development



ITEM 6

Report to: Combined Authority

Date: 29 May 2014

Subject: Single Transport Plan

1. Purpose

- 1.1. To consider undertaking a review of current transport plans with a view to developing a single transport plan for the West Yorkshire Combined Authority (WYCA).

2. Background

- 2.1. There are a number of strategic plans and programmes that set out transport's contribution to the economic well-being of West Yorkshire and York, including the impact on the environment and people's quality of life. These include:
- The Strategic Economic Plan (SEP);
 - Local Transport Plans (the statutory plans for transport in West Yorkshire and York);
 - West Yorkshire Plus York Transport Fund;
 - The Leeds City Region Transport Strategy.
- 2.2. The Strategic Economic Plan is the subject of a separate agenda item. In conjunction with the Leeds City Region Local Enterprise Partnership, an ambitious transport proposition has been developed to substantially increase transport investment in the area to promote economic growth. The bid to the Local Growth Fund was submitted in March and is currently being assessed by government.
- 2.3. The WYCA is the Local Transport Authority (LTA) for West Yorkshire, whilst City of York Council is the LTA for York. There is a statutory duty that LTAs prepare, and keep under review, a Local Transport Plan (LTP) for their area and may prepare joint plans with adjoining areas.
- 2.4. The West Yorkshire plus York Transport Fund is also the subject of a separate agenda item. West Yorkshire partners, with City of York Council, have developed an ambitious plan to create 22,000 jobs and economic growth across the area. The

West Yorkshire plus Transport Fund is a 10 year investment plan worth £1.6bn to deliver a priority core programme of transport interventions, specifically targeted at creating new jobs and unlocking growth.

- 2.5. The Leeds City Region Transport Strategy was developed in 2009 and sets out a framework for a period of 20-25 years. It aims to improve transport across the area by meeting existing demand for travel, tackling current problems of congestion, supporting future development and prosperity, and progressing towards a lower carbon economy.

West Yorkshire Local Transport Plan

- 2.6. For West Yorkshire, the third Local Transport Plan (2011-26) was developed through extensive public and stakeholder engagement by the Integrated Transport Authority, working with the five constituent District Councils. The 15 year Plan was adopted by all the partners in March 2011. It includes a Vision Statement and high level transport objectives, as set out below:

Working together to ensure that West Yorkshire's transport system connects people and places in ways that supports the economy, the environment and their quality of life.

- *Objective 1 - To improve connectivity to support economic activity and growth*
- *Objective 2 – To progress towards a low carbon transport system for West Yorkshire*
- *Objective 3 – To enhance the quality of life of people in West Yorkshire*

The plan's Strategy is set out through four themes:

- **Transport Assets**, relating to highways, traffic lights, street lights, structures and public transport facilities;
- **Travel Choices**, informing customers about available travel choices;
- **Connectivity**, providing an integrated, safe, reliable transport journey;
- **Enhancements**, improving the overall system to provide more capacity for journeys in the future.

- 2.7. The plan is implemented through three year implementation plans, with the current plan (IP2) for 2014-17 adopted in January 2014 utilising capital and revenue resources, such as:

- Department for Transport capital Block Allocations - Highway Maintenance and Integrated Transport LTP Blocks;
- Revenue from the WYCA's annual transport levy and from District Council annual revenue budgets.

- Funding gained through bidding, such as Cycle City Ambition Grant, Local Pinch Point Fund, Cycle Safety Fund, Electric Vehicle Rapid Charging Points and the Local Sustainable Transport Fund.
- 2.8. The Local Transport Plan implementation plan is interim pending a review in summer 2014 once the outcome of the SEP is known.
- 2.9. Achievements through the Local Transport Plan include:
- Highway and Bridge maintenance;
 - DfT Major scheme progress – NGT, Leeds Station Southern Entrance, Leeds Inner Ring Road, Kirkstall Forge and Apperley Bridge;
 - Started on site with Castleford Bus station;
 - Good progress on developing Low Moor Rail Station;
 - Traffic Light Priority at 243 sites across West Yorkshire;
 - Bus Network Reviews;
 - Smartcards - new retail network launched;
 - Safer Roads;
 - Delivery of cycle and walking schemes.

3. The Need for a Review

- 3.1. There has been some significant development since the West Yorkshire LTP 2011 – 2026 was adopted in 2011. The most significant of these developments are:
- The establishment of the West Yorkshire WYCA on 1 April 2014;
 - West Yorkshire plus York Transport Fund 2014-24 – a £1.6bn programme of transport interventions;
 - The development of the Strategic Economic Plan (SEP) 2015-21 as a bid to the Local Growth Fund. IP2 will need to be reviewed following the outcome of the SEP bid in July 2014;
 - Development of High Speed 2 proposals and the need to ensure that benefits are spread across the wider city region area.
- 3.2. It is proposed that, in view of these developments, a review is undertaken to develop a single transport plan for the WYCA that sets a clear strategy and context for future interventions.
- 3.3. It is envisaged that the detailed review work would be undertaken by the Transport Committee with appropriate input from the investment Committee and that the WYCA would provide guidance regarding the approach to the plan’s objectives.

4. Financial

- 4.1. The review will be undertaken within existing approved budgets.

5. Legal Implications

- 5.1. There is a statutory duty for Local Transport Authorities to keep Local Transport Plans under review.

6. Staffing Implications

- 6.1. The review will be undertaken utilising existing staff resource.

7. Recommendations

- 7.1. That the WYCA considers the proposed work to develop a single transport plan.
- 7.2. That the WYCA provides guidance on the approach to the objectives for the plan.
- 7.3. That technical work on the review is delegated to the Transport Committee, with appropriate input from the Investment Committee.
- 7.4. That a draft single transport plan be brought to a future meeting of the WYCA for consideration.

ITEM 7

Report to: Combined Authority

Date: 29 May 2014

Subject: Single Appraisal Framework

1. Purpose

1.1. To outline the emerging city region Single Appraisal Framework (SAF) that will provide the process and mechanism by which all investment projects will be developed and appraised across the city region – to inform the investment decisions of the Combined Authority.

2. Developing and Appraising the Project Pipeline

2.1 The SAF is essentially a tool to support the decision-making process for city region investments. Developing the SAF was part of the City Region Deal, with the aim to develop a single and consistent robust appraisal process which is Treasury approved, enabling devolved investment decision making rather than projects also having to be appraised by Government departments as is currently the case. It is therefore a key part of the devolution agenda which we are continuing to pursue through the Local Growth Fund process.

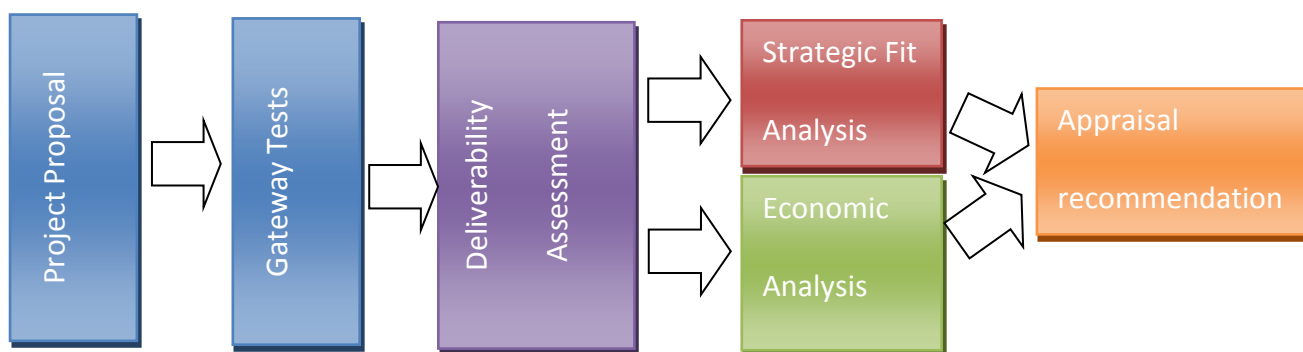
2.2 The SAF will not take decisions though; it provides an objective system of appraisal by which individual projects can be assessed against agreed criteria, so that prioritisation can occur – the result will be a ‘balanced scorecard’ approach. This will provide information on key outputs and strategic fit to inform the decisions of the Combined Authority.

2.3 However, a further objective of the SAF is to provide the process not only for appraising projects once they are ready to be appraised but also to provide a consistent and robust process by which a pipeline of projects is developed. The SAF will compose of two key pillars that in combination enable overall impact to be best compared: **economic appraisal and strategic fit**.

2.4 New Economy Manchester were previously engaged to help us develop the principles of SAF as they already have a similar process in place, and this knowledge has proven useful in clarifying what issues and components we needed to develop.

- 2.5 Figure 1 below sets out the recommended model for the process from project proposal to recommendation for investment. The first stage requires an assessment on deliverability, screening out projects that are not sufficiently advanced or with major barriers, such as no planning permission being feasible. Once considered 'deliverable,' the project would progress to be assessed for strategic fit and economic impact, where a benchmark score would be generated as a result of the assessment. It is considered that once fully operational and this initial 'Gateway' test is satisfied, the SAF appraisal model's turnaround time is relatively short, usually within a few weeks.

Figure 1: the SAF's proposed appraisal model



The Economic Pillar

- 2.6 There are two main econometric models currently in use in the LCR: the Regional Econometric Model (REM) and the Urban Dynamic [transport] Model (UDM). Historically, REM has been used to understand the impact of employment schemes, and to identify employment land needs. The primary use of UDM to date has been to model and prioritise transport infrastructure schemes in West Yorkshire and York. Both models have been developed over several years and are well-established.
- 2.7 The two models are designed to serve different purposes and have different characteristics; for example, the REM worked at a local authority level, whereas UDM subdivided the area into 200 areas of spatial functionality. Work has now been completed to align the geographies of the two models so they both cover the whole of the city region and use the same sub zonal geographies, which will enable them to work together.

The Strategic Fit Pillar

- 2.8 The SAF appraisal model's second pillar is an assessment against the agreed strategic priorities that emerge from the city region evidence base. To robustly appraise projects, a limited number of criteria expressing key priorities, and a simple scoring system are required; for example, to indicate whether projects meet any/all particular criteria, or only partially or not at all. These criteria can be weighted to reflect their strategic importance but this work is ongoing to consider these issues in liaison with partners. A city region workshop attended by over 50 representatives of

local authorities and other bodies was held to help develop the criteria, but further work is being undertaken to finalise the draft criteria in accordance with the city region Strategic Economic Plan.

Testing the SAF

- 2.9 The majority of the technical and qualitative work is now completed and work is beginning on testing the SAF on some of the city region projects in the first instance to further inform the Strategic Economic Plan Delivery Plan. It is envisaged that testing will provide useful information on how the SAF can be improved and what works and what doesn't work. A key issue to understand is how the two models can be used in a complementary way to provide a 'balanced scorecard' range of outputs that will sufficiently inform investment decisions, and this will only be understood by testing the appraisal process on live examples. Therefore, further development of the SAF is envisaged to be an iterative process.
- 2.10 The City Region Secretariat will continue to lead the SAF's development alongside the Regional Economic Information Unit team and the transport team from the Combined Authority. A wider Task Group will be set up to oversee the testing process which also includes local authority project managers from the selected pilot projects. This work will be undertaken alongside consideration of the resources and appropriate governance arrangements that will be required to manage the SAF and project pipeline development process in the longer term.

Awareness Raising and Wider Stakeholder Involvement

- 2.11 There is a major task to broaden the awareness of officers across local authorities and other relevant investment type bodies about the SAF and its requirements in relation to project appraisal. This will be important as this will be the single framework for developing project pipelines and appraising schemes, so it is particularly important that project and programme managers and sponsors of projects are fully aware of the SAF and what expectations and information is required in order for schemes to be ready for appraisal and have a good chance of scoring positively through the appraisal.
- 2.12 A city region event will be arranged once the initial testing has been piloted inviting a wide range of officers from across authorities and other bodies representing housing, transport, low carbon, economic development amongst others. This event will include an emphasis on what the SAF is, how it will operate and what the expectations are of project sponsors to enable projects to be considered through the SAF.

3. Financial

- 3.1. There are no immediate financial implications. The development and testing phase of the SAF will be undertaken through a combination of existing resources as set out in para 2.10. Consideration of the longer term resource requirements to run the SAF and develop the project pipeline as the Combined Authority develops.

4. Legal Implications

4.1. There are no specific legal implications.

5. Staffing Implications

5.1. Para 2.10 sets out the immediate resource requirements which will include transport modelling staff from the Combined Authority.

6. Recommendations

6.1 The Investment Committee recommends the WYCA to approve:

- (i) the Single Appraisal Framework approach be endorsed as the process and mechanism for developing and appraising the project pipeline, to be overseen by the Investment Committee;
- (ii) the Single Appraisal Framework proposals and the ongoing activity and engagement with local authorities and other partners to further develop and test the emerging approach be noted; and
- (iii) further details being reported once the initial testing phase has been undertaken.

Originator: Rob Norreys
LCR LEP Director and Head
of Economic Strategy WYCA



ITEM 8

Report to: Combined Authority

Date: 29 May 2014

Subject: Superfast Broadband Extension Programme

1. Purpose

- 1.1. To outline the emerging issues and opportunities relating to a potential extension of the Superfast Broadband Programme to cover West Yorkshire and York.

2. Existing Superfast Broadband Programmes

- 2.1 A £22m West Yorkshire Programme comprising the four authorities of Bradford, Calderdale, Leeds and Wakefield for 2013-15 was contracted with BT following a procurement process in October 2013. The programme primarily involves extending Fibre to the Cabinet (FTTC) with the key output of the programme being to enable superfast broadband accessibility (defined as over 24Mbps) to 97% of the programme area by Sept 2015.
- 2.2 A joint team comprising of officers working on behalf of the West Yorkshire Partnership are working alongside BT personnel to deliver the programme. Deployment is already approximately one month ahead of the schedule with the initial survey work for Phase 1 complete along with the majority of the Phase 2 survey and planning work.
- 2.3 Exchanges that are included in the Phase 1 of the superfast deployment (i.e. by September 2014) are Arthington, Barwick in Elmet, Hipperholme, Illingworth, and Sowerby Bridge; and those in Phase 2 (by end 2014) include Boston Spa, Collingham Bridge, Drighlington, Steeton and Thorner. The first local cabinet to be launched as part of the programme was initiated in Calderdale on the 11th April 2014, which was reported positively in the local media.
- 2.4 In addition, demand stimulation activity is being undertaken to encourage and support local residents and businesses to take-up and exploit the benefits that enhanced broadband services can offer in terms of accessibility to opportunities and business competitiveness and growth. As part of this activity, BE Group were commissioned in February 2014 to run a complementary Business Support

Programme covering all of West Yorkshire which will engage with up to 2,000 businesses over two years. In the two months since February the achievements have already included:

- 106 companies have registered on the programme (our key target is to achieve assistance to 350 SMEs in total over the two year period).
- 12 events have taken place - four briefings in Bradford, Wakefield and Leeds and eight Masterclasses in Bradford, Halifax, Wakefield, Leeds and Huddersfield.

2.5 The Demand Stimulation activity has also achieved over 5,000 registrations of interest for better broadband to date comprising over 300 businesses and over 4,700 residents. This is through the dedicated website superfastwestyorkshire.com.

2.6 By the end of the current Superfast West Yorkshire project (Sept 2015), West Yorkshire (excluding Kirklees) will seek to enable 97% of premises to have access to superfast broadband.

2.7 In York the situation is slightly different in that the current programme is being delivered by North Yorkshire County Council by its wholly owned company NYNET which has ownership of the delivery contract with BDUK. The NYNET contract together with BT's own commercial investment is forecast to achieve 96% coverage in York by the end of 2014. However, as set out below, the proposal going forward is for York to be part of a joint new programme in collaboration with West Yorkshire.

3. Superfast Broadband Extension Programme

3.1 The Government recently announced that a further £250m nationally is being made available to local authorities / partnerships for extended superfast broadband provision for the 'Rural' programme (Nb. the West Yorkshire Programme comes under BDUKs Rural Programme whereas the BDUK refers to the Super Connected Cities programme as the 'Urban' Programme) . The scope of the Extension Programme is to extend broadband coverage nationally from the current coverage plans so that 95% of UK premises will have access to superfast broadband by 2017 and to also target groups of premises which will not be able to receive Superfast broadband services through the current activities of the industry and BDUK.

3.2 The LCR Strategic Economic Plan states the ambition to achieve 100% superfast broadband coverage so the extension of funding support to help us deliver this ambition is therefore welcomed in principle.

3.3 West Yorkshire and York have together been provisionally allocated £6.9m funding from BDUK for the Extension Programme. These are indicative allocations subject to business case approval. Process timescales are short with an initial Expression of Interest (EOI) having been submitted in March 2014 following the agreement of Chief Executives. This EOI was not a commitment but set out some principles for a possible extension programme, the key issue being that any such programme would be a joint enterprise between West Yorkshire and York.

- 3.4 The next significant deadline is the 30th June 2014, when more detailed proposals need to be submitted to BDUK. It is important to note that there may be additional funding in the national programme (e.g. if some allocations are not taken up), so consideration could be given to submitting a bid for a greater allocation to deliver greater outputs.
- 3.5 However, 100% match is expected to be identified by local authorities/partnerships before any application can be approved, and in this respect c£9m capital funding has been set aside in the LCR European Strategy and Investment Fund (ESIF) to provide potential match funding; although any such further programme may also require some local authority / Combined Authority capital and revenue match funding. Also, c£8m revenue funding has also been set aside in the LCR ESIF to support a continuation of the Broadband Business Support Programme into future years.
- 3.6 To prepare for this potential end June submission, an Open Market Review is being undertaken with the industry to enable the identification of the potential areas for intervention in accordance with State Aid regulations for a future programme. Further modelling and financial work will then be undertaken to provide the necessary information for the Combined Authority to consider the opportunities and implications of a potential Extension Programme and the requirements and financial implications of procuring and delivering such a programme.
- 3.7 Due to the short timescale, this work will not be completed by the end June submission deadline. Any submission therefore could provide further details about the potential coverage and priority areas but would not provide an absolute commitment to the programme nor to the match funding; as further work and consideration of coverage and financial issues will be required after June. However, it would be intended to demonstrate the ongoing Partnership's commitment to the Programme subject to further details and agreement.
- 3.8 There are though a number of outstanding issues that we have requested clarification from BDUK, particularly related to the current gaps in provision in the Leeds-Bradford SuperConnected Cities Area, around State Aid and the need for revenue funding to support ongoing project delivery. Latest positions on these will be reported verbally. There are also three main commercial and procurement options for consideration for the extension programme which would have varying implications; these being:
- Extend the current broadband contract(s);
 - Undertake a new further competition for a Call Off Contract using the BDUK Broadband Framework; and /or
 - Undertake a new open (OJEU) procurement(s).
- 3.9 The further work to be undertaken will explore the possibilities and merits of each of these options and it may be that the best solution to maximise delivery outputs and ensure a competitive market, could be a package of these procurement options. Joint officer arrangements have been put in place to oversee this preparatory work

with both the West Yorkshire Broadband Project Board and the York Broadband Project Board providing the senior steer and advice.

- 3.10 The Investment Committee considers that there would be benefits in increasing competition in this next broadband extension programme, if possible, which would allow opportunities for a greater number of companies. Furthermore, the Committee considered that it was important if we are to achieve the city region target to deliver 100% superfast broadband coverage that areas are included which have not been part of the current programmes, particularly the Leeds Bradford SuperConnected Cities area.
- 3.11 There will not be further Combined Authority or Investment Committee meetings before the end of June submission deadline, so it is proposed that delegated authority is given to the LCR LEP Director/WYCA Head of Economic Strategy in consultation with the Chair of the Investment Committee and the West Yorkshire and York Project Board Chairs to consider and sign off the end June submission.

4. Financial

- 4.1 The preparatory work is being undertaken through existing broadband programme resources. There are no other immediate financial implications, but there may be financial implications to match fund the BDUK allocation; undertake the procurement process(es); and project manage any future programme should the decision be taken to proceed with an Extension Programme. These details will be provided through the further work currently being undertaken.
- 4.2 The intention is for the extension programme for West Yorkshire and York to be contracted with the Combined Authority, and the details and implications of this are being reviewed as part of the next stage of activity.

5. Legal Implications

- 5.1 There are no specific legal implications at this time.

6. Staffing Implications

- 6.1 The Head of Infrastructure and Investment within the LCR LEP Partnership whom was the Project Director for original West Yorkshire Broadband Programme will also act as the Project Director for the Extension Programme. Further staffing resources are being provided through the existing West Yorkshire and York core broadband teams and individual local authority broadband specialists.
- 6.2 Consideration is being given to the staffing implications for the potential next stage procurement processes.

7 Recommendations

7.1 The Investment Committee recommends the WYCA to approve:

- (i) the progress with implementing the Superfast West Yorkshire broadband infrastructure and demand stimulation and business support programmes, and the York programme be noted;
- (ii) the proposed joint West Yorkshire and York collaboration on the broadband extension programme and the process be endorsed; and
- (iii) delegated authority is given to the LCR LEP Director/WYCA Head of Economic Strategy in consultation with the Chair of the Investment Committee and the West Yorkshire and York Project Board Chairs to consider and sign off the end June submission.

ITEM 9

Report to: Combined Authority

Date: 29 May 2014

Subject: West Yorkshire Plus Transport Fund

1. Purpose

- 1.1. To provide an update on the West Yorkshire Plus Transport Fund (WY+TF).
- 1.2. To approve the progression of three schemes through relevant gateways.
- 1.3. To agree an interim budget to progress the development of the previously agreed 'early win' projects during 2014/15.

2. Progress Update

- 2.1. The City Deal agreed with Government in July 2012 included a commitment for a transformational programme of transport investment to drive economic growth. This programme was to be delivered through the establishment of a new £1bn+ transport fund.
- 2.2. The initial package of schemes has been carefully targeted on the amount of GVA generated per £1 of investment. The agreed programme of circa £1.6 billion (at outturn cost) will:
 - Generate significant additional economic investment that would deliver jobs and growth - up to around 20,000 new jobs in West Yorkshire and York and £2.4bn GVA per annum by the mid-2030s;
 - Bring specific local benefits to residents, businesses and communities by improvements in the West Yorkshire and York transport networks;
 - Unlock key employment and housing growth sites in West Yorkshire and York in the city/town centres and Local Plan growth points; and
 - Unlock growth of around 10,000 new homes by around 2030.
- 2.3. Good progress has been made on developing an approved set schemes for the 'early implementation' projects (as identified in Appendix 1), using funding of £2.7m which was allocated in 2012/13 and now forms part of the West Yorkshire Combined Authority (WYCA)'s budget. There is a need to continue the development of these schemes further; particularly as their delivery would in part be funded by the Local

Growth Fund through the Strategic Economic Plan (SEP) submission and which would require delivery to commence during 2015/16.

- 2.4. As reported to the WYCA meeting on 1 April 2014, negotiations on the how the Fund would be financed are on-going.

3. Gateway Approvals

- 3.1. The West Yorkshire and York Local Transport Body (LTB) Interim Assurance Framework sets out the appropriate safeguards and processes to be put in place to ensure the proper use of public funds and that value for money is secured when developing and delivering major transport schemes. The ITA Executive Board was previously responsible for approving progression through Gateways, in line with the agreed framework. The responsibility for approving gateways now rests with the WYCA.
- 3.2. The framework, which was agreed with DfT, identifies the following Gateways for scheme development:
- **Development Approval (Gateway 1)** - scheme sponsors undertake modelling, appropriate feasibility work and the preparation of a high level business case;
 - **Procurement Approval (Gateway 2)** - scheme sponsors continue to develop more robust cost estimates, undertake high level appraisal appropriate to the nature and complexity of the scheme, progress detailed design work, refine risk levels, seek a price from the market to implement the scheme and updates the business case;
 - **Implementation Approval (Gateway 3)** – the Interim LTB needs to be satisfied that the final cost estimates are robust, risk exposure is acceptable, and that forecast outcomes remain comparable with those agreed in earlier gateways.
- 3.3. This report seeks specific approval for three schemes to pass gateways. In this case, they have been considered by both the Transport and Investment Committees of the WYCA
- 3.4. The **Aire Valley park and ride** is an agreed 'early win' scheme, and is the first phase of the Aire Valley Integrated Transport Package. The subsequent phases include a new north south link road, a new river bridge and works at M1 junction 45. This park and ride phase can being delivered during 2015/16.
- 3.5. The review concluded that the design work to date identifies a feasible scheme, that it could be delivered within budget, and on time, offered good value for money (in terms of its transport and economic impacts) and that revenue costs exceeded operating cost after an initial start-up period. Details on the profiling of revenues and operating costs will be provided at the next Gateway stage.
- 3.6. The Gateway 1 submission is seeking £800,000 to allow the preparation of detailed design, submission of planning application and the development of a full detailed business case. Approval to proceed beyond that stage would be sought at Gateway 2. The budget for this work has been included in the proposed interim budget set out below.

- 3.7. The **Wakefield Eastern Relief Road** is also an 'early win scheme and has a high GVA/£ ratio. It is also one of the most developed projects and is programmed to commence on site during 2015/16.
- 3.8. A Gateway 1 submission was made during January 2014 and was independently reviewed. The details provided continued to give confidence that the scheme is deliverable on time, within the original budget and can support the anticipated employment and housing growth as forecast during the appraisal stages.
- 3.9. Approval of Gateway 1 would trigger the release of the balance of £514,000 required to complete the remainder of work required to up to Gateway 2. There is currently headroom in the funding currently held by the WYCA ring-fenced to support the WY+TF.
- 3.10. The **Pontefract Northern Link Road** will be a single carriageway highway between the A639 Park Road to the west and Monkhill Lane to the east. The Northern Link Road (NLR) is the critical new transport infrastructure needed in Pontefract, essential to unlock the wider housing and development areas allocated in the Local Development Framework, including a significant number of new homes, whilst reducing congestion on the existing network.
- 3.11. This project was prioritised within the Transport Fund but additional funding was secured from the Department for Transport's Local Sustainable Transport Fund (LSTF). While funding is therefore coming from outside the Fund, the approval processes have been dealt with using the same process as the Transport Fund projects.
- 3.12. The project costs £5.958m of which the DfT have made a grant of £4.154m. The remainder of the cost has to be met through a local contribution of £1.804m. Of this Wakefield Council has already contributed land valued at £150,000. The project has already received £173,000 from the Transport Fund towards development fees, but will need a further local contribution of £1.481m towards construction costs during 2014/15.
- 3.13. It is proposed that the WYCA would initially fund the outstanding local contribution of £1.481m (from the Transport Fund budget). This would be paid back to the WYCA by Wakefield Council as they secure S106 developer contributions from new housing. The repayments to the WYCA would also cover the £173,000 already allocated for design work. The timing of S106 payments to Wakefield Council is linked to the development build out rates, but Wakefield Council anticipates that the £1.654m would be secured by 2018. In the event that the S106 payments are not realised Wakefield Council Cabinet have confirmed they would underwrite the local contribution.
- 3.14. Any outstanding repayments would therefore be repaid in full from the Council to the WYCA at the end of 2018. The details of this arrangement would be formalised in an appropriate agreement between Wakefield Council and the WYCA.
- 3.15. The Interim Portfolio Board and the Local Transport Body have previously approved the Mandate and Gateway 1 submissions for the scheme. This has resulted in the release of the £0.173m funding to develop the project to Gateway 2 in 2013/14. The release of the remaining £1.514m in 2014/15 was subject to the project progressing successfully through Gateways 2 and 3.

- 3.16. An independent review has been undertaken by consultants and has concluded that, subject to clarification of some minor issues, it is appropriate for the project to pass through Gateways 2 and 3.

4. Interim Budget Requirements for 2014/15

- 4.1. It is necessary to maintain progress with scheme development, in order to ensure schemes are ready for delivery from 2015/16 onwards, whilst the funding arrangements for delivery are being put in place.
- 4.2. It is forecast that the cost of progressing the work currently agreed through the governance process is £5.260m in 2014/15. This forecast includes project development costs, staff resources and specialist technical support.
- 4.3. The ITA Executive Board previously approved an initial budget of £2.7m in 2013/14, of which £0.673m is being carried forward. An additional budget allocation of £4.587m is now required.
- 4.4. The February 2014 ITA Annual Budget Report identified that a £4.9m on-going annual contribution towards the Transport Fund is available through the levy from 2014/15 onwards. This funding is in addition to a sum of £3.4m held in reserve from the levy ring-fenced in 2012/13 and 2013/14 to support the Fund. The total budget available to develop the Transport Fund 'early wins' is therefore £8.3m.
- 4.5. There is a risk, albeit low, of abortive work should the schemes listed in Appendix 1 not be funded in the foreseeable future. Nevertheless it is considered desirable to maintain progress. This approach has been endorsed by the Transport and Investment Committees.
- 4.6. The overall programme and on-going funding requirements will be reviewed once the outcomes of the SEP submission and on-going negotiations with government are known.

5. Financial

- 5.1. The financial implications of schemes passing through gateways are set out in Section 2 above. Funding will be from the budget agreed for the Transport Fund.
- 5.2. The budget allocation of £4.587m can be met from the funding of £8.3m previously set aside for the WY+TF.
- 5.3. The budget is designed to progress development of schemes for delivery starting from 2015/16. Further information on the funds available for delivery during 2015/16 will be brought back to this Committee following the on-going discussions with Government and when the outcome of the SEP bid is known in early July.

6. Legal Implications

- 6.1. None as a result of this report.

7. Staffing Implications

- 7.1. The overall co-ordination of the WY+TF will continue to be managed by staff from the WYCA. Individual projects are being managed and progressed using a combination of in-house staff (WYCA and District Council) and consultancy support.
- 7.2. There will be a future requirement for additional resources to progress the WY+TF programme, and this will be clearer once the outcomes from SEP bid and negotiations with government are known.

8. Recommendations

- 6.1 That progress on the development of the West Yorkshire Plus Transport Fund is noted and that in line with the recommendations from the Investment Committee, the following recommendations are agreed:
- 6.2 That the WYCA approves the progression of the Aire Valley Park and Ride project through Gateway 1.
- 6.3 That the WYCA approves the progression of the Wakefield Eastern Relief Road project through Gateway 1.
- 6.4 That the WYCA approves the progression of the Pontefract Northern Relief Road through Gateways 2 and 3.
- 6.5 That the WYCA approves the allocation of £4.587m of capital funding to enable further development of the 'early win' West Yorkshire Plus Transport Fund schemes and the 'loan' to support the delivery of the Pontefract Northern Relief Road.

Appendix 1 – WY+TF Early Win Projects

| District | Project |
|----------------------------------------------|-----------------------------------------------------------------------------------------------|
| Bradford | Harrogate Road/New Line Junction |
| | Bradford - Keighley A650 Hard Ings Road and town centre improvements |
| | Bradford Gateways |
| | Tong Street |
| Calderdale | Halifax Station (quality, capacity) |
| | Halifax- Huddersfield A629 Corridor Improvements - Phase 1 - Salter Hebble junction |
| | Phase 4a - Halifax town centre , eastern relief road - Define Town Centre Masterplan |
| Kirklees | Huddersfield to Cooper Bridge plus Cooper Bridge junction |
| | A644 Cooper bridge to J25 |
| | Huddersfield Station Phase 1: Subway and Phase 2: Platform 9 (connectivity) |
| | A653 Leeds- Dewsbury Corridor |
| Leeds | East Leeds Orbital Road |
| | Leeds city centre network improvements – Phase 1, 2 and 3 |
| | A65 - LBIA Link Road |
| | Aire Valley - Leeds Integrated Transport Package – Phase 1 (park and ride) |
| Wakefield | Wakefield Eastern Relief Road |
| | Pontefract Northern |
| WYCA (area-wide and public transport) | East Leeds Parkway |
| | Caldervale Line |
| | Rail Package (Parking only) – Phase 1 |
| | Castleford Station Phase 3 (passenger facilities) |
| | Leeds Station MasterPlan (quality, capacity, vehicle access) |
| | NGT City Centre to Aire Valley |
| | Leeds-Bradford Corridor demonstration project |
| | LBIA access strategy – feasibility with DfT |
| York | Public Transport Improvements and A19 Bus Lane and access to Designer Outlet P&R Improvements |
| | York Outer Ring Road Improvements Phases 1 and 2 |
| | York Central Access |
| Lead TBC | Highway Efficiency - UTMC |

ITEM 10

Report to: Combined Authority

Date: 29 May 2014

Subject: Rail North Partnership

1. Purpose

- 1.1. To provide the West Yorkshire Combined Authority (WYCA) with an update on the plans for the devolution of rail services in the North of England and outline the proposed governance arrangements to implement a new partnership with the Department for Transport (DfT).

2. Background

- 2.1. Rail services in West Yorkshire and York play a key role in supporting economic growth. Over the last 15 years or so, local rail patronage has more than doubled, reflecting economic growth and enabling people to access employment in the main centres as the structure of the economy has changed over time. However, investment (for example in rolling stock and train capacity) has not kept pace with the growth leading to problems with overcrowding and quality of journeys. Whilst significant investment has been made locally (for example in new stations or the innovative 'Yorkshire 6' deal for extra train carriages) it has often been difficult to deliver and not always joined up with industry investment plans.
- 2.2. The City Deal (agreed in 2012) included the devolution of responsibility for rail services from the Department for Transport in recognition of the importance of rail transport to the economic growth of the north. The recently submitted Strategic Economic Plan also included rail devolution as one of the 'asks' from government.
- 2.3. WYCA officers have been working with the other WYCA and Local Transport Authorities (LTAs) across the north to develop proposals for rail devolution and the necessary governance arrangements. West Yorkshire and York representatives have played a substantial role in developing and shaping the proposition. There are 30 Local Transport Authorities across the north and they have come together to develop the proposals under the banner of Rail North. In addition to the officer working arrangements, there have been a number of meetings with the Leaders of all the authorities involved to oversee the work.

- 2.4. The Rail Devolution proposition was developed and submitted to the Department for Transport in 2013. At its heart are three main objectives; supporting economic growth, improving the quality and making the railway more efficient. Appendix A summarises the Rail North proposition.

Long Term Rail Strategy

- 2.5. One of the early pieces of work undertaken by Rail North was, for the first time, the development of a Long Term Rail Strategy for the North of England. Whilst devolution primarily focuses on the Northern and TransPennine passenger rail franchises, the long term strategy covers all operators and freight.
- 2.6. A copy of the draft strategy can be found at www.railnorth.org/strategy. The strategy places economic growth at its heart and has the following priorities for enhancing rail across the north:
- Connectivity
 - Capacity
 - Coherence
 - Cost effectiveness
- 2.7. Public consultation was undertaken on the strategy during autumn 2013 (the former ITA made a response on behalf of West Yorkshire and York) and a final draft has now been developed. This is planned that Leaders will sign this off as the final strategy when they next meet.

Rail Franchises

- 2.8. There are currently two rail franchises covering local and regional services across the north; Northern and TransPennine Express. Northern covers the majority of local and commuter services in the north and TransPennine Express covers the inter-regional journeys as well as some key commuter flows (such as Huddersfield-Leeds). The WYCA is currently a co-signatory to the Northern franchise together with the DfT and the other relevant Combined Authorities/ Passenger Transport Executives.
- 2.9. Both franchises are due to be replaced in February 2016 from which point the devolution proposals would commence. Northern has recently commenced a short interim franchise for the period to February 2014 and the former ITA agreed to continue to be a co-signatory to the franchise agreement. TransPennine Express is also expected to enter into an interim franchise later on this year.
- 2.10. As a result of the successful lobbying for the Northern Hub infrastructure enhancements, both franchises will be subject to significant change as a result of the upgrade and electrification proposals. These schemes should be complete from the end of December 2018. Some initial enhancements were introduced from May this year when TransPennine introduced an additional train per hour on the main North TransPennine route which substantially reduced the York-Leeds-Huddersfield to

Liverpool journey time. There was also some reduction in journey times on the CalderValley route (Leeds-Bradford-Halifax-Manchester).

3. Partnership Proposal

- 3.1. In November 2013 the Secretary of State for Transport responded to Rail North's proposals for full devolution, with the offer of a partnership arrangement with the DfT as way of phasing in full devolution. The partnership will apply to both the Northern and TransPennine Express franchises.
- 3.2. The partnership has two main elements:
 - The specification and procurement of the new Northern and TransPennine franchises;
 - The development of a full Rail North/DfT partnership for managing the two franchises once let.
- 3.3. Both DfT and Rail North have a shared objective to support economic growth. However, the DfT is placing significant emphasis on the affordability of the relatively high levels of subsidy for Northern and TransPennine (across both franchises, public subsidy amounts to around 50% of the costs). They are of the view that significant efficiencies will be needed if the growth is to be affordable.
- 3.4. Whilst the procurement will be led by the DfT with ultimate responsibility resting with the Secretary of State, Rail North is working closely with DfT on the specification and procurement of the next franchises due to commence in 2016. Key milestones are the publication of procurement documentation including the OJEU notice, Pre-qualification documents and franchise prospectuses, planned for the end of May / early June.
- 3.5. At a similar time, DfT is also planning to launch a public consultation document for the two franchises. It is proposed that the Department will undertake the consultation in association with Rail North over the summer. As a result, Rail North will not respond to the consultation itself, but each individual transport authority will be entitled to respond. It is envisaged that a West Yorkshire and York response will be developed through the Authority's Transport Committee. In addition to a consultation document, there will be a small number of consultation events across the north. It is currently planned to hold one of these events in York.
- 3.6. Following the public consultation, which will take place over the summer, the next milestones will be the announcement of a pre-qualified short-list of bidders (around the end of August) and then publication of the Invitation to Tender (ITT) at the end of the year.
- 3.7. Rail North is working closely with the DfT on the specification for the franchises that will be reflected in the ITT (for example, service levels and frequencies, fares and quality of trains and stations). Key areas of the specification for West Yorkshire and York include:

- Delivering a more customer-focused service (e.g. integrating with other modes and delivering smart ticketing);
 - Improving performance including more consistent delivery of peak capacity;
 - Supporting the delivery of new rail stations
 - Improving the quality and quantum of rolling stock;
 - Improving station facilities.
- 3.8. Given the priority placed on improving the standard of rolling stock across the north, Rail North has commissioned a detailed piece of work on alternative options for rolling stock financing and procurement (e.g. Rail North borrowing and financing at cheaper rates than available through the current market). DfT has been supportive of this work as an alternative option for bidders to consider alongside the more traditional Rolling Stock Company (ROSCO) model. Early indications are that the access to cheaper finance would considerably narrow the gap between the cost of older rolling stock (under the traditional model) and the cost of new or significantly refurbished stock.
- 3.9. It is proposed that the Transport Committee considers the emerging specification in more detail.

Governance

- 3.10. As mentioned above, the work of Rail North is currently overseen by the Leaders of the 30 Local Transport Authorities involved. In order to progress the devolution partnership, it is necessary to move to a formal governance structure for Rail North. This will provide confidence and certainty to both the DfT and potential bidders for the new franchises.
- 3.11. As part of the agreement of the partnership principles with DfT, an initial Leaders sub-forum was established for 11 Leaders, each representing a particular geographical area to oversee the detailed development of the partnership and governance proposals. One of the sub-areas is West Yorkshire and York and the Leaders asked Leeds City Council to provide this representation. The WYCA is asked to confirm the representation on the Leaders' sub-forum.
- 3.12. An outline governance structure for Rail North has now been developed. The proposed governance structure has the following key features:
- An Association of Local Transport Authorities (LTAs) consisting of 30 LTAs in the North and governed by a Leaders' committee (LC)
 - A Special Purpose Vehicle (SPV) being a company limited by guarantee to be called Rail North Ltd (RNL)
 - A Joint Venture (JV) body or partnership established under arrangements between Department for Transport (DfT) and RNL
- 3.13. Each LTA would appoint one member to the Leaders' Committee which would meet once a year. Its main purposes would be to develop, revise and oversee the

implementation of the Long Term Rail Strategy, establish sub-groups to appoint members to Rail North Ltd and act as shareholders to that company. There would be a West Yorkshire Plus York sub-group which would appoint one elected member to act as a Director of Rail North Ltd. This would be the vehicle for entering into a partnership with the DfT and eventual full devolution. Voting rights on Rail North Ltd would be allocated on the basis of rail passenger journeys. On this basis West Yorkshire plus York would have the greatest single share of voting rights of any of the proposed geographic areas.

- 3.14. A model for the proposed Rail North / DfT partnership is under development. Work to date has focussed on reflecting the core principles set out in the Rail North proposition including the creation of a single entity to manage the franchises (based in the North), facilitating investment as well as management and re-investment of any revenue/ profit share. A number of legal constructs are being considered including a full Joint Venture between DfT and Rail North. This is Rail North's preferred model as it facilitates full devolution in the fullness of time. It is envisaged that the partnership would have a small, dedicated officer team which would include existing staff drawn from both DfT and LTAs/ Combined Authorities. The detailed arrangements for this will be developed over the next few months.
- 3.15. A Partnership Agreement will be available in the summer to consider alongside the Rail North governance structure. It is envisaged that both these governance proposals would come to the WYCA for approval, together with an assessment of the risks and benefits of entering into the proposed governance arrangements.

Next Steps on Rail Devolution

- 3.16. The next steps and planned timescales are as follows:

| | |
|--------------------------------------------------|----------------|
| • DfT issues franchise procurement documentation | May/June 2014 |
| • Rail North Governance proposals finalised | July 2014 |
| • Long Term Rail Strategy agreed by Leaders | Summer 2014 |
| • Detailed franchise specification developed | June/July 2014 |
| • Shortlist of bidders announced | August 2014 |
| • Rail North Ltd and DfT partnership established | Autumn 2014 |
| • Full Invitation to Tender issued | End 2014 |
| • New franchises commence | February 2016 |

4. Electrification Task Force

- 4.1. In November 2013, the Secretary of State announced that he would be setting up an electrification task force to develop a programme of further electrification for lines in the North of England following on from the committed programme in the North West and on the North TransPennine route.
- 4.2. The announcement included an initial list of routes. Whilst this did include several routes in West Yorkshire, it omitted the key strategic link of the Calder Valley Line. Responding to the Chair of the Transport Committee, the Secretary of State

confirmed that the task force would be expected to review the scope of lines under consideration and that other routes, such as the CalderValley line, could be added to the list. Notwithstanding the initial list of lines in scope, the task force is expected to make recommendations on a future programme of work within 12 months.

- 4.3. Rail North was asked to nominate two Leaders to represent all the Rail North authorities on the task force. Leaders nominated the Leader of Warrington Borough Council (representing the west of the Pennines) and the Leader of Bradford Council (representing the east of the Pennines). The first meeting of the task force is expected to take place shortly.
- 4.4. Electrification is particularly important to West Yorkshire and York as there are a significant number of diesel only routes. Electrification not only improves the quality of the service, it is also effective in reducing journey times and reducing overall operating costs (by as a much as one third) and therefore delivering economic benefits.
- 4.5. Further updates on the case for electrification of routes in West Yorkshire will be brought to future meetings of the WYCA.

5. Financial

- 5.1. There are no specific financial implications as a result of this report. The financial implications of the proposed governance arrangements will be set out in a future report.

6. Legal Implications

- 6.1. The proposed governance arrangements will need to be legally constituted.

7. Staffing Implications

- 7.1. There may be staffing implications as a result of establishing a partnership with the DfT and these will be set out in a future report.

8. Recommendations

- 8.1. That progress on Rail Devolution as part of the City Deal is noted.
- 8.2. That the WYCA's Transport Committee is asked to oversee the development of the detailed specification for the next franchises.
- 8.3. That a further report is prepared for the WYCA seeking approval to formally establish Rail North Ltd and to enter into a partnership with the Department for Transport once detailed proposals have been developed.
- 8.4. That the WYCA confirms the West Yorkshire and York representative on the Rail North Leaders' sub forum.
- 8.5. That the WYCA confirms the 'East of Pennines' representative on the Electrification Task Force.

ITEM 11

Report to: Combined Authority

Date: 29 May 2014

Subject: East Coast Main Line: Business Case for Investment

1. Purpose

1.1. To provide information on work being undertaken by a Consortium of East Coast Main Line Authorities in the case for further investment in the line.

2. Background

2.1. City of York Council has established and led a consortium of local authorities along the length of the East Coast Main Line corridor. The former Integrated Transport Authority was represented on the consortium. The West Yorkshire Combined Authority (WYCA) is asked to consider future representation on the Consortium.

2.2. The Consortium has established the following objectives:

- i. to set out the **economic benefits** of investing in the East Coast Main Line;
- ii. **raise awareness** about the continued need to invest;
- ii. ensure that decision makers have all the **relevant evidence** before they make choices; and
- iv. create a **strong partnership** with the rail industry.

2.3. The Consortium has established itself as a credible stakeholder representing the whole route from London to Edinburgh on behalf of organisations representing communities from Northern Scotland to the Home Counties. Good working relationships have been developed with Network Rail and the Department for Transport. All the bid teams for the East Coast franchise are fully aware of the Consortium and its aims through detailed briefing meetings.

2.4. Separately, officers from the WYCA have undertaken work to make the case to the Department for Transport and bidders for the next franchise for improved services to West Yorkshire and York, including locations currently not well-served such as Bradford.

3. Development of the Business Case

- 3.1. The main thrust of the Consortium's activities over the winter of 2013/14 has been to create the evidence base about the role of the East Coast Main Line in serving the economies throughout its sphere of influence and the value of economic growth that could be released if constraints along the route were removed. Specialist Consultants, JMP and Albion Economics, were commissioned to prepare evidence that set out the economic impact of the railway in better connecting economies to each other and to other areas.
- 3.2. The preparation of the evidence base included listening to the views of businesses, Council Leaders/Chief Executives and others involved with the economy of the area. Seven stakeholder events were held, from Aberdeen to Stevenage. Attendees at these events gave the Consortium valuable insights into the East Coast Main Line and the economies that are linked by it. Key messages included the need for reliability of service as well as good journey times and service frequency, as well as improvements to help people work on the train to maximise their productivity.
- 3.3. The evidence base is contained in a Strategic Business Case. This document is in draft form and is scheduled to be published in summer 2014. The document contains, for the first time, a complete view of the growth potential of economies linked by the East Coast Main Line. The benefits of this growth potential are estimated to be worth at least £5 billion in total, in addition to the transport benefits accruing from each specific scheme that is needed. The Consortium's position is that only by investing in the line can these benefits be realised – without investment, the UK is missing out on at least £5 billion of growth.
- 3.4. Key messages from the work include:
 - Now is the time to invest significantly in the East Coast Main Line and in all its services, to allow the potential economic benefits to be realised straight away. Problems caused by a historic lack of investment including reliability, slow journey times and capacity constraints need to be fixed as part of this work and there is now a clear case to do so.
 - The investment in the East Coast Main Line and in all its services is beneficial and complementary to the case of High Speed 2 (HS2) services. Construction of HS2 and investment in the East Coast Main Line will result in a cohesive and complementary rail network, which provides full connectivity between all the economic centres in the area.

4. Next Steps

- 4.1. A Communications Strategy is being developed and two launch events in the Parliaments at Edinburgh and London in the summer. The Strategy also includes the creation of a website to act as a key point of contact with the Consortium. One to one meetings with Network Rail, the Department for Transport, Transport Scotland and the Office of Rail Regulation are also planned.

- 4.2. The launch events are designed to achieve three objectives, whereby:-
- Decision makers refer to the Consortium's evidence base in making investment choices from June 2014, either in developing proposals for future investment or in amending existing investment programmes. This will allow the potential economic benefits to start to be realised from the short term;
 - The Consortium is seen as the natural partner by all decision makers to be involved in the development of solutions and funding proposals, thus giving Consortium Members the ability to help shape how connectivity between their economies by rail functions in the future;
 - There is a groundswell of national political and business support for the realisation of the economic potential leading to increased and accelerated investment in the East Coast Main Line and services using it.
- 4.3. Politicians and the respective Minister have been invited to each event. Attendees will also include Leaders and senior LEP/Enterprise Agency representatives.
- 4.4. One of the decisions that Consortium Members will consider at their next meeting is how best to use the credibility and evidence that the Consortium has achieved so far. Whilst the Consortium came together largely to commission a single piece of work, it has become clear that the realisation of its objectives will require a longer term approach, working together as a whole line community, to ensure maximum effect.
- 4.5. Further vital opportunities to influence investment exist over the next few years as:
- The planning process for Network Rail's next investment period starts through the relevant Route Studies;
 - The East Coast franchised operator begins operation and takes the development responsibility for most Stations along the route;
 - Other franchises serving the Consortium's economies along the East Coast Main Line are let and
 - The planning to integrate the HS2 services with the existing rail network continues.

5. Financial

- 5.1. There are no new financial implications as a result of this report. Together with other partners, the former Integrated Transport Authority made a contribution of £4,400 from an existing rail development budget to support the work on the business case.

6. Legal Implications

- 6.1. None as a result of this report.

7. Staffing Implications

- 7.1. None as a result of this report.

8. Recommendations

- 8.1. That the WYCA notes the work on the business case for investment in the East Coast Main Line.
- 8.2. That the WYCA confirms its representative on Consortium of East Coast Main Line Authorities.

Originator: Adrian Lythgo
Head of Paid Service



ITEM 12

Report to: Combined Authority

Date: 29 May 2014

Subject: DCLG Consultation on Combined Authority Legislation

1. Purpose

1.1. This report seeks views and delegated approval for a response to be formulated to Government's proposal to amend legislation relating to combined authorities.

2. Information

2.1. Government has recognised that the existing legislation does not enable its policy to encourage collaboration between councils via combined authorities to be brought fully into effect. There are considered to be circumstances where councils in a functional economic area might wish to collaborate through the mechanism of a combined authority, and which would meet the statutory tests as set out below, but where the legislation would not allow this to happen.

2.2. An example is where some of the councils in a functional economic area have established a combined authority and another such council wishes to collaborate with them and wants to do so by joining the combined authority, if this latter council does not have a contiguous boundary with at least one of the councils in the combined authority it cannot, under the provisions of the Local Democracy Economic Development and Construction Act 2009, join the combined authority as a constituent authority even though the statutory tests would be met.

2.3. Accordingly, the Government committed in its response to the Heseltine review to seek, at the next available opportunity, the legislative provision necessary to ensure that the legislation is capable of giving full effect to the Government's policies on combined authorities.

Consultation

- 2.4. Government has, therefore, written to West Yorkshire and York Chief Executives to invite the West Yorkshire Combined Authority (and also each individual local authority) to provide comments on these proposals. The accompanying consultation paper (shown at Annex A) invites comment on certain proposed changes to the primary legislation regarding combined authorities. These are changes which the Government believes would fulfil its commitment to amend legislation as described above.
- 2.5. The principal proposed changes to the legislation upon which views are being sought by Government relate to the following four proposals:
- To enable councils with non-contiguous boundaries to form or join combined authorities.
 - To allow a county council to become a member of a combined authority with respect to a part of its area, that area being the same area as that of those district councils that wish to join or form a combined authority.
 - To allow a combined authority to exercise its functions on a patchwork basis in different parts of its area.
 - To simplify the administrative process for amending the functions, changing the boundaries (by adding or removing a local government area) or dissolving an existing combined authority.
- 2.6. The Government's consultation paper looks at the above four proposals in relation to situations which it considers are likely to arise when its policies on combined authorities are being pursued but for which the existing 2009 Act does not, or does not adequately, cater. The paper considers proposed changes to the provisions of the Act on combined authorities so that the legislation would adequately provide for these situations. The views of the Authority are requested on these proposed changes, specifically on any benefits and adverse impacts (and how these can be mitigated), all requiring one or more amendments to the Act.
- 2.7. For example, members may wish to consider the extent to which the proposal to councils with non-contiguous boundaries to form or join combined authorities, should be welcomed as a means of expanding the West Yorkshire Combined Authority area to include other council areas, including the City of York.
- 2.8. Additionally, the proposals in 2.5 above would simplify the process for changing the boundaries of the West Yorkshire Combined Authority by adding another local government area. The current process requires a formal review, the preparing and publishing of a scheme and consultation by the Secretary of State before making an order. The following statutory tests would also have to be met:-

- The Secretary of State must consider whether making the order is likely to improve:-
 - the exercise of statutory functions relating to transport in the area;
 - the effectiveness and efficiency of transport in the area;
 - the exercise of statutory functions relating to economic development and regeneration in the area; and
 - economic conditions in the area.
- The Act also requires the Secretary of State to have regard to the need to reflect the identities and interests of local communities and to secure effective and convenient local government.

2.9. Views of the Authority are also requested on whether there are any other changes to the existing legislative provision which would be necessary in order for the Act to provide for the Government's policies on combined authorities to be fully given effect.

2.10. Finally, views are requested from members on a proposal to require combined authorities to have one or more overview and scrutiny committees constituted with a membership reflecting the political balance of the councils concerned.

Next Steps

2.11. Following the period of consultation, which closes on 24 June 2014, Government will consider whether, and if so how, to proceed with seeking to change the 2009 Act. It currently envisages that it may be possible to effect some changes through a Legislative Reform Order (LRO) mechanism, subject to satisfactorily completing the procedural requirements and the approval of Parliament.

2.12. If following this policy consultation the Government decides to seek an LRO to effect the changes in the 2009 Act, the first step will be a statutory consultation under the Legislative and Regulatory Reform Act 2006 on the proposed Order.

2.13. Following and subject to that consultation, a draft LRO would be laid before Parliament. It is understood that LROs can take between six and eleven months, depending on the Parliamentary procedure, recess dates and other factors, from the point of the statutory consultation.

2.14. The above timescales for submitting consultation responses would not permit the next meeting of the Authority to consider a draft Authority consultation response. It is therefore proposed that the Combined Authority delegates to the Authority's Head of Paid Service its authority to make a formal response, in consultation with the Chair, and such response to reflect the views of the Authority requested at this meeting.

2.15. The Head of Paid Service also proposes to liaise with the Chief Executives of the West Yorkshire and York authorities in respect of the Authority's proposed response.

3. Financial Implications

3.1. There are no specific financial implications at this time.

4. Legal Implications

4.1. As set out in the report.

5. Staffing Implications

5.1. There are no specific staffing implications at this time.

6. Recommendations

6.1 That the Government's proposals to amend the legislation relating to Combined Authorities be noted.

6.2 That the Combined Authority discuss and comment on the proposed changes to the legislation and discuss any other changes required to the existing legislative provision for Combined Authorities.

6.3 To delegate to the Authority's Head of Paid Service in consultation with the Chair and the West Yorkshire and York Chief Executives the authority to prepare a consultation response to Government's proposal to amend legislation relating to Combined Authorities to be submitted on behalf of the Combined Authority by the 24 June 2014 deadline, to reflect the views of the Combined Authority.

ITEM 13

Report to: Combined Authority

Date: 29 May 2014

Subject: Consideration of Revenue and Capital Budgets

1. Purpose

1.1. To consider the revenue and capital budgets of the West Yorkshire Combined Authority (WYCA) and how this can inform the work to set the 2015/16 budgets.

2. Information

2.1. The revenue and capital budgets were set by the WYITA at its meeting in February and re-endorsed by the WYCA on 1 April. At that meeting further detail on these budgets was requested.

2.2. These budgets and the subsequent transport levy were arrived at following a process of discussion and negotiation with the District Councils and Authority Members over the autumn and winter, taking into account key financial risks and commitments as well as the priorities and objectives for the Authority.

2.3. The 2014/15 business plan for transport (attached as Appendix A) provides a detailed narrative on how these budgets are being used to deliver the strategic objectives for transport. Detail on the individual budget lines is set out below.

2.4. **The revenue budget** for 2014/15 is set out below.

| Expenditure: | £000 | Funded by: | £000 |
|-----------------------|----------------|-----------------------|----------------|
| Concessionary travel | 53,242 | Prepaid ticket income | 31,000 |
| Bus services | 19,490 | Special rail grant | 64,209 |
| Passenger services | 8,172 | Levy | 96,198 |
| Prepaid tickets | 31,000 | Use of reserves | <u>37</u> |
| Rail franchise | 64,209 | | <u>191,444</u> |
| Rail additional | 182 | | |
| Pensions | 1,431 | | |
| Financing charges | 7,356 | | |
| Strategic projects | 317 | | |
| Development/corporate | <u>6,045</u> | | |
| | <u>191,444</u> | | |

- 2.5. After the rail franchising costs (which are fully funded by a matching Department for Transport grant) the single largest budget line is that of concessionary travel. £43.4m of this is the payment to bus operators for the statutory English National Concessionary Travel Scheme (ENCTS). The WYCA is required to reimburse bus operators on a 'no better no worse' principle which is achieved through using the Department for Transport approved reimbursement model.
- 2.6. Any changes to the costs of funding the statutory scheme are not matched by changes in funding and hence as costs have increased savings have had to be found in other budget areas. Three year agreements have been negotiated in principle with the major bus operators in order to manage the significant risks arising from applying variations in the reimbursement model.
- 2.7. £9m of this budget funds young persons' travel. In order to assist in funding the statutory scheme changes have been made in the last couple of years to the way in which these concessions are provided, with the bus operators funding a larger proportion of the costs. There is an aspiration to increase the concessionary travel offer for young people, to assist in enabling them to travel to work or school. It is not possible to reduce the ENCTS costs to contribute to this but operators have been advised of the intention to extend the scheme to include all 16-18 year olds within the funding currently available.
- 2.8. The budget of £19.5m is the net cost to the Authority of providing schools services, tendered bus services and AccessBus. A programme of area network reviews has established a core network of services run by bus operators with the Authority providing further additions, at a saving to the Authority of over £5m per annum. There is no scope to further reduce these costs without cutting services and reducing the viability of the network.
- 2.9. The passenger services budget line of £8.2m covers the direct costs of provision of bus stations, bus shelters and all passenger information, including the real time system, across West Yorkshire. This includes the costs of CCTV and security, travel planning, management and planning of bus networks and tenders and the provision of schools transport liaison. A range of measures has been undertaken to seek to reduce these costs and to increase opportunities to generate income at the bus stations.
- 2.10. Pensions costs at £1.4m are a fixed sum payable to the West Yorkshire Pension Fund in relation to former bus employees prior to 1986; whilst this figure will reduce over time it is a commitment that must be met.
- 2.11. Financing charges of £7.4m relate to the interest and MRP for the Authority's loan book of £70m. The loans in place are part of the capital financing undertaken in the years prior to receiving capital funding as grant and are all at low rates of interest.
- 2.12. The strategic projects line of £317k was approved in order to allow progress with key priorities such as bus quality contracts and the development of rail partnership. It also includes a sum for some of the residual costs of establishing the Combined Authority.

- 2.13. The corporate and development budget line of £6m covers all accommodation costs and all the costs of ICT, HR, finance, PR, planning/development and legal and democratic services, including staffing, insurance and Members allowances. Savings and efficiencies have continually been sought in these areas through staffing reviews and renewals of contracts.
- 2.14. The primary source of funding the above activities is the levy on the West Yorkshire District Councils. As part of an agreed medium term financial strategy to reduce or freeze the levy this has been supplemented by reserves in previous years and the forecast level of reserves at the end of 2013/14 is £5.9m.
- 2.15. The **capital funding** available to the WYCA for the period of Implementation Plan 2 (2015-2017) is set out below.

| Funding Source | IP1 | IP2 | | | |
|------------------------------------------------------------------------------------------------|---------------|----------------|---------------|---------------|----------------|
| | 2011-14 | 2014/15 | 2015/16 | 2016/17 | IP2 TOTAL |
| | £000 | £000 | £000 | £000 | £000 |
| LTP IT Block Funding | 64,384 | 27,165 | 14,918 | 14,918 | 57,001 |
| LTP IT Block Funding (Carried Forward from IP1) | -10,494 | 9,912 | 582 | | 10,494 |
| Non LTP Funding | 17,018 | 35,624 | 4,715 | 2,636 | 42,975 |
| DFT Major Scheme Funding | 640 | 21,003 | 1,027 | 0 | 22,030 |
| Total LTP3 IT Implementation Plan | 71,548 | 93,704 | 21,242 | 17,554 | 132,500 |
| IT overprogramming | 0 | 9,098 | 6,811 | 2,142 | 18,051 |
| Total WY Implementation plan value (including overprogramming and Major scheme Funding) | 71,548 | 102,802 | 28,053 | 19,696 | 150,551 |

- 2.16. At its meeting in February 2014 an indicative capital programme, derived through joint working with the Districts, was approved. This is set out in detail in the final two pages of the Transport Business Plan at Appendix A. Further information on the larger schemes are set out briefly below. There is a significant capital programme in 2014/15 due to the timing of a number of schemes which have commenced in 2013/14 and are due to be delivered in the current year.
- 2.17. Cycle City Connect £24.3m– the creation of a cycle superhighway between Leeds and Bradford, largely funded by Department for Transport grant.
- 2.18. Castleford Bus Station £4.5m – construction commenced in March 2014 and a new bus interchange will be completed by the end of the financial year.

- 2.19. Low Moor rail station £3.1m – planning permission has been granted, land acquisition is underway and construction work is due to commence in the year.
- 2.20. Rail Growth £14.1m – a bid for Department for Transport major scheme funding has been submitted. A decision is expected in the next month which will enable work to commence on the construction of new stations at Kirkstall Forge and Apperley Bridge.
- 2.21. Leeds Station Southern Entrance £12.6m – the new entrance to Leeds Station is under construction for completion next spring, funded largely through government major scheme funding.
- 2.22. NGT £11.2m – the public inquiry is underway. Work on refining the designs will continue alongside work on procurement to ensure the project deadlines can be achieved. This work is largely being funded at this stage by Leeds City Council.
- 2.23. The indicative capital programme will be reviewed when the outcome of the Strategic Economic Partnership (SEP) bid is known in July. Depending on the level of funding received through the local growth fund it may be necessary to reprioritise the way in which the Integrated Transport block funding is used.
- 2.24. Work will shortly commence on updating the former Integrated Transport Authority's medium term financial strategy; this work will take into account the wider breadth of activities of the Combined Authority and its objectives and aims. This in turn will lead on to work in the autumn to develop detailed budget proposals for 2015/16. The views of Members are sought regarding the way in which they wish to inform and develop this workstream, which could be done through a series of further reports to this meeting or through a separate working group.

3. Financial implications

- 3.1. As set out in the report.

4. Legal Implications

- 4.1. None arising directly from this report.

5. Staffing Implications

- 5.1. None arising directly from this report.

6. Recommendations

- 6.1. That the Authority consider how the work to develop the revenue budget for 2015/16 be progressed.
- 6.2. That the Authority approve the transport business plan for 2014/15.



TRANSPORT FUNCTION BUSINESS PLAN - 2014/15





Contents

| | |
|---------------------------------------------------------------|-----------|
| Introduction | 3 |
| Strategic Objectives for Transport | 4 |
| Enhancements | 5 |
| Travel Choices | 7 |
| Connectivity | 8 |
| Asset Management | 9 |
| Supporting Activities | 10 |
| Engaging with Customers | 11 |
| Use of Resources – Economic, Effective & Efficient | 13 |
| Revenue Budget | 14 |
| Capital Programme (Implementation Plan 2) | 15 |



Introduction

The West Yorkshire Combined Authority was established on 1 April 2014 and inherited the responsibilities of the West Yorkshire Integrated Transport Authority as the Local Transport Authority for West Yorkshire and Local Transport Body for West Yorkshire and York. The West Yorkshire Combined Authority also assumed responsibility for economic development.

It is envisaged that 2014/15 will be a year of transition, building a new Authority with the powers and capability to transform the local economy and the lives of the people of West Yorkshire through its leadership. The Authority will secure investment resources and manage the West Yorkshire Plus Transport Fund, and, with the Local Enterprise Partnership, invest through the Strategic Economic Plan (Local Growth Fund) and European Structural Investment Funds.

It is envisaged that this transition will involve preparation for the transfer of staff from the Leeds City Region to the Combined Authority and consideration of functions relating to the local highway network and urban traffic management control systems.



The Combined Authority will, with the Local Enterprise Partnership, negotiate Local Growth Fund investment resources through the further negotiations on the Strategic Economic Plan.

The Combined Authority will play a significant role in the development of the Rail North partnership proposals with the Department for Transport and specification of the new 'northern and transpennine' rail franchise to be let in 2016.

The Combined Authority will also be considering partnership proposals, developed through ABOWY (The Association of Bus Operators in West Yorkshire), as an alternative to the WYITA preferred approach of a Bus Quality Contract Scheme.

This document provides a summary of the business plan relating to the transport functions of the Combined Authority.

Combined Authority staff will use the web-hosted Covalent system for performance management of these activities, as well managing risks and utilising a wide range of performance indicators.



Strategic Objectives for Transport

The strategic objectives of West Yorkshire's Local Transport Plan are to:

- improve connectivity to support economic activity and growth in West Yorkshire and the Leeds City Region;
- make substantial progress towards a low carbon, sustainable transport system for West Yorkshire, while recognising transport's contribution to national carbon reduction plans
- enhance the quality of life of people living in, working in and visiting West Yorkshire.



The Plans strategy is set out around the themes of Asset Management, Travel Choices, Connectivity and Enhancements. A fifth theme, supporting delivery through resource management (finance, HR and business improvement), ICT and legal services, is essential to the implementation of the Plan strategy and achievement of the Plan's objectives.

There is a need to review and update the Local Transport Plan to reflect developments since its publication in 2011, including the submission of the Strategic Economic Plan in March 2014 and the development of the West Yorkshire plus York Transport Fund programme of investment.

The Transport Fund programme has been developed to improve connectivity, release agglomeration benefits and address geographically specific transport constraints on housing and economic investment. The Transport Fund Core Package contains 32 schemes at an out-turn cost of £1.6 billion and is forecast to deliver:

- ✓ An sustainable net increase in economic output in GVA terms of £1.35 billion per year (£1.2bn West Yorkshire and £0.15bn York);
- ✓ An increase of 20,000 jobs by 2036 (18,000 West Yorkshire and 2000 York)
- ✓ Above average increases in employment accessibility for deprived communities (by a factor of +7%);
- ✓ A 2% reduction in car commuting trips.

The transport component of the Strategic Economic Plan seeks funding from the Local Growth Fund and comprises of the Transport Fund programme as well as other projects to unlock economic growth and Department for Transport 'legacy' schemes (expenditure approved prior to the Local Growth Fund being established).



Enhancements

A key objective is to secure the funding arrangements, through the Leeds City Region deal, for the £1.6 billion West Yorkshire plus York Transport Fund and for investment through the Strategic Economic Plan.

The Combined Authority has also inherited a portfolio of schemes to enhance the transport system. Key activities in 2014/15 include:

- Securing powers, through a Transport and Works Act Order application and public inquiry, for New Generation Transport (NGT), a 14.8km transformational trolleybus system running between the northern and southern edges of Leeds through the city centre connecting people to key employment sites, education, health and leisure facilities and reducing congestion on the busy A660 corridor.
- Working with Network Rail in constructing the Leeds Station Southern Entrance - a new, £17.3m fully-accessible, enclosed pedestrian extension over the River Aire directly south of the station. Lifts, escalators and stairs will take passengers to and from areas south of the city such as Holbeck Urban Village.
- Constructing a new £6 million bus station in Castleford. The new bus station will feature an enclosed waiting area, CCTV coverage, real-time information and display and public toilets. The project also includes improved pedestrian links between the new bus station and the town's rail station.
- Start construction of new rail stations at Apperley Bridge and Kirkstall Forge to encourage a modal shift away from car through improving access to the rail network in a manner which improves access across West Yorkshire.
- Progressing plans for a new station at Low Moor by securing planning consent, acquiring land and procuring a construction contract and Low Moor.



- Co-ordinating the construction of the CityConnect project, which includes a 23km cycle and pedestrian superhighway between east Leeds and the centre of Bradford. Other components of the project include year-round surfacing of the Leeds-Liverpool canal towpath (between Leeds and Shipley), city centre cycle access and secure cycle parking, 20 mph zones and a programme of consultation and promotional activities.
- Continuing rail development activities, including making of the case for electrification of the Harrogate and Calder Valley rail lines, the Yorkshire Rail Network Strategy Phase II (with Network Rail), and working with HS2 Ltd and local partners on connectivity and station integration.
- A key role in the negotiating the outcome of the Strategic Economic Plan submission, which include a portfolio of transport interventions, including Department for Transport 'legacy' schemes,

Other activities will include programme management of the Local Transport Plan second Implementation Plan and scheme development of projects to be funded through the Strategic Economic Plan.





Travel Choices

Good progress is being made with the roll-out of smartcard ticketing as a key component of SCIP (smartcard and information programme). Deliverables in 2014/15 include a new retail network with more outlets and longer opening hours, weekly and monthly smartcard products, a new 16-25 smartcard product and the development of 'pay as you go' smartcard ticketing.

Other planned activities for 2014/15 include:

- Development of a new customer database, providing a single customer view and log-in
- Progressing the re-procurement of the award winning 'yournextbus' realtime information system, with enhanced functionality such as on-vehicle displays;
- The Junior SAFEMark programme, benefitting around 6,500 pupils from around 170 schools. A substantial part of the programme will be provided through Metroville, part of the Culture Fusion youth centre in Bradford;
- go:cycling programme, offering cycle training and support to 5500 (+ Skyride Mass Participation events) novice cyclists and forming part of the Tour de France legacy programme;



- Support for the Travel Plan Network, providing sustainable travel advice to 200 business and supporting job seekers through ticketing offers provided through JobCentrePlus;
- Enhancing the role of bus stations as 'safe places' through staff training and promotion;
- Supporting the information provision for the Tour de France 2014 Stages 1 and 2.
- Supporting national events such as 'Catch the Bus Week' and 'Walk to School' week;
- Ensuring customers are provided with accurate, up-to-date information through internet based systems (such as the journey planner and 'yournextbus' realtime information system) and printed material;
- Maintaining the effectiveness of the Metroline call centre, providing customer information as well as card management and feedback services
- Effective management and administration of concessionary travel schemes, with changes to methodology to make use of smartcard data,
- Negotiating an enhanced concessionary travel offer for young people



Connectivity

The programme of bus network reviews has already achieved savings of over £5 million per annum whilst retaining key links. Activities for 2014/15 include.

- Start of operation of a new park and ride service from Elland Road, Leeds, utilising an 800 space dedicated car park. The service contract has been awarded to First West Yorkshire, who will use new double-deck vehicles. Carnet products will be available using ITSO smartcards. ;
- Re-procurement of the AccessBus service, providing cost-effective door-to-door services for 5,600 customers unable to use public transport;
- Piloting the use of Accessbus vehicles to provide home-to-school transport for primary schools;
- Introducing gross cost (minimum subsidy) tendering for home-to-school services as part of the 2014 tender round;
- Introducing a penalty points regime for the AccessBus service as part of more robust contract management procedures;
- Further developing contract management procedures to comply with regulations and implement good practice;
- On-going dialogue with bus operators regarding service changes and responding appropriately;
- Liaison and planning to support spectators wishing to view Stages 1 and 2 of the Tour de France 2014, and to support everyday business and leisure activities;
- Completing the three year programme of network reviews designed to achieve cost savings of 25%;
- Finalising a partnership agreement (with Yorkshire Tiger and Leeds Bradford International Airport) for the 757 airport service;
- Progressing new transport hubs across West Yorkshire;
- Effective management of devolved £2million Bus Service Operators Grant (BSOG) payments to achieve efficiencies.





Asset Management

Planned activities for 2014/15 include:

- Utilising a successful £1m bid to the Department for Transport's (DfT) Clean Bus Technology Fund to reduce emissions from the first tranche of Mybus yellow buses. Catalytic Reduction Technology, and 'GreenRoad' Eco-driving system, will be fitted to 119 buses, reducing harmful emissions by 90%.
- re-constructing the life expired bus carriageways at Leeds City Bus Station,
- remedial action to repair the culvert at Cleckheaton bus station
- replacing eight life expired AccessBus vehicles at a cost of £720,000;
- a start to a programme to extend the asset life of 'Smart5' bus shelters, which are now showing signs of deterioration, thereby achieve cost savings;
- generating income through works to the toilets at Leeds bus station to facilitate a new retail unit, construction of a retail pod at Bradford Interchange and charging for car parking at Britannia Street, Bradford;
- completing improvement works at bus stations in Halifax, Dewsbury, Leeds and Bradford. These works include improvements to pedestrian walkways and automatic number recognition cameras to assist with effective and efficient speed management in bus stations;
- a planned works programme arising from asset condition surveys;
- management of contracts for mechanical, electrical and cleaning activities,
- introduction of broadband and wi-fi in larger bus stations and on class 333 and some other local trains;
- managing the programme of FTA inspections of the Combined Authority's vehicle fleet, including Mybus and AccessBus vehicles;





Supporting Activities

The Resources Directorate will provide support to the Combined Authority in the transition to bring together transport and economic investment, developing more effective collaboration between partners and acting as a single voice for the sub-region.

Other activities will include:

- Provision of legal and democratic services to the Combined Authority and its Committees
- Public relations services, working collaboratively to promote the work of the Combined Authority and its Committees
- Effective governance through financial controls, risk management, audit and accountancy
- Effective investment and treasury management;
- Reviewing the Health and Safety Policy and conducting the programme of risk assessments and health and safety inspections;
- More effective document management and storage through implementing Sharepoint;
- Enhancing productivity through a desk-top virtualisation programme
- Managing an upgrade of the web-hosted Covalent performance management system
- Mitigating the risk of equal pay claims through the pay and grade audit project
- Providing staff training and development programmes and opportunities, including initiatives such as the 'First Wednesday Club' where staff share expertise ;
- Exploring opportunities for open data through founder membership of the Leeds Open Data institute
- Organisational development and review, including managing the business change implications of investments such as SCIP (smartcard and information programme), the on-going adoption of social media and opportunities for collaboration and efficiencies using techniques such as 'Lean', 'Systems Thinking' and Total Quality Management
- Supporting the 'rewiring public services' agenda, including the devolution of funding and powers.



Engaging with Customers

The Combined Authority has inherited Metro's membership of the Institute of Customer Service (ICS) and its holistic approach to ensuring the needs of its customers are at the heart of everything it does.

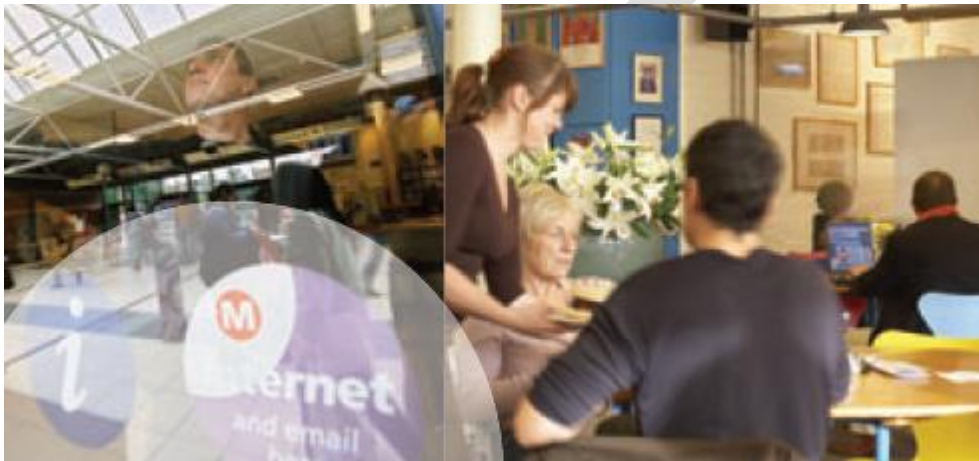
Activities planned for 2014/15 include:

- Continuing to support our front-line staff through a programme of ICS accreditation and 'First Impressions' training. Recognising that meeting and exceeding customer expectations will increase patronage, reduce congestion; contribute positively to CO2 reduction and our wider transport and economic objectives. 116 staff have already achieved ICS professional qualification and all new staff will be encouraged to do the same.
- Reviewing our complaints procedure to ensure customer feedback and complaints are dealt with promptly and effectively by the appropriate teams. We will aim to respond to all customer complaints within 10 days and take action either directly or by sharing feedback with key partners.
- Undertaking annual customer satisfaction surveys, consulting 1500 residents to provide us with the intelligence to enable us to improve the services we provide directly, but also gain a better understanding of trends and inform our wider priorities for the coming year.



- Consulting on all major proposals, ranging from major developments and projects to service changes and bus network reviews, ensuring that we continue to provide services that reflect the needs of our customers. As an organisation, we are pro-active in meeting our responsibilities to consult, investing in training to achieve accreditation from the Consultation Institute.
- Developing the function of District Engagement Committees replacing the former Passenger Consultative Committees and
- Incorporating social media and other means of electronic communication to make it easier and more convenient to access our information in a way that meets our customers' expectation for increasing choice and flexibility.

- Exploring ways to further improve customer service through social media training and introduction of web-chat functionality by Metroline along with opportunities to reach wider audiences when promoting our products and services in line with our newly-developed social media strategy.
- Producing an annual 'You Said, We Did' report to highlight some of our key achievements and ensure our customers realise that we are listening to what they are saying and they are making a difference to the services we offer.
- Continuing to use customer feedback, consultation and analysis of usage numbers to gain a better understanding of what is important to our customers will help us to make the right decisions when considering changes to service provision through activities such as the planned bus network reviews in Calderdale, Keighley and South Kirklees.



- Embedding core values of:
 - ✓ People First
 - ✓ Respect
 - ✓ Integrity
 - ✓ Making a difference
 - ✓ Excellence



Use of Resources

– Economic, Effective and Efficient

The transport function of the Combined Authority will demonstrate value for money through measures relating to:

Economic

- a cost effective levy (relating to the discharge of functions rather than as a component of the Transport Fund) when benchmarked with comparable organisations (lowest quartile)
- a low level of absenteeism when benchmarked with local authorities (top decile for attendance nationally and sub-regionally)
- revenue generation of £24million per annum from trading activities (e.g. bus stations, information services cost recovery from operators, administration or pre-paid multi-operator ticketing, rail franchise management)

Effective

- Achievement of key targets relating to delivery of the capital programme (outputs achieved)
- Sustained high levels of customer / client satisfaction with direct service provision (exceeding the equivalent of 7.5 on a ten point scale)
- Low levels of debt write-off (less than £25,000) and effective fraud prevention measures
 - Securing additional resources through effective bidding,

Efficient

- lean support service costs including a low ratio of staffing costs to overall spend when benchmarked with comparable organisations (lowest quartile)
- increased productivity as a result of investment in technology and business change programmes (e.g. reduced print costs, take up of self service options)



Revenue Budget

The approved revenue budget is set out below:

| Expenditure: | £000 | Funded by: | £000 |
|-----------------------|----------------|-----------------------|---------|
| Concessionary travel | 53,242 | Prepaid ticket income | 31,000 |
| Bus services | 19,490 | Special rail grant | 64,209 |
| Passenger services | 8,172 | Levy | 96,198 |
| Prepaid tickets | 31,000 | Use of reserves | 37 |
| Rail franchise | 64,209 | | 191,444 |
| Rail additional | 182 | | |
| Pensions | 1,431 | | |
| Financing charges | 7,356 | | |
| Strategic projects | 317 | | |
| Development/corporate | 6,045 | | |
| | 191,444 | | |





Capital Programme

| PROGRAMME AREA | 2014/15 | | 2015/16 | | 2016/17 | | TOTAL | |
|----------------|---------|----------------|---------|----------------|---------|----------------|-------|----------------|
| | TOTAL | Non LTP Funded | TOTAL | Non LTP Funded | TOTAL | Non LTP Funded | TOTAL | Non LTP Funded |

| Public Transport Asset | | | | | | | | |
|----------------------------------------------------|--------------|----------|--------------|----------|--------------|----------|--------------|----------|
| Leeds City Bus station - Carriageway and upgrades | 600 | 0 | 0 | 0 | 0 | 0 | 600 | 0 |
| Bradford Interchange Carriageway | 800 | 0 | 0 | 0 | 0 | 0 | 800 | 0 |
| Bus shelter Improvements / Replacements | 1,300 | 0 | 1,000 | 0 | 223 | 0 | 2,523 | 0 |
| Vehicle replacement / extend life | 673 | 0 | 674 | 0 | 674 | 0 | 2,021 | 0 |
| Public Transport Asset schemes Costing under £250k | 433 | | 483 | | 484 | | 1,400 | 0 |
| SUB TOTAL PUBLIC TRANSPORT ASSET | 3,806 | 0 | 2,157 | 0 | 1,381 | 0 | 7,344 | 0 |

| Network Management | | | | | | | | |
|-----------------------------------------------------|--------------|----------|--------------|----------|--------------|----------|---------------|----------|
| Joint UTC Control – WY wide | 125 | 0 | 231 | 0 | 0 | 0 | 356 | 0 |
| West Yorkshire Improved Data Network – WY wide | 600 | 0 | 637 | 0 | 507 | 0 | 1,744 | 0 |
| Traffic Signals Operation and maintenance – WY wide | 1,523 | 0 | 1,494 | 0 | 1,508 | 0 | 4,525 | 0 |
| Variable Message Signs and other signing – WY wide | 309 | 0 | 831 | 0 | 699 | 0 | 1,839 | 0 |
| Freight – WY wide | 50 | 0 | 50 | 0 | 0 | 0 | 100 | 0 |
| Highways Improvements including Pinchpoints | 3,496 | 0 | 0 | 0 | 0 | 0 | 3,496 | 0 |
| SUB TOTAL NETWORK MANAGEMENT | 6,103 | 0 | 3,243 | 0 | 2,714 | 0 | 12,060 | 0 |

| Information | | | | | | | | |
|-------------------------------------------------------|--------------|--------------|------------|----------|--------------|----------|--------------|--------------|
| Smartcards | 2,757 | 1,576 | 0 | 0 | 0 | 0 | 2,757 | 1,576 |
| Transport Data management | 450 | 0 | 225 | 0 | 225 | 0 | 900 | 0 |
| Multi-modal, hubs, disruption information, web portal | 550 | 0 | 275 | 0 | 275 | 0 | 1,100 | 0 |
| Bus real time telematics | 0 | 0 | 300 | 0 | 700 | 0 | 1,000 | 0 |
| SUB TOTAL INFORMATION | 3,757 | 1,576 | 800 | 0 | 1,200 | 0 | 5,757 | 1,576 |

| Cycling and Walking | | | | | | | | |
|---------------------------------------------------|---------------|---------------|----------|----------|----------|----------|---------------|---------------|
| CCAG City Connect superhighway (Bradford & Leeds) | 24,323 | 16,823 | 0 | 0 | 0 | 0 | 24,323 | 16,823 |
| Other WY Cycling and Walking Schemes | 1,080 | 0 | 0 | 0 | 0 | 0 | 1,080 | 0 |
| SUBTOTAL CYCLING AND WALKING | 25,403 | 16,823 | 0 | 0 | 0 | 0 | 25,403 | 16,823 |

| Integrated Public Transport | | | | | | | | |
|-------------------------------------------------------------|---------------|-----------|--------------|----------|------------|----------|---------------|-----------|
| Bus Quality Contract / Bus Quality Partnership development | 267 | 0 | 267 | 0 | 266 | 0 | 800 | 0 |
| Hubs Programme | 510 | 0 | 530 | 0 | 205 | 0 | 1,245 | 0 |
| Bus Hotspots | 919 | 0 | 415 | 0 | 420 | 0 | 1,754 | 0 |
| Castleford Bus Station | 4,500 | 63 | 0 | 0 | 0 | 0 | 4,500 | 63 |
| Low Moor Rail Station | 3,093 | 0 | 4,900 | 0 | 100 | 0 | 8,093 | 0 |
| Leeds Elland Road Park and Ride | 1,600 | 0 | 0 | 0 | 0 | 0 | 1,600 | 0 |
| Huddersfield Town Centre | 1,565 | 0 | 0 | 0 | 0 | 0 | 1,565 | 0 |
| Integrated Public Transport schemes costing less than £250k | 600 | 0 | 0 | 0 | 0 | 0 | 600 | 0 |
| SUBTOTAL INTEGRATED PUBLIC TRANSPORT | 13,054 | 63 | 6,112 | 0 | 991 | 0 | 20,157 | 63 |

| Safer Roads | | | | | | | | |
|------------------------------|--------------|----------|--------------|----------|--------------|----------|---------------|----------|
| WY KSI Casualty Reduction | 4,400 | 0 | 4,400 | 0 | 4,400 | 0 | 13,200 | 0 |
| SUB TOTAL SAFER ROADS | 4,400 | 0 | 4,400 | 0 | 4,400 | 0 | 13,200 | 0 |

| Bids and Leverage | | | | | | | | |
|-----------------------------------------------------|--------------|----------|--------------|----------|--------------|----------|--------------|----------|
| Rail Devolution | 225 | 0 | 225 | 0 | 50 | 0 | 500 | 0 |
| Rail Development programme – from RailPlan7 | 200 | 0 | 200 | 0 | 200 | 0 | 600 | 0 |
| Station Enhancements and accessibility improvements | 200 | 0 | 400 | 0 | 1,300 | 0 | 1,900 | 0 |
| Local LTP match for funding bids (Non-rail) | 1,667 | 0 | 1,333 | 0 | 2,000 | 0 | 5,000 | 0 |
| SUBTOTAL BIDS AND LEVERAGE | 2,292 | 0 | 2,158 | 0 | 3,550 | 0 | 8,000 | 0 |

| Low Carbon Fuels and Technologies | | | | | | | | |
|----------------------------------------------------|------------|------------|------------|----------|-----------|----------|------------|------------|
| Low Carbon Fuels and Technology | 409 | 259 | 170 | 0 | 80 | 0 | 659 | 259 |
| SUB TOTAL LOW CARBON FUELS AND TECHNOLOGIES | 409 | 259 | 170 | 0 | 80 | 0 | 659 | 259 |

| Other | | | | | | | | |
|--------------------------------------------|------------|----------|------------|----------|------------|----------|------------|----------|
| LTP Development, Monitoring and Evaluation | 166 | 0 | 167 | 0 | 167 | 0 | 500 | 0 |
| TOTAL OTHER | 166 | 0 | 167 | 0 | 167 | 0 | 500 | 0 |

| | | | | | | | | |
|---------------------------------------------------------------------|--------|--------|--------|---|--------|---|--------|--------|
| TOTAL INTEGRATED TRANSPORT BLOCK (EXCLUDING OVERPROGRAMMING) | 59,390 | 18,721 | 19,207 | 0 | 14,483 | 0 | 93,080 | 18,721 |
|---------------------------------------------------------------------|--------|--------|--------|---|--------|---|--------|--------|

| | | | | | | | | |
|---------------------------------------|-------|---|-------|---|-------|---|--------|---|
| TOTAL IT BLOCK OVERPROGRAMMING | 5,506 | 0 | 3,103 | 0 | 2,577 | 0 | 11,186 | 0 |
|---------------------------------------|-------|---|-------|---|-------|---|--------|---|

| DfT Major Schemes | | | | | | | | |
|---------------------------------|--------|--------|-------|-------|-------|-------|--------|--------|
| Rail Growth | 14,081 | 14,081 | 1,483 | 1,483 | 20 | 20 | 15,584 | 15,584 |
| Leeds Station Southern Entrance | 12,633 | 12,633 | 0 | 0 | 0 | 0 | 12,633 | 12,633 |
| NGT | 11,192 | 11,192 | 4,259 | 4,259 | 2,616 | 2,616 | 18,067 | 18,067 |
| TOTAL MAJOR SCHEMES | 37,906 | 37,906 | 5,742 | 5,742 | 2,636 | 2,636 | 46,284 | 46,284 |

| | | | | | | | | |
|-----------------------------------------------------------------------------|---------|--------|--------|-------|--------|-------|---------|--------|
| INTEGRATED CAPITAL PROGRAMME GRAND TOTAL (INCLUDING OVERPROGRAMMING) | 102,802 | 56,627 | 28,053 | 5,742 | 19,696 | 2,636 | 150,551 | 65,005 |
|-----------------------------------------------------------------------------|---------|--------|--------|-------|--------|-------|---------|--------|

| | | | | | | | | |
|------------------------|---------------|---|---------------|---|---------------|---|----------------|--|
| FUNDING | <u>93,704</u> | | <u>21,242</u> | 0 | <u>17,554</u> | 0 | <u>132,500</u> | |
| OVERPROGRAMMING | <u>9,098</u> | 0 | <u>6,811</u> | 0 | <u>2,142</u> | | <u>18,051</u> | |

ITEM 14

Report to: Combined Authority

Date: 29 May 2014

Subject: Governance and Audit Committee

1. Purpose

- 1.1. To seek approval to decisions recommended by the Governance and Audit Committee at its meeting of 30 April 2014.

2. Information

- 2.1. The Governance and Audit Committee considered a number of items at its meeting on 30 April 2014. The terms of reference of this Committee reflect the position which is that under the Local Government Act 1972 s102, co-optees are not permitted to be appointed to a committee regulating and controlling the finances of the Authority. Certain issues therefore can be discussed and considered by the Committee but a number of these require consideration and formal approval by the Combined Authority, following appropriate advice and information from the Governance and Audit Committee, and these are set out below.
- 2.2. **Internal Audit Charter.** This sets out the framework in which Internal Audit operate and ensures compliance with the Public Sector Internal Audit Standards. The Charter is available to view on the WYCA website under the 'Meetings' section and the Committee recommends this for approval.
- 2.3. **Internal Audit Plan 2014/15.** This sets out the considerations taken into account in formulating the detailed plan of internal audits for 2014/15. The plan will be kept under regular review and can be adapted as required to address any emerging issues. The Internal Audit Plan is available to view on the WYCA website under the 'Meetings' section. The Committee recommends internal audit plan for approval.
- 2.4. **External Audit Plans.** The external auditors Deloitte presented their statutory audit plans for their year end work. As the Combined Authority was only created on 1 April 2014 the plans relate to the accounts for the year ended 31 March 2014 for the West Yorkshire Integrated Transport Authority and the West Yorkshire Passenger Transport Executive. The approach to the work was considered, including the risks to be addressed during the audit. The plans are available to view on the WYCA

website under the 'Meetings' section. The Committee recommends the external audit plans for approval.

- 2.5. Paper copies of the documents referred to in the above paragraphs will be available at the meeting.

3. Financial implications

- 3.1. None arising directly from this report.

4. Legal Implications

- 4.1. None arising directly from this report.

5. Staffing Implications

- 5.1. None arising directly from this report.

6. Recommendations

- 6.1. That the WYCA approve the Internal Audit Charter.
- 6.2. That the WYCA approve the Internal Audit Plan 2014/15.
- 6.3. That the WYCA approve the external audit plans for 2013/14.

Originator: Angela Taylor
Director, Resources



ITEM 15

Report to: Combined Authority

Date: 29 May 2014

Subject: West Yorkshire Combined Authority Communications Strategy

1. Purpose

- 1.1. To present members with a draft of the West Yorkshire Combined Authority Communications Strategy (Appendix I), setting out the role that communications will play in delivering the organisation's objectives over its first year.

2. Information

- 2.1. Communicating the West Yorkshire Combined Authority (WYCA)'s role and achievements was agreed by members as a key requirement at the WYCA's first meeting on 1 April.
- 2.2. The aim of this Communications Strategy is to explain how the WYCA's teams will support the organisation's objectives, explain its policies and highlight its achievements to its various audiences, which include the population of West Yorkshire and the Leeds City Region, Government Ministers and MPS, councillors across the five West Yorkshire districts and York, the business community and WYCA employees.
- 2.3. The draft Strategy supports the WYCA's priorities which are reflected in the key objectives of the Local Enterprise Partnership's Strategic Economic Plan (SEP) with the WYCA representing the way in which those aims impact upon local cities, towns, communities and individuals.
- 2.4. This draft is for the first year of the WYCA'S existence and focuses upon establishing the WYCA's identity and role, highlighting how it brings together the public and private sectors and clarifying the ways in which the WYCA represents a transformation in the way West Yorkshire is working with Whitehall and the Government.

- 2.5. At this stage of the WYCA's existence, this Communications Strategy is based upon what we currently know but will be built on through the planned parallel work to establish the WYCA's vision and values.
- 2.6. Part of this work will be to establish key WYCA members - District Leaders, the LEP Chair, Committee Chairs and District Portfolio-holders - as spokespeople for the Combined Authority. The proposed mechanism for how this will work is set out in a Media Protocol which supports the Communications Strategy. This Media Protocol also sets out how the WYCA Communications teams will work with the West Yorkshire District Councils' own Communication Teams.
- 2.7. The work plan set out in the WYCA Communications Strategy is based upon current levels of budgets and resources and therefore relies upon gaining significant 'free' editorial coverage for the organisation supported by targeted 'paid-for' promotion from existing resources.
- 2.8. The WYCA's Communications teams are made up of the five-strong former Metro Public Relations team and the three members of the Leeds City Region Enterprise Partnership (LEP) Communications team that is expected to relocate to Wellington House in June 2014 but will remain employed by Leeds City Council during 2014/15.
- 2.9. Alongside the programme of work set out in the Communications Strategy, the WYCA communications teams will also need to continue the provision of travel information under the public-facing 'Metro' brand to West Yorkshire's travelling public and maintain distinct communications for the LEP.
- 2.10. Both the WYCA PR and LEP teams operate as multi-channel communications and engagement teams, focusing on PR and media relations, digital communications and social media and event management. The former Metro team's role has focused on underpinning passenger communication and the successes of the Transport Authority and Executive and the LEP team has a strong track record in business engagement, parliamentary engagement and marketing.
- 2.11. Both the WYCA teams at Wellington House will work closely with the organisation's constituent councils' communications teams and call upon the relevant local knowledge and skills such as website design and graphics they can offer.

3. Financial

- 3.1 None arising directly from this report.

4. Legal Implications

- 4.1 None arising directly from this report.

5. Staffing Implications

- 5.1 None other than those in place to co-locate WYCA Communications staff at Wellington House.

6. Recommendations

- 6.1. That the WYCA Communications Strategy for 2014/15 be approved.
- 6.2. That the WYCA Communications Strategy should reflect the model described in 2.2, with the WYCA's work representing the way in which our cities, towns communities and individuals are impacted by the business and economic aims set out by the LEP in the SEP and that planned work to establish formally the Combined Authority's Vision and Values reflects this model.
- 6.3. That the practice of the WYCA teams at Wellington House to call upon the local knowledge and skills offered by constituent councils' communications teams be approved.
- 6.4. That the development and use of Social Media channels – initially Twitter - be used to communicate WYCA decisions and activities to underpin the organisation's commitment to transparency and the momentum of this work is supported by the active involvement of senior WYCA officers and members as set out in the Strategy.

West Yorkshire Combined Authority Communications Strategy

Purpose

This Strategy and high-level Communications Programme for the West Yorkshire Combined Authority (WYCA) sets out the role that communications will play in delivering the objectives of the new organisation in its first year including expectations of the new organisation's communications functions, a summary of its key audiences and work strands, and key activities over the 2014/15 period.

In 2014/2015, the Strategy will support the WYCA's priorities which are reflected in the key objectives of the Local Economic Partnership's Strategic Economic Plan (SEP) with the WYCA representing the way in which those aims impact upon local cities, towns communities and individuals.

The SEP's aims are:

- **better connectivity** – our economic potential is clear: our ambition and intention is to connect people to jobs and goods to markets seamlessly. We are determined to seize the transformative opportunity of HS2 and, with parallel investment in the City Region's local transport infrastructure, provide the key to unlocking the full potential of that national investment. By shrinking the distances between the key economic centres in the Leeds, Manchester and Sheffield city regions we can create a single northern economic area of 8 million people and £134bn GVA, able to compete globally for the UK alongside the capital.
- **more and better jobs** – in addition to delivering a NEET-free City Region, we will create more of the good quality jobs that offer real opportunity for prosperity – including 3,000 apprenticeships.
- **more and better housing** – we will double house-building by 2021, creating more affordable housing to increase living standards and disposable income, and reduce our benefit bill yet further.
- **private sector growth** – that is sustainable, above-trend and based on innovation, exports and inward investment.
- **a lean, resource-efficient city region** – underpinned by a 21st Century energy infrastructure that is already generating one-sixth of the country's electricity.

Communications objectives

During the first year the WYCA's communications work will reflect that the creation of the Combined Authority represents:

- a new era in developing the economy and transport infrastructure for the region.
- a joined-up approach linked in with the private sector.

- a body that will mean decisions taken locally and publicly by elected councillors, where they will have impact, rather than remotely by Civil Servants in Whitehall.

Key objectives for the first year should be:

- communicating transparently and proactively the WYCA's work and achievements over the next 12 months both externally and internally;
- establishing the WYCA's identity and role among its key audiences in line with the development of the organisation's vision and values that are being established through the parallel work strand that will eventually lead to its permanent new brand;
- highlighting the range of the WYCA's achievements and impact across the region and within its constituent districts;
- clarifying how the WYCA represents a transformation in the way West Yorkshire is working with Whitehall and the Government and reflecting the campaign to Rewire Public Services.
- creating an understanding and explanation of the WYCA's need to make some decisions that reflect wider, long-term West Yorkshire and City Region ambitions ahead of local interests and relate those decisions to its wider objectives.
- ensuring the WYCA as an organisation that is responsive to the media and establishing WYCA Council Leaders as spokespeople for the Combined Authority in their specific roles along with the LEP Chair, Committee Chairs and Portfolio holders in line with procedures set out in a new Media Protocol.
- keeping long-term opportunities such as HS2 remain in focus as part of the WYCA's ambitions.

Tactics for achieving this will include:

- illustrating and the impact and relevance of the WYCA in each of its member districts and highlighting its successes;
- ensuring the WYCA's policies and their potential effects, developed through its democratic process, are clearly articulated;
- emphasising the differences the high-level, collaborative approach of the WYCA is making in achieving those successes;
- stressing the partnership of public and private sectors represented by the WYCA;
- ensuring clarity of message by complementing and coordinating with the LEP's communications strategy, and using the LEP's business relationships and communications channels to deliver WYCA business engagement objectives.

This will mean the Communications team initially:

- developing news stories across digital and traditional media channels that reinforce the aims and progress of the WYCA;
- highlighting achievements of the WYCA and the positive impact they will have in terms of economy, connectivity and jobs using, where possible case studies and testimonials to demonstrate the difference made;

- working with individual local authorities to recognise and welcome local economic successes that are in line with the WYCA's aims of a developing economy, better connectivity and more and better jobs;
- remaining in touch with the agenda development process for meetings of the WYCA and its committees to ensure positive stories are highlighted and/or anticipated when papers go public or at meetings themselves and also prepare responses to any issues that may arise through discussions or decisions made at meetings;
- attending meetings of the WYCA and its committees to be informed of discussions or decisions made and prepare/agree any post-meeting releases or statements;
- using the announcement of Government actions and initiatives that help the WYCA achieve its objectives to re-state those objectives and their impact;
- working with local, regional and trade media and specific correspondents to establish the WYCA as the 'go to' body for media comments on significant local and regional transport announcement and developments and working alongside the LEP on key economic announcements;
- ensuring the WYCA website is up to date and accessible;
- maximising lobbying and influencing opportunities and develop relationships with relevant MPs and Ministers;
- ensuring two-way communications with key stakeholders to keep them informed about WYCA developments but also to ensure WYCA is seen to listen to their views;
- starting the use of a WYCA Twitter channel to report decisions taken via links to items on the website and to show the ongoing activity of the organisation through proactive input from Directors and Assistant Directors.
- exploring the future development of dedicated email newsletter capabilities, other social media channels and video to further these aims while exploiting the existing channels developed by the LEP, Metro and the District Councils.

Because this work will to a greater or lesser degree have an impact on the WYCA's constituent councils, the central WYCA Communications team will ensure that a method of communications with the districts' respective Communications teams is formalised and maintained – as described in the Media Protocol.

Due to the developing nature of the WYCA's detailed role and work programme, this Strategy and its associated Work Programme will remain flexible and the communications team will remain responsive to any changes in priority and approach.

This work will be informed by and should help inform the parallel work-stream to capture the WYCA's vision and values and subsequently its permanent brand identity.

While the creation of the WYCA represents an opportunity to deliver more and better jobs and improved connectivity linking people to jobs and products to markets, its status as a completely new organisation poses some communications challenges as well as opportunities.

This work will be informed by an analysis of strengths, weaknesses opportunities and threats.

Audiences

The WYCA's target audiences are widespread.

Through the membership of the county's five districts and York and its work in the interests of the county's travelling public under the 'Metro' brand, the WYCA represents everybody in West Yorkshire, the City Region and beyond. One of the Communications team's roles will be to convey the WYCA's impact through these points established points of interaction.

Apart from this very broad audience, the key groups with which the WYCA will want to communicate and will be keen to influence are:

Primary

- Ministers and senior civil servants in key government departments: Number 10, Cabinet Office, Treasury, BIS, DCLG, DECC, DfT
- MPs within the WYCA area, the Leeds City Region and across Yorkshire & Humber;
- elected members across the WYCA's constituent member districts.
- WYCA staff;

Secondary

- local business sectors and groups including the LEP network and influential individual business leaders:
- potential business investors and business location decision-makers.
- Universities, colleges and their representative organisations (Yorkshire Universities, HEART Partnership);
- transport industry, green economy, housing, broadband and other key industry partners.

Communications work will be tailored for the audiences at which it is aimed.

Implementation and Evaluation

The following table provides a high-level outline of the key WYCA communications and engagement activity that we will undertake in 2014/15, at which audiences they will be aimed and how their success will be evaluated.

| Channel | Activity | Audience | Targets |
|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PR & Media | <ul style="list-style-type: none"> • Highlight achievement of the WYCA through timely and informative news stories that making clear its aims, role and impact. | All | <ul style="list-style-type: none"> • 80% of press releases picked up by regional media • 80% positive media coverage <p>Monitor number of national media</p> |

| | | | |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> • Build upon existing relationships with regional and district media and correspondents. • Develop trade and national media contacts. • Use Yorkshire Vision articles to highlight WYCA's work. <p>Highlight impact of WYCA by implementing media protocol across the districts' communication teams.</p> | | mentions |
| Digital | <ul style="list-style-type: none"> • Provide an informative, accessible and up-to-date platform for information through the WYCA website at www.westyorks-ca.gov.uk • Develop an email newsletter for WYCA members and stakeholders <p>Establish Twitter presence and look at development of WYCA social media presence, strategy and, subsequently,</p> | All | <ul style="list-style-type: none"> • Monitor website usage – set target for month-on-month increase in website traffic (adjusted for seasonal peaks and troughs) • Efficacy would be measure by opening and website click-through rates' • Monitor number of followers and interaction. |

| | | | |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | social media campaigns | | |
| Events | <ul style="list-style-type: none"> Consider presence at local, regional and national events e.g. Buy Yorkshire, Yorkshire International Business Convention on a case-by-case basis. Take up opportunities to be part of panel events such as Business Insider discussion. Look at ways of having a profile at Political Party Conferences Parliamentary Briefing events | Stakeholders/business partners Stakeholders/business partners Ministers/Government Departments/Stakeholders | <ul style="list-style-type: none"> Use questionnaires to gain useful and usable feedback/views on WYCA work. Monitor sign-up rate for newsletters. Monitor specific website |
| Vision & Values | <ul style="list-style-type: none"> Complement all of the above through the development of a clear WYCA vision and values. | All | <ul style="list-style-type: none"> Research public and internal understanding of values and vision. |

**MINUTES OF THE MEETING OF THE
TRANSPORT COMMITTEE
HELD ON FRIDAY 25 APRIL 2014 IN WELLINGTON HOUSE, LEEDS**

Present: Councillor James Lewis (Chair)

Councillors R Billheimer, A Carter, Y Crewe, K Dredge, E Firth, K Groves,
D Hardy, I Khan, G Lowe, M Lyons, G Miller, D Sutherland and L Smaje

In attendance: Councillors V Slater (Bradford), B Collins (Calderdale),
R Lewis (Leeds) and D Levene (York)

1. Welcome

The Chair welcomed all members to the first meeting of the Combined Authority's Transport Committee.

2. Apologies for Absence

Apologies for absence were received from Councillors C Loughran and G Lowe.

3. Declarations of Disclosable Pecuniary Interests

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

4. Deputy Chairs and District Engagement Sub-Committees of the Transport Committee

The Transport Committee considered a report of the Secretary and Solicitor on the appointment of Deputy Chairs of the Transport Committee and the establishment of District Engagement Sub-Committees of the Transport Committee.

Resolved:

- (a) That Councillors E Firth and L Smaje be appointed Deputy Chairs of the Transport Committee.
- (b) That the establishment of 5 District Engagement Committees be approved.

- (c) That the following appointments to the District Engagement Committees be approved:

| | | |
|------------|------------------------------------------------------------|-----------------------------------------------------|
| Bradford | (i) Councillor R Billheimer (ii) Councillor Dr K Dredge | (iii) Councillor I Khan (iv) Councillor G Miller |
| Calderdale | (i) Councillor D Hardy | (ii) Councillor D Sutherland |
| Kirklees | (i) Councillor E Firth (ii) Councillor G Lowe | (iii) Councillor L Smaje |
| Leeds | (i) Councillor A Carter (ii) Councillor K Groves | (iii) Councillor J Lewis (iv) Councillor M Lyons |
| Wakefield | (i) Councillor Y Crewe | (ii) Councillor C Loughran |

- (d) That the following Members be appointed as Chairs of the respective District Engagement Sub-Committees:

| | | |
|------------|---|-------------------------|
| Bradford | - | Councillor I Khan |
| Calderdale | - | Councillor D Sutherland |
| Kirklees | - | Councillor G Lowe |
| Leeds | - | Councillor M Lyons |
| Wakefield | - | Councillor Y Crewe |

- (e) That the former public representatives of the Passenger Consultative Committees be invited to be members of the District Engagement Sub-Committees.

- (f) That prior to nominations being sought for further public membership to fill any vacancies on the District Engagement Sub-Committees, consideration be given to widen the remit to encourage representation from minority groups.

- (g) That, pending a review of the format, the Draft Terms of Reference for the District Engagement Sub-Committees be approved on an interim basis.

- (h) That a report be brought to the next meeting outlining the format, Terms of Reference and quorum for the District Engagement Sub-Committees.

5. Minutes of the Meeting of the WYITA Executive Board held on 28 March 2014

Resolved: That the minutes of the WYITA Executive Board held on 28 March 2014 be approved and signed by the Chair.

6. Minutes of the Meetings of the Passenger Consultative Committees

Resolved:

- (a) That the minutes of the meeting of the Leeds Passenger Consultative Committee held on 7 April 2014 be approved.
- (b) That the minutes of the meeting of the Calderdale Passenger Consultative Committee held on 8 April 2014 be approved.
- (c) That the minutes of the meeting of the Kirklees Passenger Consultative Committee held on 9 April 2014 be approved.
- (d) That the minutes of the meeting of the Wakefield Passenger Consultative Committee held on 11 April 2014 be approved.
- (e) That the minutes of the meeting of the Bradford Passenger Consultative Committee held on 14 April 2014 be approved.

7. 2014/15 Business Plan (Transport)

The Transport Committee considered a report seeking endorsement of the 2014/15 Business Plan (Transport).

It was reported that the Business Plan, which was attached at Appendix 1 of the submitted report, was intended to provide a narrative on key planned initiatives for 2014/15.

With reference to the Introduction on page 3 of the Business Plan, the Transport Committee requested that the wording with regard to the Combined Authority's Bus Strategy be amended to avoid ambiguity regarding the position of the former WYITA.

Resolved: That subject to the proposed amendment to the wording, the 2014/15 Business Plan (Transport) be endorsed for consideration by the West Yorkshire Combined Authority.

8. LTP Approvals

The Transport Committee considered a report seeking funding approval for previously approved programmes and schemes and new opportunities for utilising external funding:

- LTP Integrated Transport and Highways Maintenance Quarter 1 2014/15
- Wi-Fi on Trains
- Cycle City Ambition Grant (CCAG)
- Elland Road Park and Ride, Leeds
- Local Sustainable Transport Fund

Resolved:

- (a) That the quarterly payments set out in Table 1 of the submitted report be approved.
- (b) That the expenditure as set out in Section 2 of the submitted report be approved as follows:
- £750,000 to install Wi-Fi on Class 333 and 321/2 trains to be funded by Broadband Delivery UK (BDUK) grant.
 - £170,000 additional expenditure on the CCAG CityConnect project to be funded by Leeds City Council. £100,000 will be a contribution towards the overall programme and £70,000 will be a specific contribution towards the Best Foot Forward Project.
 - £120,000 for the provision of passenger shelters, totems and the promotion and information campaign for the Elland Road Park and Ride project to be funded through the Local Transport Plan.
 - £590,000 to extend the JobCentre Plus and go:cycling projects, funded through the DfT's Local Sustainable Transport Fund award to WYCA.
- (c) That the legal agreements with Leeds City Council, BDUK, Northern Rail and DfT necessary to effect the Wi-Fi installation be entered into by the Authority on the terms approved by the Secretary and Solicitor.

9. West Yorkshire Plus Transport Fund

The Transport Committee considered a report which provided an update on the West Yorkshire Plus Transport Fund (WY+TF).

It was reported that good progress had been made on the development of an approved set of schemes for implementation using £2.7m which had been previously allocated.

Members were advised that it was necessary to maintain progress with the development of schemes in order to ensure that they were ready to be delivered from 2015/16 onwards whilst the funding arrangements were being put in place. Comment was made that an initial £2.7m for early win projects had been previously approved and an additional budget allocation of £4.587m was now being sought to continue the work in 2014/15.

Approval was also being sought to progress the Aire Valley Park and Ride Scheme through Gateway 1 in line with the West Yorkshire and York Local Transport Body LTB Interim Assurance Framework.

The Transport Committee stressed the need for a fully robust and transparent procedure to be adopted which ensured that all schemes progressing through the Gateway(s) stages, including their business cases, were fully considered by the Transport Committee.

Resolved:

- (a) That the progression of the Aire Valley Park and Ride project through Gateway 1 be approved.
- (b)
 - (i) That the allocation of £4.587m of capital funding to enable further development of the 'early win' West Yorkshire Plus Transport Fund schemes be endorsed for consideration by the Combined Authority.
 - (ii) That agreement to this approach be sought from the West Yorkshire & York Investment Committee.
- (c) That a meeting be arranged between the Chair and Deputy Chairs to consider future procedures in respect of the information to be provided in such reports.

(Councillors Carter, Miller and Smaje abstained from resolution (b) above).

10. Exclusion of Press and Public

The Transport Committee considered a recommendation to exclude the press and public from Agenda Item 10, which contained exempt information defined in Paragraph 3 of Schedule 12A Local Government Act 1972.

RESOLVED: It was agreed that because disclosure of Item 10 (Low Moor Rail Station – Ancillary Land Purchase) would reveal details of the proposed valuation advice and available budget in relation to land required to be purchased to build the scheme, this would impact adversely on the business affairs of the Authority and the City of Bradford Metropolitan District Council (CBMDC), the public interest would be better served by maintaining the exemption and, therefore, the press and public were excluded from the meeting.

11. Low Moor Rail Station – Ancillary Land Purchase

The Committee considered a report seeking further capital expenditure to be provided by the City of Bradford MDC (CBMDC) in order to fund the purchase of additional land associated with the new rail station scheme.

It was reported that CBMDC had been working in partnership with the Combined Authority to determine a strategy for the procurement of the additional land and the most appropriate mechanism to facilitate CBMDC's capital contribution towards the

cost of the land. Members were advised that terms had now been agreed in principle with CBMDC. This allowed the anticipated value of the land to be grant funded to the Combined Authority by CBMDC and would permit the Combined Authority to make the land purchase that reflected the agreed mechanism.

Resolved: That the terms outlined in the submitted report be approved.

ITEM 17

**MINUTES OF THE MEETING OF THE
GOVERNANCE & AUDIT COMMITTEE
HELD ON WEDNESDAY 30 APRIL 2014 IN WELLINGTON HOUSE, LEEDS**

Present: Councillor H Richards (Chair)

Councillors G Burton, G Hussain, R Light, N McIlveen and L Smith

In attendance: A Lince (Deloitte)

1. Election Of Chair

Councillor H Richards was proposed and seconded for the position of Chair.

Resolved - That Councillor Richards be appointed Chair.

2. Apologies for Absence

An apology for absence was received from Councillor S Baines (Calderdale).

3. Declarations of Disclosable Pecuniary Interests

Councillor Robert Light declared an interest in agenda item number 10, as he was a member of the Audit Commission.

4. Minutes

Resolved - That the minutes of the meeting of the Integrated Transport Authority's Audit & Governance Committee held on 24 January 2014 be approved

5. Forward Plan of Work 2014-2015

The Committee considered a report setting out the programme of work for 2014/15.

Members were advised that apart from the work programme, as detailed in the report, other items would be brought for members' consideration as and when

required. Comment was also made that a review of the programme be undertaken in 6 months, including corporate governance arrangements, as the Combined Authority evolved.

It was also reported that the Audit Commission was consulting over the proposed appointment of Deloitte LLP as the Combined Authority's auditor.

Resolved -

- (a) That, subject to a review of the programme being carried out in 6 months, the programme of work be noted.
- (b) That the proposal to appoint Deloitte as the Combined Authority's auditor be noted.

6. Internal Audit Charter 2014

The Committee considered a report on the Internal Audit Charter for the Combined Authority.

It was reported that the Public Sector Internal Audit Standards (PSIAS) required the purpose, authority and responsibility of the internal audit activity to be formally defined in an internal audit charter, consistent with the definition of Internal Auditing, the Code of Ethics and the Standards.

Members were advised that the document would assist the WYCA in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organisation's risk management, control and governance processes.

A copy of the Authority's Audit Charter was attached at Appendix 1 to the submitted report.

Resolved - That the Internal Audit Charter for the Combined Authority be endorsed for approval by the West Yorkshire Combined Authority.

7. Internal Audit Progress Report

The Committee considered a report on the work undertaken by the Internal Audit Section and the key issues which had been identified.

It was reported that the following areas of work had been reviewed since the last meeting and these were detailed in the submitted report with the audit opinion.

- Risk Management Framework
- Gifts, Hospitality and Interests
- Main Accounting System

- Prepaid Tickets and Concessionary Travel
- Creditors
- English National Concessionary Travel Scheme (ENCTS)
- Treasury
- Payroll

Comment was made that the majority of reviews undertaken were assessed as either 'well controlled' or 'controlled'. Only one audit, ENCTS, had resulted in an assurance level of 'required improvement'. That related to improvements to:

- Control to the identification and maintenance of levels of Smartcard ticket stocks held with third parties.
- System user access rights for the customer database system.

Resolved - That the report be noted.

8. Internal Audit - Annual Audit Plan 2014/2015

The Committee considered a report on the proposed schedule of Internal Audit Reviews for 2014/2015.

Members noted the details of the Internal Audit Plan 2014/15, which were outlined in the appendix to the submitted report. They were advised that the content and progress, moving forward as a Combined Authority, would be regularly reviewed and reported and that any changes required to address emerging risks would be reported to this Committee.

Resolved - That the Annual Audit Plan commencing from April 2014, as detailed in Appendix A of the submitted report, be recommended for approval by the Combined Authority.

9. External Audit Plans

The Committee considered a report on the Audit Plans from the external auditors for the year ended 2013/2014.

It was reported that the external auditor, Deloitte, was required to produce a plan each year for their audit work. It was explained that, as the Combined Authority was only created on 1 April 2014, the relevant accounts for the year ended 31 March 2014 were those of the West Yorkshire Integrated Transport Authority and the West Yorkshire Passenger Transport Executive. The External Audit Plans for 2013/2014 were attached at appendix A to the submitted report and set out the audit work and risks facing the Authority, which impacted on that work.

Resolved - That the External Audit Plans for 2013/2014 be noted.

10. Internal controls and Financial Monitoring

The Committee considered a report on any changes to the Authority's internal control arrangements since the last meeting and to consider the current financial position.

Internal Controls

The Committee were advised that whilst there had been changes to the ways of working as a result of the creation of the Combined Authority from the former Integrated Transport Authority and the Passenger Transport Executive it had been possible to keep the integrity of the internal control structure largely intact, particularly with regard to the key high risk areas such as financial systems. The governance of decision making had been developed through the mechanism of the Shadow Combined Authority and would evolve as the Combined Authority developed, which would be the subject of review by the WYCA and internal audit in due course.

Financial Monitoring

In noting the current position regarding the Authority's revenue and capital budgets, it was reported that the budget for 2014/2015 and the revised budget outturn for 2013/2014 were approved in February by the Integrated Transport Authority and subsequently reapproved at the first meeting of the Combined Authority. Members were advised that the WYCA would be undertaking a review of both the revenue and capital budgets at its meeting in May 2014.

In this respect, comment was made that the capital programme would also be subject to a further review when the outcome of the LEP's Strategic Economic Plan was known, as that would determine the funding available from the Single Local Growth Fund.

Risk Management

It was reported that the risk management arrangements that were in place for the WYITA and WYPTE had now been adopted for the Combined Authority. The Risk Policy and Risk Manual, which set out detailed arrangements for risk management, were currently being updated to reflect the changes arising as a result of the new Combined Authority and would be brought to a future meeting of the Committee. In this respect, the Committee was advised that the Annual Governance Statement, which accompanied the Annual Accounts, would be brought to the next meeting and would include a review on governance arrangements including risk. A revised risk policy statement had been produced for the Combined Authority and was attached as Appendix 3.

Resolved - That the report be noted.

11. Due Diligence - Transfer to the Combined Authority

The Committee considered a report on the satisfactory outcome of the due diligence work undertaken to support the transfer of the West Yorkshire Integrated Transport Authority and the Passenger Transport Executive to the Combined Authority.

Resolved - That the work undertaken as part of the due diligence exercise be noted.

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE & YORK INVESTMENT COMMITTEE
HELD ON THURSDAY 15 MAY 2014 IN WELLINGTON HOUSE, LEEDS**

| | | | |
|-----------------|--------------------------|---|----------------------------|
| Present: | Cllr David Green (Chair) | - | WYCA/City of Bradford MDC |
| | Cllr Val Slater | - | City of Bradford MDC |
| | Cllr Barry Collins | - | Calderdale MBC |
| | Cllr Richard Lewis | - | Leeds City Council |
| | Cllr James Alexander | - | WYCA/City of York Council |
| | Cllr David Levene | - | City of York Council |
| | Roger Marsh | - | WYCA/Leeds City Region LEP |

In attendance:

| | | | |
|--|--------------------|---|-------------------|
| | Rob Norreys | - | WYCA/LEP |
| | Colin Blackburn | - | Leeds City Region |
| | Heather Waddington | - | Leeds City Region |
| | David Hoggarth | - | WYCA |
| | Ruth Chaplin | - | WYCA |

1. Apologies for Absence

Apologies for absence from Councillors Denise Jeffery and Peter McBride were noted.

2. Declarations of Disclosable Pecuniary Interests

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

3. Exclusion of the Press and Public

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

4. Procedure and Governance

The Committee considered a report outlining the Investment Committee's current

terms of reference, procedure standing orders and membership. The report also sought the appointment to the position of Deputy Chair.

In respect of membership of the Investment Committee, it was noted that Councillor David Levene had been nominated by City of York Council to replace Councillor Dave Merrett and Leeds City Region Local Enterprise Partnership (LEP) would be represented by Mr Roger Marsh. All members of the Investment Committee would have equal voting rights and it was proposed and seconded that this would also include Mr Roger Marsh, Chair of the LEP.

Councillor James Alexander was proposed and seconded for the position of Deputy Chair.

Resolved -

- (i) That the current terms of reference, procedure standing orders and membership be noted.
- (ii) That Councillor James Alexander be appointed to the position of Deputy Chair of the Committee.
- (iii) That equal voting rights on the Investment Committee be given to Mr Roger Marsh, Chair of the LEP.

5. Role and Purpose of the Committee

The Committee considered a report on the role and purpose of the Committee and its relationship to the Transport Committee and the Combined Authority.

Members discussed the process for decision making within the new Combined Authority structure. They considered the types of decision and advice likely to be made by the Investment Committee and asked to be provided with examples of how projects and programmes would be progressed through the new system using the Single Appraisal Framework (SAF).

It was recognised that there would be a need to liaise with the Transport Committee on transport investment and developing transport schemes and programmes. It was proposed to establish a Transport Portfolio Advisory Group to include the Portfolio Holders and the Chair of the Transport Committee to oversee the initial scheme development work and provide input on Local Transport Plan matters. It was suggested that consideration be given to establish other Portfolio Advisory Groups in the future and members requested that the procedures for decision making be kept under review.

Resolved - That the proposed method of working as discussed be kept under review.

6. Single Appraisal Framework

The Committee considered a report which outlined the emerging LCR Single Appraisal Framework (SAF) that would provide the process and mechanism by which all investment projects would be developed and appraised across the city region to inform the decisions of the Investment Committee.

It was noted that work had commenced on testing the SAF on some of the LCR Strategic Economic Plan (SEP) projects. Once the initial testing had been piloted, a workshop would be arranged during the summer for stakeholders including those representing housing, transport, low carbon and economic development. Further information would be provided to a future meeting of the Committee once the initial testing phase had been undertaken.

Resolved –

- (i) That the LCR Single Appraisal Framework proposals be noted.
- (ii) That the ongoing activity and engagement with local authorities and other partners to further develop and test the emerging SAF be noted.
- (iii) That the SAF approach as the process and mechanism for developing and appraising the project pipeline, starting with the projects in the LCR Strategic Economic Plan be endorsed.
- (iv) That further details be reported to the Committee once the initial testing phase has been undertaken.
- (v) That the Committee recommend the use of the SAF to the Combined Authority subject to the ongoing testing outlined above.

7. Leeds City Region Strategic Economic Plan

The Committee noted the Executive Summary of Leeds City Region Enterprise Partnership's Strategic Economic Plan 2014.

Members discussed the Strategic Economic Plan 2014 which had been submitted in March 2014. Initial indications from the Government were that the document had been well received and members congratulated all officers involved in producing the SEP.

Resolved –

- (i) That the Executive Summary of the Strategic Economic Plan 2014 be noted.

- (ii) That the Committee recommends the adoption of the SEP as the Combined Authority's overarching economic strategy.

8. West Yorkshire Plus Transport Fund

The Committee considered a report which provided an update on the West Yorkshire Plus Transport Fund (WY+TF).

Members were also asked to consider:

- The progression of the Aire Valley Park and Ride project through Gateway 1.
- The progression of the Wakefield Eastern Relief Road project through Gateway 1.
- The progression of the Pontefract Northern Relief Road through Gateways 2 and 3.
- An interim budget to progress the development of the previously agreed 'early win' projects during 2014/15.

The Investment Committee discussed the need to maintain progress with the development of schemes in order to ensure that they were ready to be delivered from 2015/16 onwards whilst the funding arrangements were being put in place. An additional budget allocation of £4.587m was now being sought to continue the work in 2014/15 and members asked for further information regarding the balance of using external advice and internal resources to progress with the development of schemes.

With regard to the progression of the Pontefract Northern Relief Road through Gateways 2 and 3, members requested further clarity regarding the funding arrangements be included in the report to the Combined Authority.

Resolved –

- (i) That the progression of the Aire Valley Park and Ride and the Wakefield Eastern Relief Road projects through Gateway 1 be endorsed for consideration by the Combined Authority.
- (ii) That further clarity regarding the funding arrangements for the Pontefract Northern Relief Road be provided prior to being considered by the Combined Authority.
- (iii) That the Combined Authority be requested to approve expenditure of £4.587m of capital funding to enable further development of the 'early win' West Yorkshire Plus Transport Fund schemes.
- (iv) That further information be provided to this Committee in respect of the balance of using external and internal advice to progress with the development of schemes.

9. European Structural and Investment Funds (ESIF) – Creation of LEP Area Partnership Local Sub Committee

The Committee considered a report which sought approval to establish the new LEP Area Partnership Sub Committee (the Local Sub Committee (LSC) – as defined by Government).

The LSC would be responsible for ensuring operational delivery of European Structural and Investment Fund activity in Leeds City Region, overseeing the development of an appropriate pipeline of proposals, making recommendations to the Investment Committee on investments and monitoring performance at the level of the European Structural and Investment Framework.

Members discussed the proposal and asked for a further report once more information was available.

Resolved – That a further report be prepared for a future meeting of the Investment Committee outlining details of the recruitment process (in conjunction with the LEP).

10. Superfast Broadband Extension Programme

The Committee considered a report which outlined the emerging issues and opportunities relating to a potential extension of the Superfast Broadband Programme to cover West Yorkshire and York.

It was noted that West Yorkshire & York had provisionally been allocated funding from BDUK for the Extension Programme. An Expression of Interest had been submitted and more detailed proposals and funding requests were to be submitted to BDUK by 30 June 2014. Whilst welcoming the opportunity for an extension programme, it was noted that there were a number of outstanding issues requiring clarification and members stressed that it was essential that all city centres and regeneration areas were included in the programme. They also commented that consideration should be given to encourage competition by including smaller procurement packages. In view of the short timescales it was proposed that members' comments be taken into consideration and a report prepared for the meeting of the Combined Authority to be held on 29 May 2014.

Resolved –

- (i) That progress with implementing the Superfast West Yorkshire broadband infrastructure and demand stimulation and business support programmes and the York programme update be noted.
- (ii) That the key issues and process being undertaken to respond to the Superfast Broadband Extension Programme proposals be noted.

- (iii) That, subject to the comments made at the meeting, the proposed joint West Yorkshire and York collaboration on the broadband extension programme and the process set out in paragraph 3.9 to sign off a potential end June submission to BDUK be endorsed for consideration by the Combined Authority.