

WEST YORKSHIRE COMBINED AUTHORITY

**MEETING TO BE HELD AT 11.00 AM ON THURSDAY 18 SEPTEMBER 2014
AT CITY HALL, BRADFORD**

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 24 JULY 2014**
(pages 8 – 15)
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Strategy

- 5. DEVOLUTION FOR THE NORTH**
(Member lead: Cllr Box, Authors: Clare Elliott)
(pages 16 - 18)
- 6. LEEDS CITY REGION GROWTH DEAL – UPDATE AND NEXT STEPS**
(Member lead: Cllr Box, Authors: Nigel Guy and David Hoggarth)
(pages 19 – 26)

Economy

- 7. THE STRATEGIC RELATIONSHIP WITH LOCAL UNIVERSITIES**
(Member lead: Cllr Box, Author: Sue Cooke)
Professor Andrew Slade, Leeds Metropolitan University, to attend
(pages 27 – 31)

- 8. SUPERFAST BROADBAND EXTENSION PROGRAMME**
(Member lead: Cllr Green, Author: Colin Blackburn)
(pages 32 – 40)
- 9. HOUSING PROVISION & AFFORDABILITY IN THE LEEDS CITY REGION**
(Member lead: Cllr Green, Author: Colin Blackburn)
(pages 41 – 49)
- 10. STATEMENT OF CO-OPERATION ON LOCAL PLANNING**
(Member lead: Cllr Green, Author: Colin Blackburn)
(pages 50 – 82)

Transport

- 11. TOUR DE FRANCE LEGACY**
(Member lead: Cllr Wakefield, Author: John Henkel)
(pages 83 – 121)
- 12. BUS STRATEGY**
(Member lead: Cllr J Lewis, Author: John Henkel)
(pages 122 – 164)
- 13. STRATEGIC RAIL UPDATE**
(Member lead: Cllr J Lewis, Author: David Hoggarth)
(pages 165 – 173)

The Chair of the Transport Committee will attend for items 11 – 13.

Organisational

- 14. MEDIUM TERM FINANCIAL STRATEGY & 2015/16 BUDGET**
(Member lead: Cllr Box, Author: Angela Taylor)
(pages 174 – 178)
- 15. GOVERNANCE AND AUDIT COMMITTEE RECOMMENDATIONS**
(Member lead: Cllr Light, Author: Angela Taylor)
(pages 179 – 181)
- 16. REQUEST TO CHANGE OVERVIEW & SCRUTINY COMMITTEE
STANDING ORDERS**
(Member lead: Cllr Box, Author: Angela Taylor)
(pages 182 – 186)

For Information

- 17. MINUTES OF THE MEETING OF THE TRANSPORT COMMITTEE HELD ON 11 JULY 2014**
(pages 187 – 192)

- 18. MINUTES OF THE MEETING OF THE WEST YORKSHIRE AND YORK INVESTMENT COMMITTEE HELD ON 16 JULY 2014**
(pages 193– 201)


- 19. MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE HELD ON 21 JULY 2014**
(pages 202 – 205)

- 20. MINUTES OF THE MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE HELD ON 29 JULY 2014**
(pages 206 – 210)

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21. ANY OTHER BUSINESS

Signed:



Head of Paid Service WYCA

WEST YORKSHIRE COMBINED AUTHORITY
DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS

NAME OF MEMBER:

COMMITTEE: **Combined Authority Meeting**

DATE: **18 SEPTEMBER 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:	Angie Shearon
Telephone No:	Leeds (0113) 251 7220
Date:	10 September 2014

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY 24 JULY 2014 IN THE TOWN HALL, HALIFAX**

Present:	Cllr Peter Box (Chair)	-	Wakefield MDC
	Cllr David Green	-	City of Bradford MC
	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 Monica Graham	-	Conservative Representative (Wakefield MDC)
	Cllr Robert Light	-	Conservative Representative (Kirklees MC)
In attendance:	Cllr James Lewis	-	Chair of WYCA Transport Committee
	Angela Taylor	-	Combined Authority
	Nick Winney	-	Combined Authority
	David Burrell	-	Combined Authority

45. Apologies for Absence

Apologies for absence from Councillor Andrew Carter (Leeds CC) and Adrian Lythgo were noted.

46. Declarations of Disclosable Pecuniary Interests

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

47. Exclusion of the Press and Public

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

48. Minutes of the Meeting held on 26 June 2014

Resolved: That the minutes of the meeting of the WYCA held on 26 June 2014 be approved and signed by the Chair.

49. Leeds City Region Strategic Economic Plan – Growth Deal Update

The Combined Authority considered a report which provided an update on the Growth Deal announcement, which included the settlement of the Strategic Economic Plan bid to the Local Growth Fund.

Councillor Wakefield advised the Combined Authority of the positive meeting which had been held with The Rt Hon Danny Alexander MP, Chief Secretary to the Treasury prior to the announcement regarding the Local Growth Fund bid.

In welcoming the successful bid, the Combined Authority noted that the Leeds City Region had secured the largest settlement in the country of £573m for the Growth Deal period from 2015-21. This settlement included £180m for the West Yorkshire plus Transport Fund (WY+TF) and a further £420m to be provided between 2020/21 and 2034/35 for the Transport Fund (£30m per year). Therefore, together with the £183m Major Scheme Funding previously secured through the City Deal process and local contributions, this would produce a £1bn Transport Fund.

It was reported that future funding beyond 2021 would be reliant on an independent verification of progress and, in particular, economic impact. It was essential that the WY+TF was fully aligned with the SEP and that the agreed 'quick win' projects continued to be developed and delivered within the set timescales. Members re-emphasised improving connectivity across the City Region was a key component of the SEP in order to provide access to employment, skills and housing.

Members welcomed the outcome of the Growth Deal and thanked all those involved in developing the SEP and in the subsequent negotiations.

Resolved:

- (i) That the Growth Deal awarded to the Leeds City Region be welcomed.
- (ii) That the continued development of the quick win West Yorkshire plus Transport Fund schemes be endorsed.

50. Rail North Governance

The Combined Authority considered a report which provided an update on the plans for the devolution of rail services in the North of England and outlined the proposed governance arrangements to establish Rail North, together with a new partnership with the Department for Transport (DfT). The report also sought the Combined Authority's views in respect of the proposed devolution partnership.

It was reported that the City Deal included partnership working as a step towards 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.

It was reported that WYCA had been working closely with the 29 other Local Transport Authorities (LTAs) across the North of England to develop proposals for the devolution of rail powers across the North. In response to a question raised by Councillor Alexander, it was noted that whilst York City Council remained a standalone LTA, it would continue to work collaboratively with WYCA partners and be fully engaged in the development of the devolution partnership.

Rail North had been working in partnership with the DfT to specify the shape for the future Northern and TransPennine rail franchises which were due to commence in 2016.

An outline governance structure for Rail North to manage the new franchises had now been developed and details were provided in Appendix 1 of the submitted report. It was proposed that Rail North Limited would subsequently enter into a partnership with the DfT to manage the new Northern and TransPennine franchises.

Resolved:-

- (i) That the WYCA become a member of the Association of Rail North Partner Authorities and of Rail North Limited.
- (ii) That the Head of Paid Service and the Secretary and Solicitor (in consultation with the Chair) be delegated to enter into the necessary accession arrangements and documentation.
- (iii) That the outcomes the WYCA would wish to see from the proposed devolution partnership be noted.

51. Rail Franchise Consultation

The Combined Authority considered a report which provided information on the Department for Transport/Rail North consultation in relation to the re-franchising of the TransPennine (TP) and Northern (NT) rail franchises. The report also sought the Combined Authority's approval for the proposed response to the consultation.

It was reported that the consultation exercise provided a major opportunity for the WYCA to shape the franchises and provide direct inputs into the process by highlighting the importance of rail operations for the future economic growth of the Leeds City Region and the North, as well as the prioritisation for the development of rail schemes provided through these franchises.

Members were advised that the Transport Committee had considered the proposed response at their meeting held on 11 July 2014. The Combined Authority endorsed the key points made by the Transport Committee which were outlined in paragraph 2.10 of the submitted report. They stressed that the consultation response should be robust, outlining the need for ambitious franchises and rail services that supported the economy and wider social and environmental aspirations.

The Combined Authority discussed the need to improve East-West connectivity across the North including the urgent modernisation of the Calder Valley line and other inter-urban services.

It was suggested that a briefing note be prepared for all West Yorkshire and York MPs setting out the key issues and the Combined Authority's aspirations for rail services.

Resolved:

- (i) That the proposed response to the rail franchise consultation be approved.
- (ii) That a briefing note be prepared for all West Yorkshire and York MPs.

52. High Speed Rail and East-West Connectivity

The Combined Authority considered a report which provided an update on the High Speed Rail and East-West connectivity work-streams.

The Combined Authority were informed that in order to respond to the key issues which had been identified by the HS2 Regional Programme Board, several pieces of work were being undertaken to develop a HS2 connectivity package. This work would be closely aligned with the Strategic Economic Plan.

In recognising that the introduction of HS2 would be transformational across the City Region and would provide released capacity on the existing networks, the Combined Authority stressed that in the meantime it was essential that the Government continued to invest in the existing local and national networks. Priorities include the electrification of the Calder Valley line and other enhancements to the local rail network to achieve better connectivity between the Northern towns and cities.

Members wished to invite Sir David Higgins, the Executive Chairman of to attend the next meeting of the Combined Authority to discuss HS2 proposals and the aspiration for better connectivity across the North of England.

Resolved:

- (i) That the principles of spreading the benefits of HS2, maximising the released capacity and enhanced connectivity across all parts of the City Region be endorsed.
- (ii) That the WYCA's comments in respect of the initial input into the Connectivity Study be noted.
- (iii) That the Government be urged to invest in the current network in advance of HS2.
- (iv) That Sir David Higgins, the Executive Chairman of HS2 be invited to meet with members of the WYCA.

53. Low Moor: Authority to seek Approval from the Secretary of State to make a Compulsory Purchase Order

The Combined Authority considered a report which :-

- provided an update on the proposed Low Moor Railway Station development ("the Proposed Railway Station") and close working with City of Bradford Metropolitan District Council;
- sought approval to apply to the Secretary of State for consent to use the powers of Compulsory Acquisition in accordance with the Transport Act 1968; and
- sought approval to delegate appropriate powers to make a compulsory purchase order (CPO) to the Director of Development and the Secretary and Solicitor following the receipt of the approval to exercise such powers being received from the Secretary of State for Transport

It was reported that the WYCA and City of Bradford Metropolitan District Council (CBMDC) had been working closely in relation to a land acquisition strategy to support the scheme. Planning permission had been granted in May 2014 and it was now essential to progress land acquisition in order to achieve the programme for opening the station.

Members were directed to the draft Statement of Reasons attached to the submitted report which set out the powers available to the WYCA and the policy objectives and benefits that the scheme would deliver. Members were reminded of their duty to consider any detriment to individuals that might arise through the use of compulsory powers and to weigh those against the benefits of using those powers. It was reported that only two corporate land owners would be directly affected, that compensation would be payable in line with the statutory code to any party whose land or rights were affected and that strategies to deal with any business interruption, if it arose, would be adopted.

It was reported that every effort would be made to acquire the necessary land through negotiation with the landowners. However it was considered that in order to ensure timely delivery of the scheme, it was appropriate to seek the approval of the Secretary of State to use the CPO powers.

Resolved:

- (i) That the contents of the draft Statement of Reasons attached at Appendix 3 to the submitted report be noted.
- (ii) That provided that the Secretary of State first authorises the use of compulsory purchase powers to deliver the Proposed Railway Station at Low Moor pursuant to section 10 of the Transport Act 1968, approval be given to the use of the powers under section 10 of that Act to purchase compulsorily the land shown on the CPO Plan at Appendix 1 for the purpose of facilitating the development of a new railway station.
- (iii) That the Director of Development be authorised:
 - (a) to take all necessary actions to seek the approval of the Secretary of State to the use of the CPO Powers as required under section 10 Transport Act 1968; and
 - (b) to take all necessary actions to make, submit and secure confirmation of the Proposed Order by the Secretary of State including making minor amendments, modifications or deletions to the Proposed Order Map should it be necessary and promoting the case at public inquiry.
- (iv) That, subject to confirmation of the CPO by the Secretary of State, the Secretary and Solicitor be authorised to take all necessary actions to acquire title and/or possession of the Order Land for the Authority, including as appropriate, by:
 - Serving Notice of Confirmation of the CPO on all affected parties
 - Serving Notice of Intention to Execute a General Vesting Declaration on all affected parties to transfer the title of the land included in the CPO to the Authority
 - Executing any General Vest Declaration[s]
 - Serving Notices to Treat and/or Notices of Entry; and
 - Acquiring land and interests through negotiation.
- (v) That the Secretary and Solicitor be authorised, if required, to take all necessary actions to secure from the relevant Highway Authority all essential orders to extinguish or divert existing public rights of way and highways in order to achieve the Scheme.

54. Leeds City Region Green Deal and Energy Company Obligation (ECO) Scheme

The Combined Authority considered a report which provided an update on the process to procure a private sector partner to deliver a Green Deal and Energy Company Obligation (ECO) Scheme across the Combined Authority and Leeds City Region area, and to seek endorsement for the Combined Authority (WYCA) to enter into the strategic Framework Contract with the preferred provider once the procurement process was complete, subject to appropriate legal advice and acceptable risk.

Members noted that the Green Deal was one of the Government's flagship initiatives to tackle fuel poverty. The scheme would operate by providing energy efficiency and other works at no upfront cost to the householder with those works being financed through a loan to be paid back via the householder's fuel bill.

It was noted that the Investment Committee had considered the proposals at their meeting held on 16 July 2014 and recommended that the WYCA enters into the Framework Contract on behalf of the City Region. They had also emphasised the importance that the Scheme ensured that it was not just the 'easy wins' that were targeted. It was stressed that the most difficult, needy and deprived areas should not be disadvantaged and the scheme would also be available to public buildings and businesses.

The Combined Authority commented that the scheme should be simple and widely publicised to promote the economic benefits. Councillor Green assured members that the scheme would be regularly monitored to ensure the initiative was delivered effectively and reached its targets.

Resolved:

- (i) That the economic benefits to the Authority's area of the Leeds City Region Green Deal and Eco Scheme proposals be noted.
- (ii) That the WYCA enters into arrangements with the City Region Authorities and with Leeds City Council in particular, as to the appraisal of the bidders' tenders and the operation of the framework, once awarded.
- (iii) That the WYCA contracts with the successful bidder as the Framework Manager.

55. Developing Relationships with the Universities

The Combined Authority received a verbal update on proposals to initiate strong links with universities with a view to developing a Memorandum of Understanding to include the WYCA, LEP and the universities. It was suggested that a representative from the universities be invited to the next meeting.

Resolved:

- (i) That the proposals to initiate strong links with universities be welcomed.
- (ii) That a representative from the universities be invited to the next meeting.

56. West Yorkshire + Transport Fund Gateway Approvals

The Combined Authority considered a report which sought approval for an approach to be used 'by exception' and to apply it to Gateway 2 Approvals for Wakefield Eastern Relief Road.

It was reported that the West Yorkshire and York Local Transport Body (LTB) Interim Assurance Framework had agreed a gateway approval process to ensure the proper use of public funds and that value for money was secured when developing and delivering major transport schemes. In this respect, the decision as to whether a project was ready to pass through each Gateway would be made by the Combined Authority after taking advice from the Transport and Investment Committees.

However it was acknowledged that in some instances, delays to Gateway approvals could impact on procurement timescales and delivery of schemes could be compromised. It was therefore proposed that a 'by exception' approach, as set out in Table 1 of the submitted report, be endorsed. It was stressed that this approach would be restricted to where it was essential to meet project timescales, such as those for the Wakefield Eastern Relief Road.

Resolved:

- (i) That the 'by exception' approach as set out in Table 1 of the submitted report be endorsed:
 - 'Advice' to the WYCA is delegated to the relevant Director in liaison with the Chairs of the Transport and Investment Committees and the Director of Resources.
 - For schemes above the value of £10m, the Head of Paid Service is to be consulted.
- (ii) That the 'by exception' approach to be applied to the Gateway 2 approval for Wakefield Eastern Relief Road on the grounds that the standard approach would lead to a critical milestone being missed delaying the delivery of the overall project by up to 2 years.
- (iii) That the Secretary and Solicitor make appropriate amendments to the Scheme of Delegation and the Standing Orders of the Authority to reflect the resolutions, in consultation with the Director of Resources.

REPORT FRONT SHEET

AGENDA ITEM: 5

Combined Authority: 18 September 2014

Report Title: Devolution for the North

Report Summary

- The report introduces the Deputy Prime Minister's 'Northern Futures' initiative and seeks ideas for inclusion in a Combined Authority response that makes the case to Government for ambitious, radical devolution in the North.

Possible Questions

1. **What should the Combined Authority be seeking from Government to play its part in transforming the economic future of the North?**
2. **In what ways should the Combined Authority's devolution proposition be distinct to the Leeds City Region LEP's proposition?**
3. **How can the Combined Authority collaborate with other parts of the North to create an economic powerhouse that rivals London?**

Note: The above questions may arise during the debate, but do not preclude other items for discussion and debate.

Originator: Clare Elliott
Executive Officer to the Head
of Paid Service



ITEM 5

Report to: Combined Authority

Date: 18 September 2014

Subject: Devolution for the North

1. Purpose

- 1.1. To prompt a discussion about the Combined Authority's response to the Government's call for ideas on northern growth.

2. Information

Background

- 2.1. At the beginning of August 2014, the Deputy Prime Minister launched the 'Northern Futures' initiative which seeks to answer the question:

'How do we build on the strengths in the North to create an economic core in the heart of the region that can compete with the biggest cities in the world?'

- 2.2. The Combined Authority has been invited to contribute a series of 'bold and innovative ideas', to the debate in advance of the October 17th deadline. Action focussed, prioritised ideas which could potentially have a transformative impact on the economic future of the North have been strongly encouraged.
- 2.3. A 'Northern Futures Summit' is taking place in Leeds on November 6th during which those ideas which are perceived to be the strongest will be 'pitched to politicians and decision-makers.'
- 2.4. George Osborne has also indicated that he would welcome sight of an ambitious devolution proposition, particularly from the Leeds and Manchester City Regions, to inform his Autumn Statement.

Developing a Combined Authority Response

- 2.5. It is critical that the Combined Authority submits a clearly articulated response to government that is in line with the scale of ambition that is being encouraged centrally and demanded locally.

- 2.6. The Leeds City Region LEP is in the process of developing its own response to Northern Futures and those elements which relate to ambitions within the Growth Deal will clearly need to be reflected in any Combined Authority submission.
- 2.7. As well as incorporating the proposals to be put forward by the LEP, it is suggested that the Combined Authority should articulate its own distinct position that links closely to the public sector reform and 'rewiring public services' agendas and may place more of an emphasis on specific 'asks' around transport.
- 2.8. It is also proposed that the Combined Authority's submission stresses the strength of the, cross-party and cross –LEP, governance arrangements currently in place as a vehicle for managing further devolution. Prioritising the 'asks' within the Combined Authority's response to Northern Futures will provide key evidence of this strength of leadership.
- 2.9. Once agreed, the core asks within the Combined Authority's submission are likely to form the basis of a dedicated communication campaign to raise the profile of the Combined Authority's potential capabilities should the requisite funding and flexibilities be awarded by Government.

3. Financial Implications

- 3.1. There are no financial implications at this stage.

4. Legal Implications

- 4.1. There are no legal implications at this stage.

5. Staffing Implications

- 5.1. There are no staffing implications at this stage

6. Consultees

- 6.1. Councillor Peter Box and Adrian Lythgo have both provided advice during the preparation of this report.

7. Recommendations

- 7.1. That the Combined Authority discusses its response to the Government's call for ideas to transform the economic future of the North.
- 7.2. That the Chair of the Combined Authority oversees the development of the Combined Authority's response prior to submission on October 17th.

8. Background Documents

- 8.1. None at this stage

REPORT FRONT SHEET

AGENDA ITEM: 6

Combined Authority: 18 September 2014

Report Title: Leeds City Region Growth Deal Delivery

Report Summary

This report provides an update on delivery of Leeds City Region Growth Deal. It outlines the work being done to establish delivery arrangements for all aspects of the deal and to finalise arrangements for the Transport Fund. It also seeks a specific approval for a Transport Fund Scheme: A Gateway 2 approval for the Wakefield Eastern Relief Road.

Possible Questions

- Is WYCA happy with the process for agreeing the final delivery arrangements for the West Yorkshire Transport Fund?
- Do WYCA members want any further involvement in the programme review and financing package development for the Transport Fund?
- Is WYCA content that the criteria for Wakefield Eastern Relief Road passing Gateway 2 have been met.

Note: The above questions may arise during the debate, but do not preclude other items for discussion and debate.

Originators: Rob Norreys,
LEP Director and Head
of Economic Strategy;
David Hoggarth,
Director of
Development



ITEM 6

Report to: Combined Authority

Date: 18 September 2014

Subject: Leeds City Region Growth Deal Delivery

1. Purpose

1.1 To provide an update on delivery of the Leeds City Region Growth Deal.

2. Growth Deal Delivery

2.2 As previously advised, on 7th July, the government announced 'Growth Deals' for each LEP area, listing the projects and programmes for which it had allocated funding. Over the six-year life of the deal from 2015-16 to 2020-21, Leeds City Region has secured £572.9m. This is the largest sum allocated to any LEP area, and represents the second highest allocation per head of population.

2.3 West Yorkshire and York has also secured a unique 20-year settlement of £30m per year to support the West Yorkshire plus Transport Fund. This will deliver a further £420m in government funding from 2021-22 to 2034-35. Taken together with previously announced devolved transport funding and locally-agreed contributions, this will facilitate a Transport Fund of around £1billion.

2.4 Release of funding beyond the first six years is dependent on being able to demonstrate that key outcomes and outputs have been delivered through an independent gateway review process. Discussions are taking place with Government on the review process and a proposal will be developed for consideration by the WYCA in December 2013. In addition there are three other workstreams underway that flow from the Growth Deal Announcement:

- A review of the financial package to support the fund (including sources of local funding and potential borrowing).
- A review of the programme itself, particularly focusing on delivery in the first six years.
- An update and formal sign off of the Assurance Framework.

- 2.5 This work will be overseen by WYCA's Investment Committee and will report back to the WYCA in December 2014.
- 2.6 The LEP has already begun the work required to deliver the Growth Deal under each of the four strategic pillars of the Strategic Economic Plan:
- **supporting growing businesses:** the Business Growth Programme
 - **developing a skilled and flexible workforce:** the Skills Capital programme
 - **building a resource smart City Region:** the Energy Hub; the Resource Smart Business Support Programme; and BioVale (a joint project with York, North Yorkshire and East Riding LEP)
 - **delivering the infrastructure for growth (housing and regeneration):** One City Park, Bradford; East Leeds Extension; City Fields, Wakefield; York Central; Halifax Town Centre (Northgate House); and Horse Close, Craven
- 2.7 Formal project management procedures are being developed in consultation with Directors of Development and the Head of Paid Service, and will be brought back to the WYCA and the LEP Board for final approval at their next meetings. This will include proposals for the governance structures needed to manage the Local Growth Fund.

Delivery of the West Yorkshire plus Transport Fund

- 2.8 Development of a programme of 'early wins' from the Transport Fund is continuing through a previously agreed development budget. It is important that this development work continues pending the outcome of the full review so that schemes are ready to go at the earliest possible opportunity.
- 2.9 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.
- 2.10 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, and updates the business case in preparation to seek a price from the market to implement the scheme;
 - **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.

- 2.11 This report seeks specific approval for the **Wakefield Eastern Relief Road (WERR)** to pass Gateway 2. In the preparation of this report, the approval has been considered by the Chairs of the Transport and Investment Committees of the WYCA in line with the 'by exception' approach agreed by the WYCA on 24 July 2014. The reason for the approach is that there is a need to hit a critical deadline for a railway line possession (in Christmas 2015) to allow the construction of a bridge over the railway line.
- 2.12 The WERR is 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. The WYCA granted Gateway 1 approval in May 2014 following an independent review. Approval of Gateway 1 triggered the release of £514,000 required to complete the remainder of work required to up to Gateway 2.
- 2.13 Wakefield have now submitted for Gateway 2 approval. The business case included within the submission demonstrates:
- The overall Gross Value Added (GVA) / £ ratio for the project has increased as result of revised forecasts for journey time improvements arising from the scheme.
 - The overall scheme costs are within the agreed fund allocation, but now include a greater risk allowance and have been updated to outturn prices.
 - The estimated benefit:cost ratio for the scheme is 10.4 : 1. This places the project in the 'very high' value for money category.
 - The cost of the scheme to the Fund is £33.053m in outturn prices.
- 2.14 The submission has been assessed and, subject to an updated version of the Business Case to reflect the feedback obtained through the Peer Review, it is recommended that the scheme should pass through Gateway 2. A summary of the Business Case including the value for money case is attached as **Appendix 1**.
- 2.15 The approval of Gateway 2 would allow Wakefield to commence the procurement for the construction of the project. Approval is also sought at this point to release the £200,000 funding required to progress the scheme from Gateway 2 to Gateway 3. This is included in the overall cost estimate for the scheme and would be funded from the reserves held by the WYCA to support the delivery of the WY+TF.
- 2.16 It is anticipated that the outcome of the planning application for the scheme and procurement exercise will be completed in December 2014. At this point Wakefield will make their Gateway 3 submission, approval for which would release the WY+TF funding to deliver the scheme.

3. Financial Implications

- 3.1 The financial implications of the Growth Deal and specific Transport Fund scheme are set out in Section 2 above.

3.2 Subject to the approval of the Gateway 2 submission for the WERR, there is a requirement to fund £200,000 to progress the scheme development from Gateway 2 to Gateway 3. This would be funded from the reserves held by the WYCA to support the delivery of the WY+TF.

4. Legal Implications

4.1 There are no new legal implications as a direct result of this report.

5. Staffing Implications

5.1 The staffing capabilities and resources needed to deliver the Growth Deal and the West Yorkshire plus Transport Fund are being reviewed, and will be reported to a future meeting of the Combined Authority.

6. Consultees

6.1 Councillor David Green (as Chair of the Investment Committee), Councillor James Lewis (as Chair of the Transport Committee), Adrian Lythgo (Head of paid Service) and Angela Taylor (Director of Resources) have been consulted on the Wakefield Eastern Relief Road Gateway in line with the previously agreed process for 'by exception' gateways.

7. Recommendations

7.1 That the Combined Authority approves that the Wakefield Eastern Relief Road can pass through Gateway 2 and the release of £200,000, to be funded by reserves held by the WYCA ring-fenced for the WY+TF, to support the development of the scheme up to Gateway 3 submission.

8. Background Documents

- Leeds City Region Enterprise Partnership Strategic Economic Plan, March 2014
- Combined Authority Item 5, 29 May 2014: Adoption of the SEP
- Combined Authority Item 5, 24 July 2014: Leeds City Region Strategic Economic Plan – Growth Deal Update
- Transport Committee Item 11, 11 July 2014: SEP Funding Announcements

WEST YORKSHIRE PLUS TRANSPORT FUND BUSINESS CASE SUMMARY

Project Ref: 9 **Project Name:** Wakefield Eastern Relief Road

Summary

Promoting Authority	Wakefield MDC
Project Executive	Neil Rodgers
Project Manager	Tracey Brewer
Gateway Stage for which approval is sought	Gateway 2 - Procurement Approval
Approval for expenditure being sought	£200k to progress to Gateway 3

Project description

The Wakefield Eastern Relief Road (WERR) will be a single carriageway highway between the A638 Doncaster Road to the south east and the A642 Aberford Road to the north east of the city centre. The Road crosses the River Calder and the Wakefield – Normanton – Castleford railway line.

The WERR will open up substantial job creation opportunities by providing direct access into the East Wakefield (City Fields) employment growth area for residents across Wakefield and beyond. The road also provides an alternative route around the City Centre and will therefore reduce congestion and increase accessibility to/from Wakefield city centre. Providing this additional highway capacity will improve conditions for bus services, pedestrians and cyclists and will enable further opportunities to provide complementary sustainable transport measures within and to the city centre and the Lower Kirkgate area in particular. It will also help to accommodate future development traffic in the east of the district.

The Business Case for the WERR demonstrates how the new road will support the key objectives of the Transport Fund to maximise a growth in local GVA (gross value added - a measure of the value of the local economy), increase business productivity and to improve accessibility to employment within West Yorkshire. The specific scheme objectives are as follows:

- To reduce inbound congestion issues which are the major cause of air quality issues, slow journey times during peak travel times and inefficient highway network operation
- Improve the safety of the A638 and A642 radial highway routes Wakefield, and enhance local environmental conditions
- Increase the accessibility of future housing and employment growth allocated in the Local Development Framework (LDF)
- Support the new City Centre Developments in Wakefield through accommodating growth sustainably through a growth in the use of non-car travel modes
- Support the Emerald Ring "green vision" through a shift to more sustainable and environmentally acceptable travel in the city centre
- Reduce the number of accidents caused by the high levels of car usage for trips into the city centre

Total Cost and Funding Profile (all figures in £000s)

Funding Source	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/21	22/23	23/24	TOTAL
WY+TF	349	1,559	17,340	13,805								33,053

Key Outcomes	Quantified Impact	Comments
WY GVA / £	5.6	Based on GVA p.a. at 2026 in 2009 prices.
WY Jobs	2728	Net WY jobs compared to Do Minimum at 2026.
WY Housing	173	Net WY households compared to Do Minimum at 2026.

Summary of current scheme against baseline

Summary

The original prioritisation of this project, relative to other projects being considered in the Transport Fund prioritisation and definition stage was based on high level estimates of scheme costs and traffic impacts. Subsequent work set out in this Gateway submission (based on more robust and up to date information) is predicting marginal cost changes but more significant traffic benefits compared to the original assumptions. This demonstrates that the project would enhance the delivery of the overall Transport Objectives and the originally assumed level of economic benefits predicted can be realised (and indeed exceeded).

Costs

The total cost to the fund is £33.035m in out-turn prices. (£29.342m in 2012 prices compared to £29.4m which was assumed when the project was initially prioritised)

WEST YORKSHIRE PLUS TRANSPORT FUND BUSINESS CASE SUMMARY

Project Ref: 9 **Project Name:** Wakefield Eastern Relief Road

Benefits

The scheme has been retested to account for revised highway modelling results and changes to scheme components. The revised highway model results demonstrate greater journey time improvements compared to the baseline.

- GVA / £ at 2026 has increased from 4.7 to 5.6 (this is a value for money measure using GVA (value of the scheme to the WY economy, including the value of new employment and enhanced business productivity) while '£' reflects the net cost to the Transport Fund excluding third party contributions and discounted to a consistent basis. 5.6 represents a very high value for money score (by comparison the overall GVA/£ for the full WY package is 1.5)
- Net WY jobs at 2026 has increased from around 1,800 to around 2,700. This increase is based on updated economic forecasts as a result of updated traffic journey time predications provided by more up to date modelling of journey time benefits. The effect of these improved traffic speeds and decongestion, is to increase the scale of the accessible work force, reduce business costs and improve business connectivity which is forecast to make the location more developable and enable employment growth.
- The new increase in WY households at 2026 has reduced from around +300 to around +170. Total household growth (including areas outside WY) has increased compared to baseline, but with higher growth is now forecast in South Yorkshire. The site is more attractive to a wider work force including locations in West Yorkshire, South Yorkshire and other areas of the Leeds City Region (such as Barnsley and Selby)

Key risks	Description
Risk 1	Development Partners Withdraw
Risk 2	Specific construction risks - bridge design
Risk 3	Land to be dedicated for the scheme

Land Acquisition

The WERR goes through land owned by a Consortium, which has agreed to dedicate/offer land on licence for the construction of the road. A CPO would be used as a last resort, and this has been prepared by the WMDC Legal team in that eventuality. Deeds of Dedication / Licences are currently being prepared and expected to be signed by late October.

Key Stakeholders

Internal (Wakefield Council)	External bodies
Highways	Police & Emergency Services
Councillors	Department for Transport
UTC & Traffic	Highways Agency and Environment Agency
Regeneration	Statutory undertakers
Drainage	Local MPs
Finance	Local Businesses (within an agreed area)
Communications	Community / environmental groups / bodies
Town & parish councils	WYCA / bus operators
	Local forums
	Cycle / Walking groups Local Residents (within an agreed area)
	Freight operators
	Local Councils and planning authorities
	Local media
	Equality groups

Consultation

As part of the LDF consultation and Examination in Public, a number of consultations / exhibitions were held, both by the Council and the Consortium. The LDF was approved at Full Council in 2012. As part of the Phase 1 planning application, a consultation exercise was undertaken by the developers. A consultation event was held on 15 & 16 July 2014, to inform residents of the proposed planning application. At the same time, a comprehensive consultation letter was sent to relevant / interested bodies as part of the Statement of Community Involvement.

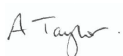
Associated Documents

<http://www.wakefieldeast.co.uk/applications>
West Yorkshire Plus Transport Fund, Item 9, 29 May 2014, WYCA

Value for Money Statement

Scheme Name	Wakefield Eastern Relief Road
Scheme Promoter	Wakefield MDC
Gateway Stage	Gateway 2

Criteria	Assessment	Comments
Quantified Benefits		
Present Value of Benefits	Time Savings	£298.6m
	Vehicle Operating costs	£38.7m
	Greenhouse Gases	£2.4m
	Indirect Tax	-£6.1m
	Other	£0.8m
	Total	£334.4m
Cost		
Optimism Bias	44%	Optimism Bias is an economic tool used to uplift costs for the purpose of estimating a robust BCR. It is not included however in the Outturn Cost 44% used in BCR calculations, higher than the 15% estimate. This results in a more conservative BCR being estimated
Base year	2010	Base year used for appraisal
Total Present Value of Costs	£32.1m	The sum of total capital and operating costs for the scheme including any revenue implications, presented in real terms to remove the effect of inflation, and discounted to reflect the value of future costs in a common base year
BCR (Benefit to cost ratio)		
Initial	10.4	The Benefit Cost Ratio (BCR) considers the impacts to the economy, society, the environment and the public accounts. It offers an estimate of the value of benefit generated for every £1 of public expenditure on a project or scheme. The Initial BCR is constructed using the DfT's guidance on monetising the different benefits and costs of a transport intervention
Adjusted	Potentially 16.7	The Adjusted BCR considers further qualitative and quantitative information on some impacts and how these contribute to the Value for Money of the scheme. For the Wakefield Eastern Relief Road this could include additional benefits for Accidents (£10m) and GVA (£192m). These are referred to in Major Scheme Business Case but additional benefits not calculated
Qualitative Benefits		
Qualitative Benefits	slight to moderate on most indicators	Itemised in Appraisal summary table
VfM (value for money)		
Value for Money Category	Very high	Categorisation of the schemes value for money using DfT defined criteria based on Benefit to cost ratio (BCR) <div style="text-align: center;"> <p><1.0 = poor</p> <p>1.0 – 1.5 = low</p> <p>1.5 – 2.0 = medium</p> <p>2.0 – 4.0 = high</p> <p>>4.0 = very high</p> </div>

Sign-off	
Name	Angela Taylor
Title	Director Resources
Organisation	WYCA
Signature	

REPORT FRONT SHEET

AGENDA ITEM: 7

Combined Authority: 18 September 2014

Report Title: The strategic relationship with local universities

Report Summary

To provide the Combined Authority with an opportunity to consider how it might develop a strategic relationship with the universities/higher education institutions across West Yorkshire and York.

Key facts:

- There are eight universities/higher education institutions (HEIs) including four in Leeds, two in York, one in Bradford and one in Huddersfield.
- They produce over 36,000 graduates per year.
- Yorkshire is the only net importer of graduates (+1%) besides London (+56%) in England
- The HEIs have interests in many of the areas essential to the Strategic Economic Plan, including higher level skills, research and innovation, enterprise, employability and international partnerships.

Questions

- 1. What are the advantages to the WYCA and local authorities in working collaboratively across the city region on this agenda?**
- 2. What are the advantages to the universities in working collaboratively across the city region on this agenda?**
- 3. How could the WYCA best engage with the universities alongside the work of the LEP in this field?**

Note: The above questions may arise during the debate, but do not preclude other items for discussion and debate.

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



ITEM 7

Report to: Combined Authority

Date: 18 September 2014

Subject: The strategic relationship with local universities

1. Purpose

1.1. The paper will set the scene for the development of a strategic relationship between WYCA with the 8 local universities and begin to explore the opportunities to develop shared objectives.

2. Background

2.1 Within the West Yorkshire Combined Authority (plus York) there are 8 Higher Education Institutions: University of Bradford, University of Huddersfield, University of York, York St John, Leeds Metropolitan University, Leeds College of Art, Leeds Trinity University and the University of Leeds. The geographical remit of both the WYCA and the LEP includes all of these eight universities.

3.0 Context

3.1 To formalise relationships and activity with their local universities, a number of local authorities across West Yorkshire already have formal agreements (via a Memorandum of Understanding) with a specific university. These tend to identify key principles for collaborative working as well as identify areas for potential cooperation aligned to specific local priorities and objectives, for example planning, business support, employment etc.

3.3 At a city region level, the Joint Skills Partnership Agreement between the LEP (Employment and Skills Panel) and the LCR Skills Network has successfully operated for the last two years, providing a framework for joined up skills activity between the LEP, universities and colleges.

3.4 Discussions have recently begun between LEP Chair Roger Marsh and the 8 Vice Chancellors to develop common ground for driving forward joint activity in support of the Strategic Economic Plan (SEP). Both the LEP and the Universities are keen to work together collaboratively to deliver the city region's strategic priorities. Specific

areas identified to date include innovation, international connections and SME competitiveness.

- 3.5 The LEP has an existing relationship with Yorkshire Universities (YU) which includes the organisation acting as a gateway / key point of contact with the universities where appropriate through a LEP/HEI Liaison Officer. Current joint activity between the LEP and YU includes the mapping of university assets against the SEP's priority sectors to inform the discussions and collaborative working discussed with the Vice Chancellors as described above.

4.0 Potential strategic relationship

- 4.2 There is an opportunity to establish and develop the relationship between the WYCA and the Universities through the agreement of shared objectives – including providing opportunities for individual constituent local authorities within the WYCA to expand their collaboration and working relationships with regional universities. Any relationship could incorporate the LEP programme of activity within its framework, providing the strategic framework for collaboration with the universities whilst recognising the distinct priorities of both the WYCA and the LEP.

5.0 Towards shared objectives

- 5.1 Each of the three parties (WYCA, local authorities and the LEP) has their own distinct priorities and interests in developing a strategic relationship with universities. There are also a number of overlapping priorities and interests from all these organisations. Common issues such as transport, skills, employability and research are priorities for all three parties and could provide the basis for further discussion with the universities.

6.0 Financial Implications

- 6.1 There are no immediate financial implications to the WYCA apart from the resource required to undertake discussions/negotiations with the eight institutions above. There may be further financial implications arising from any further agreements, depending on the nature of the proposed collaborations.

7.0 Legal Implications

- 7.1 There are no specific legal implications at this time, unless the various parties decide to formalise collaboration through a formal Memorandum of Understanding.

8.0 Staffing Implications

- 8.1 The Head of Enterprise and Skills within the LCR LEP / WYCA currently manages day to day liaison with the eight institutions as part of the LEP's work on skills, business engagement and innovation. Involvement of constituent local authorities will be beneficial to capturing the contribution of existing bi-lateral arrangements between councils and their local universities.

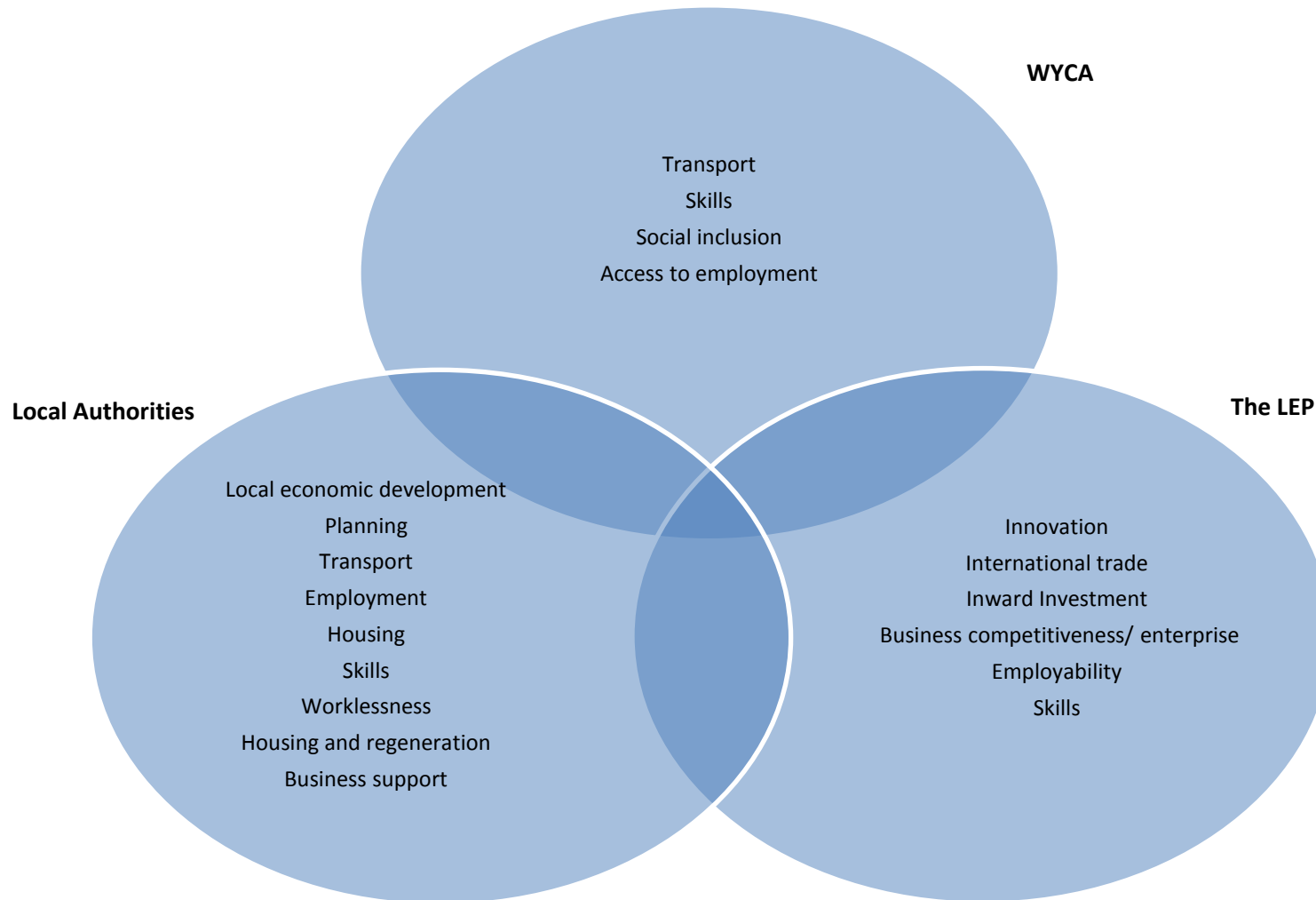
9. Consultees

- 9.1 Cllr Box, Chair of the WYCA, has been consulted on this report and his views have been incorporated with the report.

10. Recommendations

- 10.1 Comments and views are sought about how best to develop this strategic relationship further at the WYCA level.

Strategic Economic Plan



REPORT FRONT SHEET

AGENDA ITEM: 8

Combined Authority: 18 September 2014

Report Title: Superfast Broadband Extension Programme

Report Summary

- £6.9m funding has been allocated to West Yorkshire and York to support a superfast extension programme for 2015-17. This funding is proposed to be match by the WYCA through European funding allocations, which when combined with match from a private sector partner could result in a £20-30m two year programme being developed and implemented.
- Following a steer from the WYCA, initial work has been undertaken to identify priority areas for investment through a potential programme, and analyse this information to understand whether the WYCA priorities could be delivered within the available funding. Social inclusion and business connectivity were key strategic aims.
- The initial analysis has shown that the priorities should be able to be delivered within the available funding along with a significant number of additional business and residential premises. It is proposed that the BDUK Framework provides the most appropriate and timely mechanism to procure a private sector partner to deliver the programme.
- The report seeks the WYCA endorsement to progress to the procurement stage.

Questions

1. What are the benefits of superfast broadband to improving business competitiveness, and how is the WYCA supporting businesses in West Yorkshire and York to take advantage of enhanced broadband services?
2. How effective is existing demand stimulation activity at encouraging take-up by residents and businesses alongside the broadband infrastructure roll-out programme?
3. Although city centres are key economic drivers of the economy, some businesses within city centres have poorer broadband services at an affordable price than less densely populated areas. As it is understood that State Aid regulations rule out public investment being spent in city centres on broadband infrastructure, what

could the WYCA do to influence those who could address these inadequacies in city centres?

4. Are there any specific priority locations that should feature in a future West Yorkshire broadband programme?

Note: The above questions may arise during the debate, but do not preclude other items for discussion and debate.

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



ITEM 8

Report to: Combined Authority

Date: 18 September 2014

Subject: Superfast Broadband Extension Programme

1. Purpose

1.1. To provide an update on the preparatory work undertaken to prepare for a Superfast Broadband Extension Programme for 2015-17 to cover West Yorkshire and York, and to seek agreement to progress to the procurement stage.

2. Information

2.1 Members will recall that West Yorkshire and York have together been provisionally allocated £6.9m funding from BDUK for the Extension Programme, with the requirement for this funding to be matched locally as well as for the private sector partner to further match the public investment. This means that the 2015-17 programme could be circa £20-30m.

2.2 An initial Expression of Interest (EOI) was submitted to Government in March 2014. Following liaison with the Investment Committee Chair, a further submission was made at the end of June within the Government's deadline reconfirming the continuing commitment of the Authority to developing a superfast broadband programme for 2015-17; however, this would be subject to further work being undertaken and consideration by the Authority both to the benefits and coverage of a proposed locationally prioritised programme, and the most appropriate procurement approach(es) to achieve the desired outcomes.

2.3 The priorities and desired outcomes where possible were recommended by the Investment Committee and endorsed by this WYCA to be:

- key locations to support economic growth such as the city region Enterprise Zone;
- promoting social inclusion and accessibility for all, particularly those areas suffering the highest deprivation. This includes parts of the Leeds-Bradford Super Connected Cities (SCC) former area that was excluded from the previous programme; and

- maximising competition in the market where possible to drive down costs and promote local economic growth.
- 2.4 The BDUK funding needs to be matched by local authorities/partnerships, and in this respect c£9m capital funding has been set aside in the LCR European Structural and Investment Funds (ESIF) to provide potential match funding; although any such further programme may also require some local authority / Combined Authority 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, and details on this potential project extension will be reported to a future meeting.
- 2.5 A critical part of the further work is to identify which areas across West Yorkshire and York the public sector can invest in, in accordance with State Aid rules. An Open Market Review (OMR) with the industry to request up-to-date information on their commercial and other roll-out infrastructure programmes was undertaken in May/June 2014. The response was limited and responses were not received from the main providers. The concerns expressed by the Investment Committee were brought to the attention of Government, requesting that Government intervene on our behalf to unlock this significant barrier to progressing the programme. A solution has now been found by Government, which is welcomed, and the main providers have confirmed that they will now provide the updated information that is required.
- 2.6 However, in the absence of this information and the need to progress rapidly with preparatory work due to the contractual deadlines imposed under the State Aid rules, we commissioned our own work to update our understanding of the current coverage situation. This included analysing and mapping the data and information we are aware of from commercial roll-outs and the existing public sector supported intervention programmes in West Yorkshire and York. This report presents the key data and issues arising from this analysis.
- 2.7 Due to BDUK procedures, we have agreed to re-issue an OMR in mid-September 2014, which will hopefully when the additional responses are received, provide even greater accuracy regarding the possible intervention areas for the next 2015-17 programme.
- 2.8 Furthermore, following the request of the Investment Committee, we have been lobbying Government to resolve the critical omission of the former Leeds-Bradford Super Connected Cities (SCC) Area from the next superfast broadband programme. Parts of the SCC area have significant deprivation and their continued omission would be exacerbating social exclusion, which the Investment Committee considered was unacceptable. Government has now confirmed that following further consideration, the SCC former area can now be considered for the next 2015-17 programme, which is welcomed, subject to agreeing the detailed areas; it is likely that city centres would remain ineligible under state aid rules. Officers are working with BDUK to identify the proposed areas that are acceptable within State Aid rules.

Superfast Broadband Coverage

- 2.9 The initial modelling and analysis shows that 96.2% of premises across West Yorkshire and York already have access to superfast broadband or are included within the plans of service providers (either through their own commercial roll-out plans or via the phase 1 of the BDUK funded Local Broadband programmes). The capital costs associated with increasing this coverage up to 100% of premises linked to street level cabinets is estimated to be **£64 million**.
- 2.10 Table 1 sets out both the number of business premises and the total premises (businesses and residential) that currently do not have superfast coverage. These form the starting point for identifying the potential locations for intervention in the next 2015-17 broadband programme.

	No. of premises	% of total premises in district	No. of businesses only	% of total business premises in district
Bradford	11,000	5%	1,400	13%
Calderdale	6,400	7%	800	14%
Kirklees	22,700	12%	3,200	31%
Leeds	17,200	5%	2,900	14%
Wakefield	11,600	7%	1,500	23%
York	6,400	7%	1,300	24%
Total	75,300		11,200	

Priority Areas for Intervention

- 2.11 Local Authorities have been giving consideration to priority areas for intervention within their districts to inform the priorities for the next programme. As well as the former Super-Connected Cities area, including the LCR Enterprise Zone in the Aire Valley Leeds, the identified priorities are focussed on business parks and individual settlements where there are currently no commercial roll-out plans to provide a superfast broadband infrastructure.
- 2.12 These priority areas have been analysed and overlayed with our mapping data on potential areas where public funding could be used to provide this additional broadband infrastructure; these are referred to as 'white areas' (there are also grey and black areas where one or more companies respectively, have provided infrastructure). **2,030 businesses** are located in white areas within the **priority areas**, so these would be proposed to be a particular focus for the next programme.
- 2.13 Although this analysis will need to be further confirmed when the additional market information is received through the additional OMR, and then ultimately tested through the procurement process and delivery, the analysis is indicating that the priority locations identified by each authority could be encompassed within the next programme within the likely funding available. The estimated cost of providing the infrastructure in the identified priority areas would be **£8.7m**, which is well within the likely total funding package including private sector match of between £20-30m.

- 2.14 It is proposed that the principle be agreed that any further funding available after those costs associated with delivering the priorities have been allocated, be applied across the programme area on the basis of a lowest cost first approach. Connection costs are determined by a number of factors such as distance from the main digital exchanges, location and topography. This principle aims to maximise additional coverage over and above the priority areas, and maximise value for money for public investment.
- 2.15 The initial analysis shows that if applying this approach and these principles, a £25m investment programme could generate around **£260m GVA growth** in the economy and support the creation of **435 new jobs**. A future project of this size could see a total of **28,500 premises and 4,350 business** newly connected to superfast broadband. This analysis would need to be confirmed once further data analysis is undertaken

Procurement Options

- 2.16 As reported previously to the Investment Committee and WYCA, there are three main commercial and procurement options for consideration for the extension programme - extending the current broadband contract(s); undertake a new competition for a Call Off Contract using the BDUK Broadband Framework; and/or undertake a new open (OJEU) procurement(s).
- 2.17 Extending the current broadband contract would not comply with the BDUK Framework and State Aid rules, due to the geographical scope of the programme area being amended to cover all of West Yorkshire and York, and as the new programme would exceed the size of changes which are allowed under the contract change control process.
- 2.18 In view of the analysis set out above, it is considered that the BDUK Framework could deliver a 2015-17 broadband extension programme that would provide an open network (accessible by all internet service providers) incorporating the identified local priority areas, subject to detailed further modelling and surveys, as well as additional coverage maximising value for money – likely based primarily on a Fibre-to-the-Cabinet solution. As the Framework is already in place, it is anticipated that the procurement process would take a maximum of 6-7 months; and therefore this would be able to be completed by the June 2015 State Aid deadline.
- 2.19 Although a new open OJEU procurement may be able to be completed within the next 9 months by June 2015, procurement and legal advice has indicated that this timescale would be tight particularly as there are significant uncertainties and therefore risks related to negotiating a separate State Aid agreement; which could impact on the procurement timescale. Furthermore, as set out in para 2.18, it is considered that the BDUK Framework offers a viable and deliverable solution which could deliver local priorities and offer value for money.
- 2.20 Discussions are ongoing with BDUK in relation to the requirements to undertake a BDUK Framework procurement. An important initial task is to put in place the

necessary team to undertake the procurement. The PPPU team within Leeds City Council previously provided the procurement, legal and financial support to undertake the procurement and prepare the related European funding application for the West Yorkshire Broadband 2013-15 Programme. This previous knowledge and experience would mean they could *hit the ground running*, but it is considered that further consideration be given by the West Yorkshire and York Broadband Project Board as to whether any alternative appropriate resources are available.

- 2.21 This Project Board will provide the officer steer and advice. Ian Gray, Chair of the Project Board will be the Senior Responsible Officer for the Project with Merran McRae providing the senior Sponsor role. The Head of Infrastructure and Investment at the LCR LEP/WYCA will undertake the Project Director role. The Investment Committee and WYCA will provide the political steer and decision making when necessary.

Timescales

- 2.22 The national State Aid Agreement for the broadband programmes expires in June 2015, and all future programmes need to contract by this date. Subject to the agreement to proceed, a procurement timetable would be worked up and agreed with BDUK to complete before June 2015.

Demand Stimulation and Investment Clawback

- 2.23 There is within the terms of the BDUK Framework an arrangement for the local body [WYCA for the next programme] to share the additional financial benefits of the new broadband infrastructure, should demand take-up exceed the anticipated minimum 20% across the programme area. Initial estimates indicate that this could result in several millions of pounds being returned to the WYCA which it could reinvest in further digital infrastructure. Any clawback would be paid into on a bi-annual basis from Sept 2015 upto the end of 10 years. After 10 years, the stipulation to re-invest in digital infrastructure ceases, enabling the local body greater flexibility in how it uses the clawback funding.
- 2.24 Demand stimulation and business support programmes are key elements of the current broadband programmes. The current business support programme in West Yorkshire is funded largely through European funding and is on schedule to provide intensive support to 400 businesses by June 2015. Proposals are being developed to continue demand stimulation activity and commission a further 2015-17 business support programme to work alongside the broadband infrastructure programme and seek to achieve these greater take-up rates. C£8m has been set aside as match within the LCR European Structural and Investment Funds (ESIF) to support this activity. Further details and proposals will be reported to a future meeting of the Investment Committee for consideration.

3. Financial Implications

- 3.1 The preparatory work has been funded through existing broadband programme resources. If the decision is taken to move to the procurement stage there will be a

financial cost to undertake the procurement. Indicative procurement fees are currently being sought.

3.2 Discussions with the Project Board has indicated that there is likely to be sufficient available uncommitted funds within the current West Yorkshire Broadband programme budget to cover the procurement costs for the 2015-17 programme. It is proposed that this available funding be used along with a proportionate contribution from York to cover the procurement costs.

3.3 There are no specific financial implications to the WYCA apart from the resource of the Head of Infrastructure and Investment, who will be the Project Director for the project. There are no other immediate financial implications

4. Legal Implications

4.1 There are no specific legal implications at this time. Although it would be proposed for the WYCA to agree a Memorandum of Understanding to confirm the partnership arrangements and commitments through the procurement process, as was put in place for the previous West Yorkshire programme.

4.2 The WYCA would be the named procuring body in the Framework, with the intention for the WYCA to be the contract holder for the 2015-17 programme; the contract to be in place by June 2015. The resources to support implementation of the programme will be considered at a later time.

5. Staffing Implications

5.1 The Head of Infrastructure and Investment within the LCR LEP / WYCA who was the Project Director for first West Yorkshire Broadband Programme is also acting as the Project Director for the 2015-17 Programme. Further staffing resources are being provided through the existing West Yorkshire and York core broadband teams and individual local authority broadband specialists. Procurement, legal and financial support will be commissioned.

5.2 The resources to deliver the 2015-17 programme across West Yorkshire and York will be considered at a later time.

6. Consultees

6.1 Cllr Green, Chair of the CA Investment Committee, has been consulted on this report and his views have been incorporated with the report.

6.2. Merran McRae, City Region Chief Executive Lead for Infrastructure and Planning, which includes the responsibility for the broadband programme, has been consulted and her views have been incorporated with the report.

7. Recommendations

- 7.1 That the ongoing preparatory work to prepare the 2015-17 West Yorkshire and York Broadband Programme, and the potential economic and broadband coverage benefits of a potential future programme be noted.
- 7.2 That the proposed approach in para 2.20 to engage appropriate procurement, legal, and financial support to undertake the procurement be endorsed.
- 7.3 That the operational and governance arrangements set out in para 2.21 be noted.
- 7.4 That the proposal to proceed to the procurement stage utilising the BDUK Framework process be endorsed.
- 7.5 That the proposal to utilise available uncommitted funding headroom within the existing West Yorkshire Broadband Programme, along with a proportionate contribution from York, to cover the procurement costs for the 2015-17 programme be endorsed.

REPORT FRONT SHEET

AGENDA ITEM: 9

Combined Authority: 18 September 2014

Report Title: Housing Provision and affordability in the Leeds City Region

Report Summary

- There is a need for more homes and more affordable homes and due to various barriers, supply is not meeting demand. Housing affordability is also an issue especially in the more expensive housing market areas, and this is increasing housing benefit expenditure in the WYCA/LCR area.
- This report provides information to stimulate discussion about how the WYCA could tackle the housing growth issue, as well as providing more homes that are truly 'affordable.' This will start to inform the development of a comprehensive package of measures and initiatives to be submitted as part of the next LCR Local Growth Bid.
- A key conclusion of the report is that if affordable housing is going to be provided at the scale required, then there could be a need for a new major public sector house building programme across the WYCA / LCR area, as well as new innovative partnership solutions to financing long term programmes.

Questions

1. The private sector has never delivered nationally more than 200,000 homes per year (in 1968) and in 2013 only delivered 87,000 homes against an current estimated need to build 240,000 new homes each year. A large number of homes were delivered by Local Authorities until the 1980's, although delivery virtually stopped at the end of the last Century. **Can Local Authorities work together through the WYCA/City Region, to pool resources and expertise to develop and deliver a major public sector home building programme to fill this gap?**
2. The devolution agenda could assist better targeting of resources in line with selected priorities, local projects and programmes. **What are the key elements and potential innovative measures and initiatives that should be incorporated within a packaged approach to respond to the next 2016/17 LCR Local Growth Fund bid?**

3. **Government** Are there major changes required to Government policy and funding approaches that are needed to enable more homes to be built in the WYCA/LCR area, particularly more homes that are truly affordable to the majority of people?

Note: The above questions may arise during the debate, but do not preclude other items for discussion and debate.

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



ITEM 9

Report to: Combined Authority

Date: 18 September 2014

Subject: Housing Provision and Affordability in the Leeds City Region

1. Purpose

1.1 To provide information to Members, to stimulate discussion about a possible vision and ambition for housing in the city region. To debate possible actions the Combined Authority (CA) could take in relation to the provision of more homes, including affordable housing. This will also support Local Enterprise Partnership (LEP) growth ambitions to double housebuilding and bring forward development sites in the city region.

2. Information – Housing Affordability

2.1 The Leeds City Region and Homes and Communities Agency joint Board (LCR HCA Board) commissioned research earlier this year on housing affordability in the city region. The findings from this influenced the LEPs Local Growth Fund bid and fed into both the Leeds City Region (LCR) Housing and Regeneration Strategy and the Strategic Economic Plan (SEP). This was part of the ‘something for something’ offer to Government, made in the SEP, that additional Government investment in the LCR would help reduce the benefits bill in the LCR paid by the Treasury. This is especially relevant as 90% of public expenditure on housing is made through Housing Benefit.

2.2 The Housing Affordability Study had a number of aims, including a consideration of the impact on the LCR economy of affordability issues and the implications for housing benefit.¹ This is especially important as nationally 95% of government spending on housing goes on benefit, with only 5% being invested in new homes and the benefit bill is projected to rise in real terms throughout the next five years.

¹ Data on income levels was drawn from the 2011 Census and the 2013 Annual Survey of Hours and Earnings, published by the Office for National Statistics. It should be noted that this study uses both individual and household income and so cannot be directly compared to Local Authority Strategic Housing Market Assessments which only use household incomes and may rely on different sources for incomes data. The study does not represent city region policy, but has been used to inform strategy development.

- 2.3 Findings from the study included reference to a significant proportion of jobs being created in the LCR at wages less than the bottom 25% of earnings (earned by 38% of occupations). Added to this are temporary and casual jobs, causing movement on and off benefits for those individuals. Together, these factors create a number of labour market problems, including;
- a disincentive to take up paid work or a better job;
 - commuting from low value (housing) areas to areas where housing values are high but wages low (for example Bradford to Craven);
 - a concentration of lower income households into the less expensive housing areas within the city region.

All of these factors could be viewed as a deterrent to labour mobility and a barrier to economic growth.

- 2.4 Conclusions from the Study can be summarised as:

- There are increasing housing affordability problems for all tenures, causing 34% of all housing benefit claimants from across the city region to be from households in work. Arguably, housing benefit is subsidising both high rents and low wages.
- Access to housing for those on average (35% of city region households) or below average (40% of households) incomes is becoming increasingly difficult and in the higher value areas of York and Harrogate an estimated income of over £43k is needed to access entry level owner occupation (first time buyer). With potential interest rate rises likely in future years, this can create a situation of marginal home ownership, leading to problems of disrepair and fuel poverty.
- Market rents are becoming increasingly unaffordable in the higher value areas and low earners must either access social housing or rely on housing benefit to meet a significant part of their rent (so making it difficult to move into better employment as could impact on benefit eligibility).
- Affordable rents (introduced by the current Government), of up to 80% of market rent, also need housing benefit to 'top up' the difference for those in low paid work. In high rent areas, affordable rents are too expensive for some key workers such as teachers.
- Even social housing rents in the higher value areas are becoming difficult to meet for those with incomes in the bottom 10%, leading to the need for housing benefit to top up housing costs.

- 2.5 This study, showing that housing benefit is needed to 'top up' rents for many households, is reinforced by a significant annual housing benefit bill for the city region, which was £936m in the 12 months leading up to February 2014. In York and Harrogate districts, over 25% of housing benefit claimants are in employment. Joint work is being undertaken with the National Housing Federation (NHF) to further understand the implications from this.

Affordable Housing Programme

- 2.6 The Homes and Communities Agency (HCA) 2015-18 Affordable Homes Programme (AHP) will invest £1.7 billion nationally to increase the supply of new affordable

homes in England with a target of 165,000 new homes to be created, but with reduced amounts of grant per home available in comparison to previous programmes. Homes for both rent and sale are supported, although homes for rent will be asking for rents of up to 80% of the market rent for that area. Bids totalling £205,091,563 were made within Yorkshire, the Humber and the North East and the LCR bids were considered by the LCR HCA Board at its meeting on 6th June. The outcome from this Programme was announced in July, that an initial 8,464 units would be funded in the LCR over the next 3 years by the HCA.

- 2.7 The analysis of the bids by the LCR HCA Board showed that the geographical spread of bids in the city region were varied, with few bids in districts such as York and Selby. It is difficult to investigate the reasons behind this distribution as the geographical location of existing affordable housing is unknown, even though there are significant housing needs in these areas. With the decreasing amount of grant offered through the HCA, the importance of this funding stream may be lessening in relevance for Housing Associations.
- 2.8 25% of the AHP will be distributed through a process of Continuous Market Engagement. The LCR HCA Board will have an overview of this and has already started to identify gaps in the provision of affordable housing in order to try to fill these gaps through liaison with Registered Providers. However it should be noted that the rented housing funded through the AHP will be let at up to 80% of market rents (affordable rents) and as the analysis by the affordability study has shown, these would be too high for many households, which could question whether they could be considered 'affordable,' and also therefore are likely to increase the Housing Benefit bill.
- 2.9 Private sector housebuilding peaked in 1968, building 203,000 homes, but after 2008 has built less than 100,000 each year. In 2013, Housing Associations built over 21,000 homes and the maximum they have built in a year is nearly 31,000. The following table shows the average number of housing completions per decade by sector. This shows the significant contribution made by Local Authorities in the past and how total delivery has declined since the 1960's.

Annual Average number of dwellings completed by decade and tenure in England				
Decade	Tenure			Total (annual average)
	Private Enterprise	Housing Associations	Local Authorities	
1950's	82,261	3,698	147,196	233,155
1960's	177,594	3,442	120,104	301,140
1970's	141,303	13,198	103,037	257,538
1980's	136,249	12,985	31,083	180,317
1990's	124,704	22,711	3,005	150,420
2000's	136,275	21,040	303	157,618

Source – derived from DCLG Live Table 244, "House building: permanent dwellings completed by tenure. England historical calendar year series"

- 2.10 There is a significant gap between the current nationally assessed need for over 240,000 new homes each year and the total produced by all sectors (109,000 in 2013). A key conclusion of the LCR HCA Board is that to significantly increase housing development, especially affordable housing, and to reduce the housing benefits bill, there is a need for a major public sector house building programme. The Board has therefore requested that the opportunities within the LCR/CA should be explored with local authorities and other partners.

Need for housing growth in the city region

- 2.11 The need for more affordable homes in the city region is not currently being met. There were over 93,000 households on Local Authority waiting lists in 2012², which is an indication of the unmet need for affordable homes in the city region. The HCA Affordable Housing Programme is vastly oversubscribed and although a considerable number of homes are also being provided through s106 agreements and there is land with planning permissions for over 60,000 new homes in the city region, the development industry is still, 6 years after the downturn began, only building half the number of homes from a 2008 peak. This means that the number and timetable for the delivery of homes through this route is uncertain. Housing provided through s106 agreements make an important contribution to the need for affordable housing in the city region as relatively low rents can be charged (nearer social rents than the 'Affordable Rent' of up to 80% of market rents).
- 2.12 The city region needs housing growth to provide both more homes and more affordable homes, in particular to:
- provide homes for an increasing number of households (there are likely to be more than 10,000 new homes required each year)
 - support increasing numbers of jobs
 - reduce house price inflation
 - Housing growth will contribute to the economy, with additional outcomes. An extra 2000 homes in the city region will inject investment of at least £160m in construction and generate £454m for the economy; an extra 5,000 homes will spend upwards of £400m and generate £1.1bn. This importance has been reflected by the LEP with the recent decision to allow housing projects to be considered for investment loans.
 - Boost the number of sites being developed. City region research has shown that there are an estimated 4,000 stalled sites in the city region with 2,000 of these stalled due to an absence of development finance. The Construction Industry Training Board suggests that between 2015-19, construction output will increase at an average of 0.8% in Yorkshire and Humber, which is well below the UK average of 2.9%.
- 2.13 Apart from affordability issues, there are a number of barriers to increasing housing growth in the city region. These include:-

²National Housing Federation – Home Truths 2013-14

- **Financial barriers** – There is very limited public funding available and private finance is risk averse to speculative projects and bringing contaminated sites back into use.
 - **Land values** – High historic values are preventing many sites from being brought forward and the larger development companies hold significant land holdings yet are developing relatively few new homes. The LCR City Deal proposals in 2010, suggesting that changes to Compulsory Purchase Order regulations could help release the larger sites for development in the LCR, were not supported by Government.
 - **The planning system** - recent changes to the National Planning Policy Framework have included a number of changes which will need resources from Local Authorities at a time when budgets are under pressure.
 - **Rates of supply** need to increase, with both larger and smaller developers providing more homes and problems relating to the lack of infrastructure need to be overcome.
- 2.14 The current tools available to the CA do not overcome these various barriers and new actions are required if the supply of housing is to be boosted in the city region.
- 2.15 A recent report launched by the Institute for Public Policy Research (IPPR)³ comments that the economic consequences of concentrations of poor housing include poor health and wellbeing leading to lower workforce participation and lower productivity; Also that housing-related poverty, health and crime issues can have significant ‘costs’ to the taxpayer and to wider society. There is therefore a need to address housing issues in order to improve economic performance.
- 2.16 IPPR has argued for a phased process for giving local areas powers and incentives to finance new home building by switching funding from subsidising rents to investment in affordable homes. This includes switching funding from subsidising rents to investing in affordable homes through various initiatives. This approach was part of the LCR Local Growth Fund bid in relation to boosting affordable housing, but unfortunately this element of the bid was not successful in the final Growth Deal.
- 2.17 IPPR also suggested the development of Housing Zones, based on the principle of Enterprise Zones, where designated geographical areas would receive incentives to remove barriers to enable housing development to take place. The Government has now published a prospectus (closing date -3rd October 2014). Key features are:
- Unlocking brownfield sites to deliver housing (750+ units) on one or more sites
 - Planning simplification – Local Development Orders
 - Local Authorities (LAs) working in partnership with private developers, £200m of loan funding available

³ Home Economics – the role of housing in rebalancing the economy. IPPR North July 2014

- Cheaper borrowing available to LAs for capital infrastructure expenditure (until 2015-16)
- 2.18 Another initiative is from the Local Government Association (LGA) exploring a practical investment offer that could help Councils build at scale without public subsidy. The LGA has invited expressions of interest from Councils with land suitable for new housing development who are interested in accessing significant funding to develop their own new housing outside of Housing Revenue Accounts (HRAs), where Councils have HRAs. The intention is to collectively access finance to build new homes.
- 2.19 Work is ongoing with city region authorities to explore the potential opportunities from these initiatives.
- 2.20 Lack of infrastructure is another obstacle, often combined with local concerns about new development, which has recently been discussed by the CA Investment Committee. There are a number of initiatives aimed at tackling this problem, such as:
- **Community Infrastructure Levy** – a mechanism for obtaining developer contributions towards an identified infrastructure funding gap. This has to be tested for viability and linked to an up to date development plan.
 - **Tax Increment Financing** – Where a local authority raises a loan to invest in infrastructure and development on the basis that this will be repaid from the business rates generated by the project in a designated area.
 - **Tariffs** - such as the Milton Keynes Tariff, which sets an amount, payable by developers, for each home or hectare developed.
- 2.21 In the Leeds City Region it would be difficult to develop a common approach towards the funding of infrastructure, through planning policy as local plans are at different stages of development. However, the LCR is already growing its Investment Fund to pool and align resources to support infrastructure and development, as well as developing the Single Appraisal Framework which will be the single mechanism for developing and appraising a pipeline of projects. Building on the LEP's Strategic Economic Plan, further work could be undertaken to develop more coordinated and joined up strategic and local policy to match and inform these investment activities

LCR Local Growth Fund Bid

- 2.22 There is an opportunity to develop a more complete and comprehensive package of strategic policy and investment propositions, including additional freedoms and flexibilities, for submission to Government as part of the LCRs 2016/17 Local Growth Fund bid. This would build on the existing Growth Deal but go much further in terms addressing both the housing and affordable housing growth ambitions whilst simultaneously addressing the problem from an increasing housing benefits bill. This will include consideration of how the CA/local authorities could play a more integral role particularly in relation to the delivery of more affordable housing; for example, through building new homes at scale.

2.23 It is proposed that that the LCR/CA develops this 'package' under the guidance of the LCR HCA Board in liaison with the HCA, Northern Housing Consortium, National Housing Federation and Local Government Association.

3. Financial implications

3.1 The additional proposed work will be led by officers within existing LCR LEP/CA staff resources, and there may be a need to commission further external expertise to inform some of the workstreams, but these costs could be borne within existing project budgets. There are no further financial implications directly arising from this report at this time.

4. Legal Implications

4.1 No legal implications directly arising from this report.

5. Staffing Implications

5.1 No staffing implications directly arising from this report.

6. Consultees

6.1 Cllr Green, Chair of both the CA Investment Committee and the LCR HCA Board, has been consulted and emphasises that the report demonstrates that much of what may be referred to as 'affordable' housing is not actually affordable to many people without utilising using housing benefit. There therefore, needs to be an approach to Government to reconsider the level of affordable housing costs.

6.2. Merran McRae, City Region Chief Executive Lead for Infrastructure and Planning, has been consulted on this report and supports the development of a strategic package of measures being developed to collaboratively tackle housing growth, provision of more affordable housing, and the reduction in the housing benefits bill in the city region.

7. Recommendations

7.1 Note the issues relating to the need for more housing and more affordable housing and support the exploration of alternative local solutions, related to the devolution agenda and the targeting of resources to address this.

7.2 Note the significant expenditure on housing benefit and recognise the need to find new innovative solutions as part of a wider housing growth programme.

7.3 Note the proposals to include the exploration of the CA/LCR LAs developing an approach to a major public sector house building programme.

7.4 To ask the LCR HCA Board to come back with a proposals package to the CA Investment Committee to both address these issues and inform the request for freedoms and flexibilities within the LCR LEPs 2016-17 Local Growth Fund bid.

REPORT FRONT SHEET

AGENDA ITEM: 10

Combined Authority: 18 September 2014

Report Title: Statement of Cooperation for Local Planning and the Duty to Cooperate

- The purpose of the report is twofold:
 - To present the final draft 'LCR Statement of Cooperation for Local Planning' for consideration and endorsement; and
 - To set out the initial issues regarding the potential roles of the Combined Authority with regard to the Duty to Cooperate.
- The Duty to Cooperate became a statutory requirement on the 15th November 2011. It is a legal duty on Local Planning Authorities and certain public bodies to engage constructively, actively and on an on-going basis to maximise the effectiveness of Local Plan preparation relating to strategic cross boundary matters.
- The Statement of Cooperation for Local Planning has been prepared by the Leeds City Region Planning Portfolios Board which includes Member representation from all city region authorities including those authorities within the West Yorkshire and York Combined Authority (WYCA) and was endorsed by the LCR Leaders Board at their meeting on the 1st July 2014
- The Statement sets out processes and practical steps to be followed that will strengthen the Leeds City Region authorities' approach to collaborative working and outlines the current collaborative work on strategic, cross-boundary issues that is ongoing within the Leeds City Region.
- The intention is for the Statement to lead to more efficient and effective local planning, that delivers a more strategic approach to development and growth.

Questions

1. What are the Local Authority experiences of the Duty to Cooperate so far? Are there any key points of learning?
2. Are there key parts of the Statement of Cooperation that should be highlighted / discussed?
3. What are the potential key areas of activity where the WYCA could provide 'added value' in the Duty to Cooperate planning process?

Note: The above questions may arise during the debate, but do not preclude other items for discussion and debate.

Originator: Rob Norreys
LCR LEP Director & Head of
Economic Strategy



ITEM 10

Report to: Combined Authority

Date: 18 September 2014

Subject: Statement of Cooperation for Local Planning and the Duty to Cooperate

1. Purpose

- 1.1 To present and seek endorsement to the Statement of Cooperation for Local Planning, as recommended by the Leeds City Region Leaders Board, and to consider further work to understand the potential role(s) of the West Yorkshire Combined Authority (WYCA) and Leeds City Region (LCR) Enterprise Partnership in adding value to the Duty to Cooperate planning process.

2. Information

Purpose of the 'Statement of Cooperation for Local Planning'

- 2.1 The main body of the LCR Statement of Cooperation for Local Planning is attached at **Appendix 1**; it has been prepared by the Leeds City Region Planning Portfolios Board which includes Member representation from all city region authorities including those authorities within the WYCA area and was endorsed by the LCR Leaders Board at their meeting on the 1st July 2014.
- 2.2 The Duty to Cooperate became a statutory requirement on the 15th November 2011. It is a legal duty on Local Planning Authorities and certain public bodies to engage constructively, actively and on an on-going basis to maximise the effectiveness of Local Plan preparation relating to strategic cross boundary matters. The key legislation governing the Duty to Cooperate is the Planning and Compulsory Purchase Act 2004 as amended by the Localism Act 2011.
- 2.3 With some Local Planning Authorities in both the city region and across the country experiencing difficulties in demonstrating that they have and are adequately meeting the Duty to Cooperate, the LCR Planning Portfolios Board considered it important to produce and commit to implementing the approaches in this Statement; the purpose of the Statement is twofold:

- To set out processes and practical steps to be followed that will strengthen the Leeds City Region authorities' approach to collaborative working;
- To outline the current collaborative work on strategic, cross-boundary issues that is ongoing within the Leeds City Region.

Contents of the Statement

- 2.4 The LCR Statement of Cooperation on Local Planning presents a commitment from the Leeds City Region / WYCA authorities to work in a consistent way in identifying and addressing cross-boundary, strategic issues.
- 2.5 Four high level principles that will influence a joint approach to meeting the Duty to Cooperate have been identified and included in the Statement; these being:
- **Cooperation throughout the development plan process:** the Duty to Cooperate is a statutory requirement for Local Plan preparation, implementation, ongoing monitoring and review; the Duty to Cooperate therefore applies throughout the development planning process.
 - **Going beyond consultation:** effective cooperation requires sustained joint working, identifying actions and achieving outcomes. Correspondence, conversations and consultations alone are not sufficient.
 - **Taking a pragmatic approach:** not all issues will require cross-boundary cooperation and the scale at which cooperation needs to take place to achieve the most effective outcomes will be dependent on the nature of the strategic matter.
 - **Responding to all requests to engage:** at a local level where planning authorities within the Leeds City Region partnership request input into their development plan process, a response will be provided from other authorities in the partnership. It is acknowledged that a 'no comment' response is more valuable than no response.
- 2.6 There is no definitive list of actions that constitute effective cooperation under the Duty to Cooperate as the actions will depend on local needs. The LCR Planning Portfolios Board has identified and agreed a list of strategic, cross-boundary issues across the city region, which will be the focus of any strategic discussions around local plans and the Duty to Cooperate. Figures 1 & 2 in Section 3 of the Statement sets out the consistent processes that are proposed to be applied by all city region authorities and the city region partnership in order to both improve collaboration and help satisfy the Duty to Cooperate.
- 2.7 The Statement also includes the proposal for an obligation on local authorities to consult the LCR Planning Portfolios Board at draft plan stage on cross boundary, strategic issues (see Figure 2 of the Statement, p13). It is proposed that the Board would then prepare a strategic consultation response to be signed off by the LCR

Leaders Board. The consultation response would focus on cross-boundary strategic issues and the contribution of the draft Plan to supporting delivery of the Leeds City Region Strategic Economic Plan (SEP) objectives and ambitions.

Monitoring

- 2.8 The LCR Planning Portfolios Board intends to monitor progress with regard to implementing the commitments in the Statement of Cooperation and will develop these processes as required, on behalf of and reporting to the LCR Partnership. This will involve close working with authority partners and could include supportive activity to ensure strategic and cross boundary issues are being addressed and aligned through the planning decisions of local planning authorities.

Combined Authority, the LEP and the Duty to Cooperate

- 2.9 The WYCA is not a local planning authority for purposes of the 2004 Act. However, it is “*a prescribed body*” which is subject to the same duty to cooperate in relation to maximising the effectiveness of “*prescribed activities*”. These activities include the preparation of strategic development plan documents, local development documents and activities which support these strategic documents. In addition, LEPs are subject to these duties, but the LCR LEP is not a corporate entity, and so it is not considered that the legislation could be complied with or enforced in relation to the LEP, in a strict sense.
- 2.10 The strategic activities to which the duty applies include “*sustainable development or use of land that has or would have a significant impact on at least two planning areas including for or in connection with infrastructure that is strategic or has or would have significant impact on at least two planning areas.*” It is clear that the WYCA, in its formulation of the Local Transport Plan, its Rail Plan and its input and adoption of the SEP, amongst other things, is engaging in activity to which the duty to cooperate arises.
- 2.11 The question therefore arises as to how best the Combined Authority can comply with its duties to engage constructively with local planning authorities and other stakeholders, in relation to its own strategic activity, and to have regard to the activities of these organisations when doing so.
- 2.12 The former WYITA and WYPTE were statutory consultees in relation only to major national infrastructure schemes, such as nuclear installations. The WYCA is listed as a body with whom planning authorities should consult under the duty to cooperate, although it is not a statutory consultee. Consequently, WYCA, and WYITA and WYPTE before it, are not consulted as a matter of course on any planning or strategic matters at the district level. This is not to say that for large schemes, due to the relationships that have been developed, districts could not voluntarily choose to consult with the WYCA on strategic planning and local transport or other matters.
- 2.13 However, requests are already being received from local planning authorities and others requesting comment by the WYCA / LCR LEP on strategic and local planning matters, and draft documents and proposals. There is also a high degree of

cooperation already taking place in relation to the WY Local Transport Plan through the well-established officer and Member groups across West Yorkshire and the wider city region.

- 2.14 In light of the above, the draft Statement of Cooperation was amended to reflect the current known role of the WYCA. Further work would be required to understand the potential roles and requirements of both the WYCA and the LCR Enterprise Partnership with regards the Duty to Cooperate. It is proposed that this work be undertaken by the Planning Portfolios Board in liaison with local authority partners, with options being presented to a future meeting of the WYCA for consideration.

3. Financial Implications

- 3.1 The activity undertaken to develop the Statement and to implement the joint-working arrangements as set out in the Statement are mainly supported through the LCR local authorities and the Leeds City Region secretariat resources and budget provisions.

4. Legal Implications

- 4.1 The Duty to Cooperate is contained within the Planning and Compulsory Purchase Act 2004 (the 2004 Act) section 33, with amendments and additions inserted by the Localism Act 2011. The WYCA is not a local planning authority for the 2004 Act. However, it is "*a prescribed body*" which is subject to the same duty to cooperate in relation to maximising the effectiveness of "prescribed activities".
- 4.2 As such, there is a need to ensure that liaison with local planning and transport authorities is undertaken in a manner which is consistent with the Statement, in order that such liaison and any responses are sufficiently robust to support the local planning process in relation to the Duty to Cooperate, including at Inquiries.

5. Staffing Implications

- 5.1 Activity undertaken to develop the Statement and to implement the joint-working arrangements as set out in the Statement are mainly supported through the LCR local authorities and the Leeds City Region WYCA/LEP team. There are also resources within the transport policy team of the WYCA which provides input to consultations on local transport matters in response to local partner requests. Additional resources may be required should the role of the WYCA as a consultee change.

6. Consultees

- 6.1. Cllr Gruen, Chair of the LCR Planning Portfolios Board, has been consulted on this report and is in support of the Statement of Cooperation. Cllr Gruen's views have been incorporated into this report.
- 6.2. Merran McRae, City Region Chief Executive Lead for Infrastructure and Planning, which includes the responsibility for strategic planning issues and the Duty to

Cooperate, has been consulted on this report and her views have been incorporated into this report.

7. Recommendations

- 7.1 To comment on and endorse the proposed 'Statement of Cooperation for Local Planning' as appended to this report;
- 7.2 To note the initial conclusions on the potential existing role of the WYCA under the Duty to Cooperate legislation, and the existing local planning requests already being received for comment by the WYCA; and
- 7.3 To ask the LCR Planning Portfolios Board in liaison with partner authorities to develop options on the potential roles and requirements of both the WYCA and the LCR Enterprise Partnership with regards the Duty to Cooperate and strategic planning, for consideration at a future meeting of the WYCA.



Statement of Cooperation for Local Planning

Leeds City Region

Draft Final Report
West Yorkshire Combined Authority
30th July 2014

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1. Introduction

- 1.1 The Duty to Cooperate became a statutory requirement on the 15th November 2011; it is a legal duty on Local Planning Authorities and certain public bodies¹ to engage constructively, actively and on an on-going basis to maximise the effectiveness of Local Plan preparation relating to strategic cross boundary matters.
- 1.2 The Leeds City Region is the functional economic area made up of the local authority districts of Barnsley, Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield, York and North Yorkshire County Council². The Leeds City Region partnership of local authorities has a long history of collaboration on spatial planning and economic issues and has well-established partnership arrangements; formerly through the wider Yorkshire and Humber Regional Assembly partnership which informed the development of the Regional Spatial Strategy for Yorkshire and the Humber (RSS) and currently through the Leeds City Region Partnership (LCRP) which incorporates the Leeds City Region Enterprise Partnership.
- 1.3 Leeds City Region Planning Portfolios Board has prepared this Statement of Cooperation for Local Planning to outline the practical steps that are being taken to meet the Duty to Cooperate; the purpose of the Statement is twofold:
- To set out processes and practical steps to be followed going forward, that will strengthen the Leeds City Region authorities' approach to collaborative working;
 - To outline the current collaborative work on strategic, cross-boundary issues that is ongoing within the Leeds City Region.
- 1.4 This Statement of Cooperation sets out the legislation and guidance relating to the Duty to Cooperate. It outlines the Leeds City Region Duty to Cooperate process including best practice examples. The Statement also provides details of the current governance structures in place within the Leeds City Region to support collaborative working; it includes details of the Leeds

¹ Environment Agency, English Heritage, Natural England, Civil Aviation Authority, Homes and Communities Agency, Clinical commissioning groups, National Health Service Commissioning Board, Office of Rail Regulation, Integrated Transport Authority, Highway authorities (including the Secretary of State).

² NYCC, the eleventh local authority, is a planning authority in respect of minerals and waste only, but also a strategic infrastructure provider in relation to the District Councils of Craven, Harrogate and Selby.

City Region strategic context and the current agreed priorities. It is proposed that this Statement be revised annually.

2. Legislation and Guidance

- 2.1 The Localism Act (2011) and the National Planning Policy Framework requires local planning authorities specifically to cooperate with other planning authorities, public bodies and stakeholders on strategic matters affecting two or more planning areas.

The Localism Act 2011

- 2.2 The key legislation governing the Duty to Cooperate is the Planning and Compulsory Purchase Act 2004 as amended by the Localism Act 2011. Section 33A of the 2004 Act requires local planning authorities to “.....engage constructively, actively and on an on-going basis.....” with other local planning authorities, County Councils and other prescribed public bodies when preparing development plan documents and other local development plan documents. The Duty to Cooperate also includes supporting activities, such as the preparation of the evidence base.
- 2.3 The Duty to Cooperate should be applied to any “strategic matter” related to the preparation of the document. A strategic matter is defined as “sustainable development or use of land that has or would have a significant impact on at least 2 planning areas including (in particular) sustainable development or use of land for or in connection with infrastructure that is strategic and has or would have a significant impact on at least two planning areas” (section 33A (4) (a)). The aim of such cooperation is to maximise the effectiveness of the documents. It is worth noting that whilst Combined Authorities are not specified as organisations to which the duty applies, they would undoubtedly fall within the definition of “other bodies” carrying out the activities in ss33A relating to “strategic matters”
- 2.4 In this regard local authorities and others are required to engage constructively, actively and on an ongoing basis. Regard must also be had, under section 33A (9) and regulation 4(2), to the activities of Local Enterprise Partnerships as they relate to the Local Plan and supporting activities. Local Enterprise Partnership means a body, designated by the Secretary of State, which is established for the purpose of creating or improving the conditions for economic growth in an area. The LCR LEP is not an incorporated body, so it is difficult to see how the legislation could be applied to it or enforced against it, albeit there is no reason why its members would not endeavour to abide by the principles of the duty.

The National Planning Policy Framework

2.5 Paragraphs 178-181 of the National Planning Policy Framework (NPPF) provide guidance on planning strategically across local boundaries. Paragraph 181 states that:

“Local planning authorities will be expected to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts when their Local Plans are submitted for examination. This could be by way of plans or policies prepared as part of a joint committee, a memorandum of understanding or a jointly prepared strategy which is presented as evidence of an agreed position. Cooperation should be a continuous process of engagement from initial thinking through to implementation, resulting in a final position where plans are in place to provide the land and infrastructure necessary to support current and projected future levels of development”.

2.6 Section 33A (6) of the Act adds legal weight to this guidance, requiring the Council to consider whether to prepare agreements on joint approaches to strategic planning, including whether to prepare joint local development documents with neighbouring local planning authorities.

2.7 Paragraph 178 of the NPPF also states that *“public bodies have a duty to cooperate on planning issues that cross administrative boundaries, particularly those which relate to the strategic priorities ...”* The NPPF (paragraph 156) states that such priorities should include strategic priorities to deliver:

- the homes and jobs needed in the area;
- the provision of retail, leisure and other commercial development;
- the provision of infrastructure for transport, telecommunications, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat);
- the provision of health, security, community and cultural infrastructure and other local facilities; and
- climate change mitigation and adaptation, conservation and enhancement of the natural and historic environment, including landscape.

However the NPPF makes it clear that this list is not exhaustive.³

National Planning Policy Guidance

³ The third and last bullet points relate to statutory functions and duties of the WYCA.

2.8 On March 6th 2014 the Government published the National Planning Policy Guidance (NPPG); it is available at the following link: [National Planning Practice Guidance](#). NPPG replaces a number of older guidance notes and complements the National Planning Policy Framework (NPPF). With regard to the Duty to Cooperate, NPPG confirms that the duty is the responsibility of local planning authority councillors and officers; leading discussion, negotiation and action to ensure effective planning for strategic matters in their Local Plans. The guidance also reiterates that it is not a duty to agree but that every effort should be made to secure the necessary cooperation on strategic cross boundary matters before a Local Plan is submitted for examination. Further guidance is also provided on circumstances where an authority will not cooperate.

Other Guidance Documents

2.9 As well as the PAS ‘Doing your Duty’ early practice paper (2013), other useful guidance documents include [‘A Simple Guide to Strategic Planning and the Duty to Cooperate’](#) (2011) produced by the Planning Advisory Service and in [‘Transition to the Localism Act and the NPPF’](#) (2012) produced by the Planning Officers Society. The processes described in this Statement make reference to the guidance, including directly addressing the following key messages from the PAS guidance.

PAS Guidance	Leeds City Region Enterprise Partnership Approach
Utilise existing mechanisms / governance structures if they are useful vehicles which will help demonstrate cooperation.	Use of Heads of Planning and Planning Portfolios Board within the context of the wider Leeds City Region Enterprise Partnership Structure in addition to joint working with neighbouring authorities.
For key strategic issues, look to produce joint evidence with neighbouring authorities and / or prescribed bodies	Examples of joint evidence include the Kirklees, Wakefield and Calderdale Joint Strategic Flood Risk Assessment (see p21).
Keep good and easily accessible (transparent) records of your engagement with neighbouring authorities and prescribed bodies so that it is easy to demonstrate cooperation.	Tools to demonstrate cooperation, to be used as appropriate, include the Duty to Cooperate Table, Duty to Cooperate Statements, Statements of Common Ground and Memorandums of Understanding (MoU).
The responsibility to respond to the Duty is not confined to Examination and cannot be ‘retro-fitted’. It necessitates co-ordination and	Joint-working on strategic, cross-boundary issues will be undertaken throughout the development plan preparation process from early engagement through to

<p>cooperation throughout all stages of plan preparation, planning for strategic projects and on to delivery and implementation.</p>	<p>consultation on draft plans. Planning Portfolios will be consulted at the draft plan stage (see Figures 1 and 2).</p>
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3 Leeds City Region Duty to Cooperate Process

- 3.1 The introduction of the Duty to Cooperate was an important change to the methodology of preparing Local Plans, it requires more than consultation with adjacent Councils; it requires cooperation in the preparation of plans and in the way in which plan provisions are arrived at in order to ensure that sustainable strategies are adopted and strategic issues are properly addressed; it is outcome focussed. The National Planning Policy Framework (NPPF) makes clear that cooperation should be a continuous process of engagement from initial thinking through to implementation. NPPG states that *“LPAs should bear in mind that effective cooperation is likely to require sustained joint working with concrete actions and outcomes. It is unlikely to be met by an exchange of correspondence, conversations or consultations between authorities alone”*. In determining whether the Duty to Cooperate has been fulfilled it is necessary to consider both the process that has been gone through and the outcomes. The objective is effective plan-making that recognises and responds effectively to matters identified in evidence that have implications both within and beyond the Plan area.
- 3.2 Since it became a statutory requirement on 15th November 2011, the Duty to Cooperate has been tested through the examination of a number of Core Strategies and Local Plans nationally which have now progressed through to adoption; for examples of early practice on the Duty to Cooperate PAS has produced a guide which is available at the following [link](#). For information on the status of Core Strategies and Local Plans within the Leeds City Region refer to Appendix B.
- 3.3 There is no definitive list of actions that constitute effective cooperation under the Duty to Cooperate as the actions will depend on local needs. NPPG states that, *“Cooperation should produce effective policies on cross boundary strategic matters. This is what local planning authorities and other public bodies should focus on when they are considering how to meet the duty.”* The issues that authorities choose to cooperate on and the method by which cooperation is undertaken is therefore at the discretion of the Local Planning Authority. This section of the Statement provides some high level principles on how Leeds City Region planning authorities intend to cooperate on strategic, cross-boundary issues and considers

some of the options for documenting the process. All authorities will find methods of cooperation and documentation that are appropriate to their local circumstances. By way of an existing example, the formulation and implementation of the WYCA's statutory Local Transport Plan represents cooperation at a high level on strategic schemes between the five West Yorkshire Districts and WYCA, formerly the WYITA. This is a process that has evolved since 2008.

- 3.4 Cooperation at different levels will be required (city region, county and district), the level at which engagement is required will be determined by the strategic issues identified. Local planning authorities are likely to be required to work in different groupings for different strategic matters. Section 33A(6) of the 2004 Act requires local planning authorities and other public bodies to consider entering into agreements on joint approaches. Local planning authorities are also required to consider whether to prepare local planning policies jointly under powers provided by section 28 of the 2004 Act.

High Level Principles

- 3.5 The Leeds City Region authorities have identified the following high level principles that will influence a joint approach to meeting the Duty to Cooperate:
- **Cooperation throughout the development plan process:** the Duty to Cooperate is a statutory requirement for Local Plan preparation, implementation, ongoing monitoring and review; the Duty to Cooperate therefore applies throughout the development planning process.
 - **Going beyond consultation:** effective cooperation requires sustained joint working, identifying actions and achieving outcomes. Correspondence, conversations and consultations alone are not sufficient.
 - **Taking a pragmatic approach:** not all issues will require cross-boundary cooperation and the scale at which cooperation needs to take place to achieve the most effective outcomes will be dependent on the nature of the strategic matter.
 - **Responding to all requests to engage:** at a local level where planning authorities within the Leeds City Region partnership request input into their development plan process a response will be provided from other authorities in the partnership. It is acknowledged that a 'no comment' response is more valuable than no response.

Identifying and Addressing Strategic, Cross boundary Issues (officer led)

- 3.6 Figure 1 below captures key stages that planning authorities may go through to identify and address cross-boundary, strategic issues in preparing development plan documents. The diagram represents an outline example, intended to be used as a guide only, as the nature of collaboration will depend on the circumstances of the authority.
- 3.7 The process diagram illustrates that collaboration needs to be undertaken throughout the development plan process, it is important not to confine cooperation to any one point in the process. It also identifies that engagement in the early stages is essential in identifying the strategic cross-boundary issues. The activities that fall within the Duty to Cooperate include activities that prepare the way for or support the preparation of Local Plans this might involve joint research and evidence gathering to define the scope of the Local Plan, assess policy impacts and assemble the necessary material to support policy choices. The diagram identifies a series of actions that may be appropriate at different stages of plan preparation and for each stage possible methods of documenting collaborative working are identified.
- 3.8 It is important to note that the diagram only represents the collaboration through the plan making period, monitoring and reviewing progress on cross-boundary, strategic issues will be an on-going process beyond adoption of local development plans and throughout the policy implementation period.

Duty to Cooperate Tools

- 3.9 The list of strategic priorities included in NPPF is not exhaustive; it is therefore at the discretion of the Local Planning Authority to determine which issues they consider to have cross-boundary, strategic implications. The Leeds City Region planning authorities have developed a Duty to Cooperate Table (template) to be used as a tool in identifying strategic, cross-boundary issues and in addressing these issues; the template includes a list of policy areas where cross-boundary issue are most likely to arise. The recommendation is that all of these policy areas are considered, in addition to any additional local priorities identified. The table can be used as a tool to assist with high-level scoping of strategic, cross-boundary issues, for the collation of responses when engaging stakeholders and to track issues throughout the plan preparation process; the tables are therefore live until the point of final submission of the development plan.
- 3.10 This template was endorsed by the Leeds City Region Leaders' Board on the 6th December 2012. A copy of this template is included as Appendix C; the template has been used by Leeds City Council, Wakefield Council, Selby Council and Kirklees Council and has been adapted by each planning authority to meet local needs.

- 3.11 Documentation of the actions undertaken to fulfil the Duty to Cooperate is essential as local planning authorities must demonstrate how they have complied with the duty at the independent examination of their Local Plans. NNPG states that authorities should submit robust evidence and that this could be in the form of a statement submitted to the examination. Evidence should include details about who the authority has cooperated with, the nature and timing of cooperation and how it has influenced the Local Plan.
- 3.12 Also included in Figure 1 as examples of documenting collaboration are Statements of Common Ground and Memorandums of Understanding (MoU). An example MoU is provided as Appendix H; the example is a framework for cooperation between South Pennine local authorities (including Kirklees, Calderdale and Barnsley within the Leeds City Region) with respect to strategic planning and development issues relating to renewable energy, in particular wind energy.⁴ The MoU provides a good example of joint working to cover a strategic issue dominated by the geography of the landscape rather than administrative boundaries. Authorities also report on on-going Duty to Cooperate compliance in their Annual Monitoring Reports.

Application of the Duty to Cooperate in the Leeds City Region
Wakefield Council: Site Allocations Document Preparation

It was predicted at an early stage that there might be significant cumulative impacts on the strategic road network from the development of sites. Consultation with the Highways Agency on their preferred options indicated particular pressures on the motorway junctions along the M62. A joined up approach was agreed to model the potential impacts on the strategic road network using Wakefield’s site allocations data and assumed growth from early versions of adjoining authorities’ Core Strategies. This modelling indicated pressure on some motorway junctions which would need significant mitigation measures – the delivery and timing of which might represent essential infrastructure if growth in Wakefield was to be realised.

Further modelling on more refined options at a later stage of the Plan

⁴ The MoU has been signed by the following authorities: Barnsley, Burnley, Bury, Calderdale, High Peak, Hyndburn, Kirklees, Lancashire CC, Pendle, Rochdale and Rossendale.

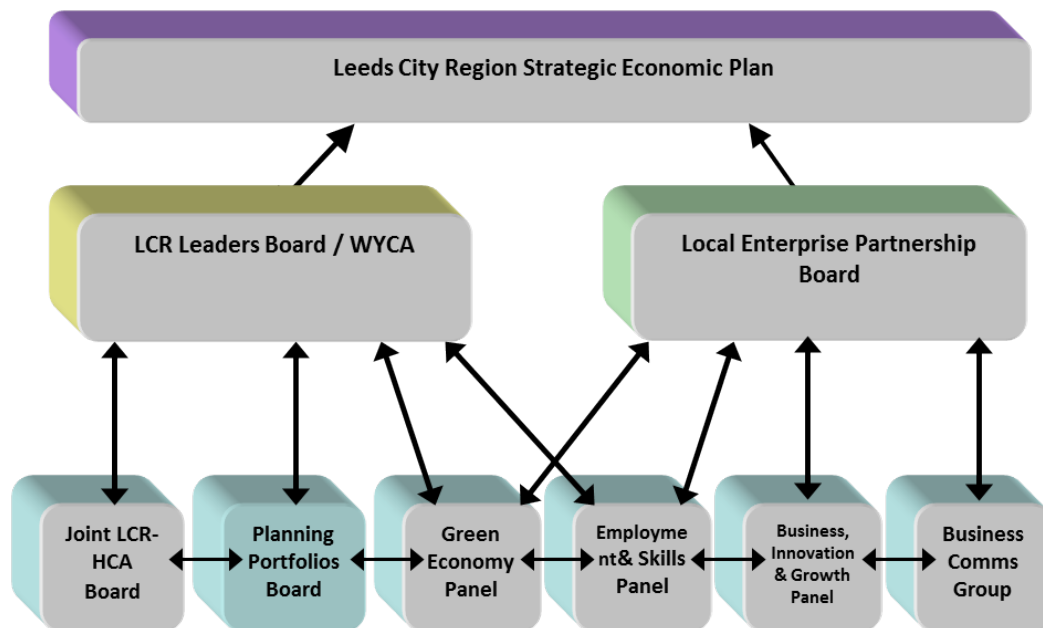
allowed the Council to take on board the issues evidenced by the modelling and also allowed the Highway Agency to consider their position in determining their priorities for improvements to the motorway junctions to increase capacity. The end result was an agreed position of impact, demonstrated by robust evidence, which led to agreed mitigation measures. These measures were then written into Wakefield's Development Plan and the Highways Agency were able to confirm that their document was sound.

Figure 1: Process Diagram - Identifying and addressing cross-boundary, strategic issues

	Stage	Actions	Documentation
Development Plan Document Preparation	Early Engagement	Action: Internal analysis of <u>potential</u> strategic and / or cross-boundary issues arising from forthcoming development plan documents. Use of sub-regional evidence to inform analysis (see appendix F for list).	Documentation: Internal preparation of Duty to Cooperate Table for circulation (see appendix C).
	Early Engagement	Action: Early engagement with LCR LEP / CA, neighbouring authorities and other stakeholders seeking views on strategic and or / cross boundary issues arising from forthcoming development plan documents. Early engagement will identify where preparation of evidence and further collaborative working is required.	Documentation: Duty to Cooperate Table (early engagement version); the table captures additional cross-boundary issues raised by stakeholders engaged. Responses also recorded through the Duty to Cooperate Statement to be submitted for examination.
	Early Engagement	Action: Circulation of early engagement version of Duty to Cooperate Table detailing potential strategic and / or cross-boundary issues and proposals for further collaborative work (for example preparation of additional evidence to support collaborative decision making).	Documentation: Formal letter to LCR , neighbouring planning authorities and other stakeholders. Duty to Cooperate Table (at this stage the table represents a shared understanding of the strategic / cross-boundary issues).
	Second Round Engagement	Action: Second round of discussions, and <u>agreement</u> on issue resolution, mitigation and monitoring. This will enable further evidence to be prepared / commissioned where necessary and will help inform draft versions of the development plan documents.	Documentation: Duty to Cooperate Table (second round engagement version), the table captures agreement on issue resolution, mitigation and monitoring. Responses also recorded through the Duty to Cooperate Statement to be submitted for examination.
	Second Round Engagement	Action: Circulation of second round version of Duty to Cooperate Table including details of agreed issues resolution, mitigation and monitoring	Documentation: Formal letter to LCR , neighbouring planning authorities and Stakeholders. Duty to Cooperate Table (at this stage the table represents a shared understanding of the strategic / cross-boundary issues and agreement on how to address these issues).
	Consultation Draft	Action: Final round of discussions, and <u>agreement</u> on the need for the need for statements of common ground and or memorandums of understanding.	Documentation: Discussion recorded through the Duty to Cooperate Statement to be submitted for examination.
	Draft Publication	Action: Put in place statements of common ground and /or memorandums of understanding where necessary.	Documentation: Statements and MoUs, discussions recorded through the Duty to Cooperate Statement to be submitted for examination.

Political Oversight and Endorsement of Duty to Cooperate Outcomes (member led)

3.12 The Planning Portfolios Board is one of a series of panels and boards within the Leeds City Region structure, a diagram of the full structure and descriptions of the function of the boards and panels is provided at Appendix D. The Planning Portfolios Board has Councillor representation from each Local Planning Authority (and Senior Officer support). It was established specifically to provide political oversight on strategic planning matters⁵ and the Duty to Cooperate, advising the Leeds City Region Leaders Board and Leeds City Region Enterprise Board on appropriate actions that could / should be taken in respect of these planning matters. The Board is tasked with providing political oversight for matters relating to the Partnership's role in supporting authorities in ensuring compliance with the legal requirements of the Duty to Cooperate. Appendix E provides the full Terms of Reference for the Planning Portfolios Board.



3.13 Collaboration on planning matters is currently supported at three specific levels through the following key groups:

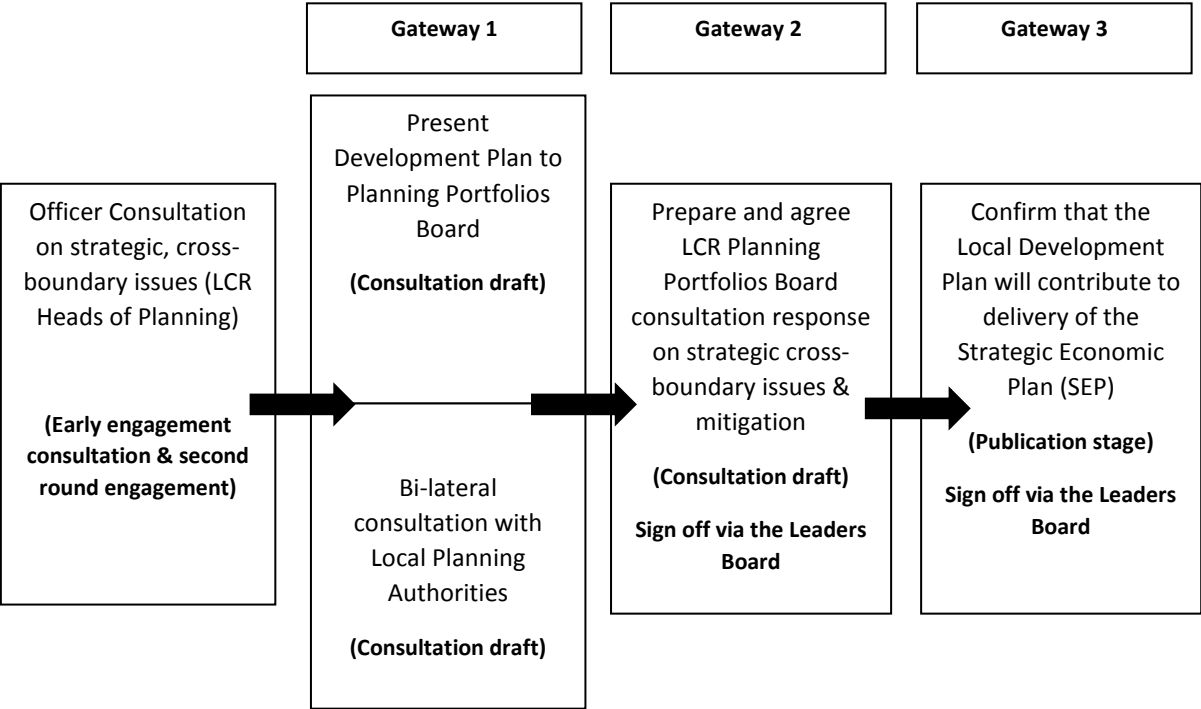
- Leeds City Region Planning Portfolios Board (Members and Chief Officers)
- Leeds City Region Heads of Planning (Chief Officer Level)
- Strategic Planning (DTC) Group (Local Plan Lead Officer Level)

⁵ Strategic Planning is defined as ‘sustainable development or use of land that has or would have a significant impact on at least two planning areas, including (in particular) sustainable development or use of land for or in connection with infrastructure that is strategic and has or would have a significant impact on at least two planning areas’ (Localism Act, 2011).

Leeds City Region spatial planning matters are also reported to the Leeds City Region Directors of Development Group and Leeds City Region Chief Executives' Group as required.

3.14 As the core function of the Portfolios Board is to provide political oversight on strategic planning matters the Board is well-positioned to advise on strategic, cross-boundary issues within local development plans. The Planning Portfolios Board was established November 2013 and a number of development plans have been presented to the Board for discussion. It is proposed that these arrangements are formalised and that all Leeds City Region authorities will formally consult the Planning Portfolios Board at draft plan stage.

Figure 2: Process Diagram – Planning Portfolios Board and the Duty to Cooperate



3.15 The diagram above illustrates the process; including both officer and member engagement and ensures that Leeds City Region level engagement is complementary to bi-lateral engagement. The three Gateways in the diagram above include those stages that involve input from the Planning Portfolios Board only, as illustrated in the process diagram Figure 1 collaborative working on cross-boundary issues will also be required at the early engagement and options stages of plan preparation. For context, Appendix B provides a summary of current progress on plan making at the district level, indicating when authorities expect to be at the Examination stage for individual plans.

4 Leeds City Region Strategic Cooperation

- 4.1 The sub-regional partnership arrangements have an important role to play in supporting Local Planning Authorities in meeting the Duty to Cooperate. Planning authorities are required to engage in a co-ordinated process for securing sustainable development and resolving strategic issues, the Leeds City Region structures and activities support this process.
- 4.2 It is important to note however that the Leeds City Region Enterprise Partnership (LEP) currently has no statutory basis for decision making within the planning system. A recent [RTPI research paper](#) explores the current functional relationships between local planning authorities and LEPs on a national basis and provides useful context.

Rationale for Strategic Cooperation

- 4.3 There is a history of collaboration on spatial planning issues across the city region particularly since 2004 when work began on the Regional Spatial Strategy (RSS) for Yorkshire and Humber; the Yorkshire and Humber Plan was adopted in 2008. Following the revocation of the RSS collaboration has continued between authorities on strategic planning in part to meet the requirements of the Duty to Cooperate, but more practically because collaboration is considered locally to be good practice and to result in better planning and planning outcomes. Leeds City Region level collaboration is undertaken for a number of reasons:

- The main functional trends and drivers for change that affect places operate at a spatial scale above local authority level. Housing markets, commercial property markets, labour markets, business agglomeration effects and supply chains, travel to work areas, utilities networks and water catchments for example do not stop at local authority boundaries. In the context of the Duty to Cooperate, understanding these greater-than-local trends and engaging with partners to identify and resolve issues is essential.
- There is a collective interest across local authorities in the success of the most important places of growth, regeneration and change that will drive the city region's economy. Local policy development cannot be undertaken in isolation, authorities within the Leeds City Region are actively engaged in identifying and promoting / delivering strategic priorities.
- There is a clear value in using strategic spatial analysis to develop a policy framework that will support the process for the prioritisation and integration of investment in places across different funding streams and policy areas addressing the strategic aspects of what the Local Government Association has described as 'place based budgeting'. This will be

particularly important in the context of significant reductions in funding over the next 3-5 years and as the City Region Enterprise Partnership continues to more effectively join up its investment priorities across economic development, skills, innovation, transport and housing.

- Finally, planning policy at the district level relies to some extent on an evidence base and technical work developed across local authority boundaries because the matters being considered have cross boundary implications. Examples of this include economic forecasts, population and household projections, transport, renewable energy, waste and minerals. Some of these areas of technical work will benefit from technical work based on a geography that is wider than the city region. The preparation of joint plans and evidence is an integral part of meeting the Duty to Cooperate.

The Leeds City Region Interim Strategy Statement

4.4 Following the revocation of the RSS the Leeds City Region authorities produced an Interim Strategy Statement. The purpose of the 2011 Statement was to provide an interim strategic context for both plan making and major development proposals. The Statement (2011) set out that *'the authorities in the partnership continue to support the broad policy thrust of the former RSS and the principles of urban transformation contained in the Plan' [The Yorkshire and Humber Plan, 2008]*. The Statement identifies a list of policies that authorities propose to adhere to from the approved RSS to ensure that the above principles were retained. The full Interim Strategy Statement is provided at Appendix A including the list of policies. The Statement was endorsed at the Leeds City Region Leaders Board meeting on Thursday 21st April 2011.

4.5 A review of the Strategy Statement has been included in 2014/15 Planning Portfolio Board work programme and is scheduled for autumn 2014.

The Leeds City Region Planning Charter and Consultation on Major Applications

4.6 In addition to collaboration on plan making the Leeds City Region is also working together to ensure that the city region has a business friendly planning system. The Leeds City Region Local Enterprise Partnership has developed a charter which sets out how the Local Planning Authorities and developers will work together to ensure that proposals major new investments will be dealt with in an efficient and effective way throughout the city region. The Charter represents the first step towards creating a seamless service for investors wherever they choose to locate in the city region. A copy of the Charter is included at Appendix G.

- 4.7 Consideration is also being given to whether the LEP Board should be consulted on major planning applications (where these are considered to be of strategic importance and or have potential cross-boundary implications). The Board would consider whether major proposed developments will achieve the ambitions of the Leeds City Region Strategic Economic Plan (SEP).

**Application of the Duty to Cooperate in the Leeds City Region
Leeds City Region: DtC Officer Group**

The Duty to Cooperate Officers Group was original convened in 2012 to enable an opportunity for planning issues to be raised at an early stage that may have cross boundary implications. Authorities are encouraged to liaise and share information in the meetings but also outside the formal meetings as well. These have continued to be a regular and ongoing series of meetings with agendas prepared and agreed in advance. The meetings are formally minuted and are timed to coincide with Leeds City Region Heads of Planning meetings and Leeds City Region Leaders Board and more recently Leeds City Region Planning Portfolio Board meetings, in order to enable matters to be escalated at the appropriate time if required.

The meetings provide an opportunity for joint authority working on specific evidence – through topics being raised at an early stage and the scope of the work to be undertaken. Through this process Leeds City Council for example, has been able to demonstrate compliance with the DtC legal requirement. As part of the Council’s evidence submitted for Core Strategy Examination, the City Council submitted a DtC background paper. This included a matrix schedule encapsulating comments received on the plan and the mitigation put in place. This provided a basis for comparison with the earlier DtC material presented at Pre-submission stage, documenting the influence on the DtC process through the changes subsequently presented.

Strategic Context and Agreed Priorities

- 4.8 NPPG states that Local Enterprise Partnerships have a key role to play in delivering local growth by directing strategic regeneration funds and in providing economic leadership through their Strategic Economic Plans. The commitment of local planning authorities to work

collaboratively with Local Enterprise Partnerships across their area is therefore considered to be vital for the successful delivery of policies for strategic growth in Local Plans. An effective policy framework for strategic planning matters, including joint or aligned planning policies, is a fundamental requirement for this.

4.9 As detailed in Section 2 of this Statement, Planning Authorities must have regard to the activities of the LEP; *“in meeting the Duty regard must be had to the activities of Local Enterprise Partnerships as they relate to the Local Plan and supporting activities”*. This requirement reflects the important role that both Local Enterprise Partnerships and Local Nature Partnerships need to play in strategic planning. NPPG states that: *Local Enterprise Partnerships and Local Nature Partnerships are not subject to the requirements of the duty. But local planning authorities and the public bodies that are subject to the duty must cooperate with Local Enterprise Partnerships and Local Nature Partnerships and have regard to their activities when they are preparing their Local Plans, so long as those activities are relevant to local plan making.*

4.10 The following is a summary of the Leeds City Region Enterprise Partnership policy framework.

The LEP Vision

The LEP’s new vision for the Leeds City Region is:

‘To unlock the City Region’s immense potential, becoming the growth engine for the North and the Nation.’

The LEP Plan

The LEP Plan set out in 2011 the Leeds City Region’s original ambitions and strategy and policy framework to grow the economy. It identified four strategic investment priorities, as listed below. These have recently been updated as part of the development of the Leeds City Region Strategic Economic Plan, which was submitted to Government in March 2014.

1. Unlocking the growth potential of businesses in key economic sectors;
2. Making the most of a skilled and flexible workforce;
3. A Resource Smart City region; and
4. Creating the environment for growth: major centres, housing and transport.

The Leeds City Region Strategic Economic Plan (SEP)

The Leeds City Region Strategic Economic Plan was influenced by emerging local development plan strategies and priorities. The Strategic Economic Plan updated the four LEP plan investment priorities (now referred to as the four strategic pillars):

1. Supporting growing businesses;
2. Developing a skilled and flexible workforce;
3. Building a resource smart city region;
4. Delivering the infrastructure for growth;

The Strategic Economic Plan also sets out complementary strategic targets to be achieved by 2021:

1. £5.2bn additional economic output beyond current projections
2. 62,000 extra jobs
3. £675m in benefits savings
4. Making the City Region a net contributor to the national economy

4.11 Priority 4 of the Leeds City Region Enterprise Partnership Plan and Strategic Economic Plan: Delivering the infrastructure for growth, provides the main context for collaborative work on spatial planning within the Leeds City Region. The long term ambition is: *“To build a 21st Century physical and digital infrastructure that enables us to reach our growth potential.”* The following key action areas are identified in the Plan:

- 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** – quickwin transport interventions targeted at strategic growth areas and network connectivity enhancements to generate additional GVA and jobs, and prepare the Leeds 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.

5 Strategic Issues (thematic)

5.1 As recommended in the Interim Strategy Statement further work is being undertaken at a city region level to establish joint positions on spatial planning issues as a strategic context for emerging Local Plans. Both the strategies and plans being taken forward in the city region, as well as the research and analysis on a city-region-wide scale will provide a robust strategic framework upon which local planning authorities can draw in the preparation of local plans; an overview of work (complete and proposed) is provided below by theme. Also included are examples of policy implementation on cross-boundary strategic issues such as transport and broadband. A number of case study examples demonstrating collaborative working are also included.

Transport Infrastructure

5.2 The Leeds City Region has a strong history of collaboration on transport priorities; the following is a summary of the current partnership priorities and programmes:

- There are a number of strategic plans and programmes that set out transport's contribution to the economic well-being of the Leeds City Region, as well as impacts on the environment and people's quality of life. These plans and programmes include:
 - Strategic Economic Plan (SEP);
 - Leeds City Region Transport Strategy;
 - Local Transport Plans (the statutory plans for transport in West Yorkshire, York, North Yorkshire and South Yorkshire);
 - West Yorkshire plus York Transport Fund.
- The Leeds City Region Local Enterprise Partnership has developed an ambitious transport proposition to substantially increase transport investment in the area to promote economic growth, this is set out in the Strategic Economic Plan.
- 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.

- The West Yorkshire Combined Authority is the Local Transport Authority (LTA) for West Yorkshire, City of York Council is the LTA for York, Barnsley falls within the South Yorkshire Transport Authority area and Selby, Craven and Harrogate within the North Yorkshire Transport Authority area.
- For West Yorkshire, the third Local Transport Plan (2011-26) was developed through extensive public and stakeholder engagement by the former Integrated Transport Authority, working with the five constituent District Councils. The 15 year Plan was adopted by all the partners in March 2011 and by the WYCA on 1 April 2014.
- There have been significant developments since the West Yorkshire LTP 2011 – 2026 was adopted in 2011. The most significant of these are:
 - The establishment of the 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 2015-21 as a bid to the Local Growth Fund. IP2 will need to be reviewed following the outcome of the Strategic Economic Plan 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.
- It is proposed that, in view of these developments, a review is undertaken in West Yorkshire to develop a single transport plan for the West Yorkshire Combined Authority that sets a clear strategy and context for future interventions. In any future review, a single transport plan could also include City of York Council. Under the Localism Act, 2011 the West Yorkshire Combined Authority has to comply with the Duty to Cooperate. The West Yorkshire Combined Authority will explore how this will be achieved for new documents and strategies and is currently working with the Leeds City Region Enterprise Partnership to ensure that the processes for meeting the Duty to Cooperate are aligned.
- Through the West Yorkshire plus York Transport Fund, 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.

Housing

- 5.3 Meeting housing needs is one of the most important functions of Local Plans. Failure to deal with it properly can have wide-ranging implications for the whole plan and can render the whole document unsound, this is a key issue for constituent Local Planning Authorities in the Leeds City Region who are seeking to progress their local plans to significantly boost housing supply to meet needs and support economic growth.
- 5.4 The NPPF requires that Councils should positively seek opportunities to meet the development needs of their area and that Local Plans should meet objectively assessed needs unless the adverse impacts of doing so would significantly and demonstrably outweigh the benefits. It states that every effort should be made objectively to identify and then meet housing needs, setting out a clear strategy for allocating sufficient land, taking account of the needs of the residential community. It is clear from national guidance that the Government places considerable importance on the need to encourage house-building to meet the national shortage⁶.
- 5.5 In this context the following work is underway in Leeds City Region to both support LEP work as well as provide LPAs with up-to-date evidence for their local plan preparation:
- An updated Leeds City Region Housing and Regeneration Plan was commissioned in late 2013 to inform the Leeds City Region Strategic Economic Plan submission and update the housing and regeneration context and policy and investment priorities. A final document will be completed in Summer 2014.
 - Research has been commissioned to strengthen the Leeds City Region evidence base on housing affordability. This work will inform ongoing work with the Homes and Communities Agency on the next Affordable Housing Programme (2014-17). The research sets out what affordability means in the city region in relation to a variety of income levels in different locations and provide an understanding of the strategic affordability needs and potential interventions required to meet these needs.
 - Two key pieces of work were commissioned in the latter part of 2013 to support the work of individual authorities on planning for housing specifically and to help in addressing the requirements of the Duty to Cooperate. The first addressed a common methodology for defining the objectively assessed need for housing and the second considered cross-boundary implications of housing markets. Both of these pieces of work will be

⁶ Extract from the Letter from the Planning Inspectorate to Kirklees Council, 26th April 2013.

completed in Summer 2014 and will provide a joint evidence base for the Leeds City Region and each LPA.

Application of the Duty to Cooperate in the Leeds City Region

Kirklees, Wakefield & Calderdale Councils: Joint Strategic Flood Risk Assessment

Wakefield's Core Strategy or Sites Allocation documents both needed to be informed by a robust assessment of flood risk, particularly as it this was needed to inform whether Wakefield was able to deliver strategic levels of growth or not. The major river catchment for Wakefield which could potentially prevent growth is the River Calder, and recognising the wider catchment of the river, work was commissioned alongside Kirklees and Calderdale Councils on a joint Strategic Flood Risk Assessment. The preparation of this closely involved the Environment Agency and the findings of the study were able to be agreed between all parties.

Wakefield Council used this data in their site selection process to avoid as far as possible development within the areas of highest probability of flooding. A positive outcome of this joint working was reflected in that consequently, little or no objections were raised to the Wakefield's Core Strategy or Sites Allocation documents on flood risk grounds.

Waste and Minerals

- 5.6 Advice and guidance produced by the Government seeks to move towards enhanced working between local authorities on areas of common interest to achieve sustainable development. The nature of minerals and waste developments mean that often there are implications beyond individual planning authorities' boundaries. Each of the unitary Local Authorities in the region is a Minerals and Waste Planning Authority. In addition, as minerals and waste planning authorities, North Yorkshire County Council, the City of York Council and the North York Moors National Park Authority are producing a minerals and waste joint plan. The minerals and waste joint plan will, once finalised, set out new planning policies for minerals and waste developments across all three areas which will guide decisions on planning applications up to 2030. It is estimated that the plan will be adopted October 2015.

- 5.7 North Yorkshire County Council recently produced the first draft of a position statement on waste, covering the Yorkshire and Humber area, following a meeting of Yorkshire and Humber waste planning officers in April 2014.
- 5.8 The NPPF also requires every mineral planning authority to carry out a Local Aggregate Assessment each year. This is a new obligation and comes on top of the need to establish a (regional) Aggregates Working party and carry out annual monitoring of the production and supply of aggregates. A draft West Yorkshire Local Aggregates Assessment has been prepared and is currently being finalised in consultation with neighbouring Mineral Planning Authorities. This will help inform the consideration of further collaborative work on minerals and waste planning across West Yorkshire, including in relation updating local planning policy.
- 5.9 A Local Aggregate Assessment for the North Yorkshire Sub-region was also finalised and submitted to the (regional) Aggregates Working Party in May 2014. The LAA was prepared by North Yorkshire County Council, the City of York Council, the Yorkshire Dales National Park Authority, and the North York Moors National Park Authority.

Broadband

- 5.10 The Leeds City Region Digital Infrastructure Plan was published in 2012 and due to the economic, social and environmental importance of enhancing digital infrastructure and broadband coverage, steps have been taken to ensure that local planning policy and decision making takes into account the priorities of the Leeds City Region Digital Infrastructure Plan. The following are current key programmes within the Leeds City Region:
- Superfast West Yorkshire Programme – BT have been commissioned to deliver a £22m broadband fibre infrastructure enhancement programme in West Yorkshire (excluding Kirklees), to deliver superfast broadband accessibility coverage to 97% of the area by September 2015. Not only will this project provide superfast broadband to 59,000 additional homes, an associated business support programme will maximise the economic impact of the investment by working with up to 2,000 companies to exploit the benefits.
 - Superfast North Yorkshire Programme – BT have been commissioned in York and North Yorkshire to similarly deliver an enhanced fibre infrastructure programme. The programme is forecast to achieve 90% coverage across the area by the end of 2014, and there is also a similar business support programme to support SMEs to exploit the enhanced broadband opportunities.

- Enhancements in broadband infrastructure in Barnsley is being taken forward in collaboration with the South Yorkshire authorities.
- SuperConnected Cities Programmes in both Leeds/Bradford and also in York. Connection vouchers worth up to £3,000 are available to SME businesses to cover the cost of upgrading to a superfast broadband connection. Investments have also focused on rolling out further activities including wireless networking within the city centres, libraries and other public buildings and free Wifi on major bus and train routes.
- WiFi on trains- as part of the Super Connected Cities Programme, Leeds, Bradford, the WYCA and Northern Rail have already worked together to commence a program for free WiFi services on selected train routes, to be phased in by early 2015, via £750k grant funding from DCLG and the Broadband Delivery UK programme.

5.11 Leeds City Region partners are working to ensure that planning and highways departments in all of Leeds City Region's authorities are well linked with broadband programmes so that they have early sight of all roll-out plans. In West Yorkshire for example, regular and ongoing joint meetings take place between the Superfast Broadband team, BT and local authority planning and highways officers to ensure the smooth roll-out of the programme through jointly planning streetwork management within and across local authority boundaries and a number of practical measures are being taken:

- Ensuring that through both the planning policy and development management processes that fibre to all premises (homes, commercial retail) is included in planning applications or that at least ducting is put in as part of all new developments as a minimum.
- Ensuring that any planning issues are considered and built into proposals within neighbouring authorities' plans.
- Adopting appropriate Planning Performance Agreements where advantageous to do so (positive fast-track planning agreement) such as agreed for the Leeds and Bradford Super Connected Cities Programme, consider the roll out of the principles elsewhere in the city region.
- Exploring the possibility of developing a fast-track planning approach for any additional street furniture or additional structures on schools or public buildings.
- Considering the implications of new infrastructure on environmental quality and amenity, particularly in high quality environments such as Conservation Areas.

6 Conclusion

6.8 Leeds City Region Planning Portfolios Board has prepared this Statement of Cooperation for Local Planning to outline the practical steps that are being taken to meet the Duty to Cooperate; the purpose of the Statement is twofold:

- To set out processes and practical steps to be followed going forward, that will strengthen the Leeds City Region authorities' approach to collaborative working;
- To outline the current collaborative work on strategic, cross-boundary issues that is ongoing within the Leeds City Region.

6.2 The Leeds City Region authorities have identified the following high level principles that will influence a joint approach to meeting the Duty to Cooperate:

- **Cooperation throughout the development plan process;**
- **Going beyond consultation;**
- **Taking a pragmatic approach;**
- **Responding to all requests to engage.**

6.3 The Planning Portfolios Board is committed to partnership working to ensure a joined-up approach to spatial planning including tackling cross-boundary issues and agreeing strategic priorities; the Portfolios Board has identified long-term priorities in an ambitious work programme.

6.4 This Statement identifies tools that can be used by authorities to demonstrate cooperation, including the Duty to Cooperate Table, Duty to Cooperate Statements, Statements of Common Ground and Memorandums of Understanding (MoU). This Statement also identifies processes that will support authorities in meeting the Duty to Cooperate; these include a commitment to consulting the Planning Portfolios Board on draft development plans. Some of the processes identified in this Statement are new and are therefore are likely to evolve; it is essential that these processes are adapted as required and it is proposed that this Statement be revised on an annual basis.

6.5 The governance structures within the Leeds City Region are also evolving, how these changes influence joint working on cross-boundary, strategic issues will need to be considered. The recently established West Yorkshire and York Combined Authority is one example.

West Yorkshire and York Combined Authority

- 6.6 The West Yorkshire Combined Authority, created on 1st April 2014, is a statutory body corporate for the geographical area which covers the constituent authority districts of Calderdale, Bradford, Kirklees, Leeds and Wakefield. City of York and the LEP are also members of the Combined Authority as non-constituent members. At the first meeting of the Board on the 1st April 2014, York and the LEP were given significant voting rights. It is proposed that York becomes a constituent authority member of the Combined Authority, subject to the passage of a legislative reform order and local agreement.
- 6.7 The Combined Authority has been put in place by local agreement, and underpinned by local public and business support, in order to deliver the ambition of Councils and the LEP to oversee the long term delivery of public economic and transport investment, including the proposed Leeds City Region Economic Investment Fund set out in the City Deal, which includes the West Yorkshire Plus Transport Fund. Committees of the Combined Authority have been established for both transport and investment to oversee and advise on these two key functions with a view to further collaboration over the wider Leeds City Region area.
- 6.8 Work would be needed to consider the options for the potential roles of the Combined Authority and the Leeds City Region Enterprise Partnership in relation to the Duty to Cooperate and strategic planning, and the interrelationships between bodies. This would involve joint working between the WYCA/LAs and the LEP.

REPORT FRONT SHEET

AGENDA ITEM: 11

Combined Authority: 18 September 2014

Report Title: Tour de France Legacy

Report Summary

To seek WYCA guidance regarding securing the Tour de France legacy.

Key facts:

- The Grand Depart has been a great success, with WYCA staff playing a role with respect to traffic management, spectator travel and other transport arrangements.
- The potential legacy includes economic benefits, encouragement for cycling, enhanced partnership working and the adoption of new ways of working.
- WYCA is asked to consider the role of cycling within the Single Transport Plan currently being developed and provide further guidance for securing a cycling legacy.

Possible Questions

1. How can the collaboration between partners be carried forward ?
2. How should the role of cycling be developed within the Single Transport Plan currently being developed?
3. What more should be done to secure a cycling legacy?
4. Should WYCA expand its role in relation to cycling?

Note: The above questions may arise during the debate, but do not preclude other items for discussion and debate.

ITEM 11

Report to: Combined Authority

Date: 18 September 2014

Subject: Tour de France Legacy

1. Purpose

- 1.1. To seek guidance on the WYCA role in securing a Tour de France legacy

2. Information

- 2.1 Yorkshire hosted Stages 1 and 2 of the 2014 Tour de France (Le Grand Départ). The event has been judged a great success, with an estimated 3 million spectators in Yorkshire and very positive media coverage.
- 2.2 Two WYCA members of staff were seconded to the TdFHub2014 Ltd, the company established to co-ordinate the event, to lead traffic management, transport and spectator travel communications activities. Many other staff played a part in the preparations for the events and on the weekend of 5/6 July 2014. The Acting Director Transport (WYCA) chaired the Highways and Transport Board and was the Senior Responsible Owner for traffic management, transport and spectator travel and event travel management. It is considered that, as a result of careful planning and strong communications, Yorkshire's transport network coped well over the weekend.
- 2.3 The potential for, and importance of, a Tour de France legacy was recognised at early stage of planning for the event. This report provides an update on some of the activities underway to secure this legacy and seeks input as to how WYCA can support these.

Economic Legacy

- 2.4 The longer term legacy of the Tour de France will be seen primarily in the visitor economy. Surveys undertaken immediately after the Grand Depart show that, across the UK, one in four of the adult population intends to visit Yorkshire in the next two years as a consequence of the race. With a worldwide TV audience of

around 100 million, if this encouraging finding is echoed beyond the UK, we can expect to see a significant increase in overseas visitors to the region.

- 2.5 Welcome to Yorkshire has estimated the value of media coverage for the region as a consequence of the Grand Depart at £310m. While this estimate, based on the putative cost of purchasing editorial in media outlets, does not stand up to rigorous economic analysis, it is a good indicator of the scale of coverage that Yorkshire saw both in the run up to the event and over the Tour weekend when the weather was so kind to us. This coverage will support the hoped-for growth in visitor numbers.
- 2.6 The short term economic impact of the event has been equally positive. A Leeds City Council led detailed study is on-going, with the final report due in November. Early indications from the work are that the projected £100m boost to the UK economy was a realistic estimate. Much of this short term impact was seen in Yorkshire, and there are many case studies from businesses across the region that saw exceptional trading over the weekend.
- 2.7 Led by Local Government Yorkshire and the Humber, work is now underway to develop a shared vision across the region for growth in the visitor economy. This will seek to build on the momentum created by the Tour de France and support increased collaboration between local authorities to strengthen our shared commitment to promoting and developing our offer to the global tourism market.

Cycling Legacy

- 2.8 The City of York Council is playing the lead role in developing an over-arching strategy for securing a cycling legacy. The cycling legacy strategy document, produced by the City of York Council in collaboration with other Yorkshire transport authorities, is attached as **Appendix 1**. A supplementary West Yorkshire legacy prospectus, reflecting the regional approach and the West Yorkshire cycle prospectus, has also been developed through joint working with the five District Councils and is attached as **Appendix 2**.
- 2.9 The City of York Council is also suggesting consideration be given to the establishment of a Community Interest Company to support the implementation of the Yorkshire wide legacy strategy.
- 2.10 The number of journeys made by bicycle is increasing and a number of initiative, such as the City Connect project, are being progressed. Efforts have been made to raise the profile of cycling and two national cycling conferences were held in Leeds in the past nine months. A locally focussed event is now being organised (at the John Smith stadium in Huddersfield) and aims to build on current initiatives and consider current 'state of the art' for the design of cycle facilities, developing engagement activities involving broad partnerships (e.g. public health), and embedding legacy activities. The proposed venue is the John Smith stadium in Huddersfield.

- 2.11 Securing a cycling legacy will be one of the considerations in the development of the Single Transport Plan through the process approved by WYCA at its meeting of 26th June 2014.

Collaboration with other Transport Providers

- 2.12 The Grand Départ demonstrated how public bodies across Yorkshire can successfully collaborate to deliver a world class event. A number of other transport providers have commented upon the quality of the collaboration that took place in order to ensure that the Grand Départ was such a success and are keen to secure a legacy from this level of co-operation. Having played a key role in this collaboration, WYCA is well placed to support the delivery of future events in the region
- 2.13 A follow-up session with other transport organisations was held at the beginning of September as part of a process to ensure that benefits of the approaches engendered by the focus of the Grand Départ are captured.

Ways of Working

- 2.14 Some of the event management approaches adopted by the TdFHub 2014 Ltd have relevance to smaller scale events, incident management and service disruption management. In addition, the independent review conducted by Transport for London on behalf of the TdF Hub has relevance and led to a similar process being adopted as part of the roll-out of the new retail network for smartcard ticketing.
- 2.15 It is proposed to adopt some of these approaches within WYCA service delivery and planning activities. In addition, the secondees (who have now returned to WYCA) have acquired new knowledge and skills which will contribute to the effectiveness of WYCA activities.

3. Financial Implications

- 3.1. WYCA support for the Grand Départ involved some additional costs and workload, which were ted accommodated managed within the existing budgets and staffing structure.

4. Legal Implications

- 4.1. There are no legal implications of this report.

5. Staffing Implications

- 5.1. There are no staffing implications.

6. Consultees

- 6.1. Kersten England (Chief Executive, City of York Council), Tom Bridges (Chief Economic Officer, Leeds City Council) and Nicky Roche (Chief Executive, TdF Hub 2014 Ltd) have been consulted on the content of this report.

7. Recommendations

- 7.1. That the WYCA note the report.
- 7.2. That WYCA endorse the West Yorkshire legacy strategy set out in Appendix 2.
- 7.3. That WYCA provide further input to securing the legacy from the 2014 Tour de France Grand Départ and its ambitions for cycling within the Single Transport Plan currently being developed.

8. Background Documents

West Yorkshire Local Transport Plan (2011)

West Yorkshire Cycle Prospectus (2013)

Cycle Yorkshire

Realising the legacy of Le Grand Départ – a strategy for cycling in Yorkshire and the Humber



In partnership with Yorkshire and the Humber Local Authorities and Partners

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Executive Summary

This document presents a strategy to improve health, the environment and the economy in Yorkshire and the Humber through the promotion and increased use of cycling, as a transport mode, as a pastime and for sport, in urban and rural areas.

This strategy builds on Yorkshire's hosting of the Grand Départ of the 2014 Tour de France, which presents a once in a lifetime opportunity to raise the profile of cycling in the region. It follows British successes at London 2012 and in the 2012 and 2013 Tours, which have already brought cycling into the limelight. Cycling's profile as a low cost, low pollution, healthy and enjoyable transport mode has also increased enormously in recent years.

These reasons are amongst those causing a range of local and regional partners to want to come together to present this joint strategy for promoting cycling in Yorkshire and the Humber. By so doing, we will add value to local initiatives to promote cycling by providing strong co-ordinated leadership, by raising the profile of cycling and through sharing information on best practice. Work will be led by the Regional Cycling Delivery Group (RCDG), made up of all participating Yorkshire and the Humber Local Authorities and key partners.

Our vision is for Yorkshire and the Humber:

"To be recognised as a great region for safe cycling, inspiring more people to cycle more often"

We will achieve this vision by giving people of all ages, abilities and disabilities, whether living in or visiting Yorkshire and the Humber, access to the skills, facilities, equipment and enthusiasm to confidently and safely enjoy cycling.

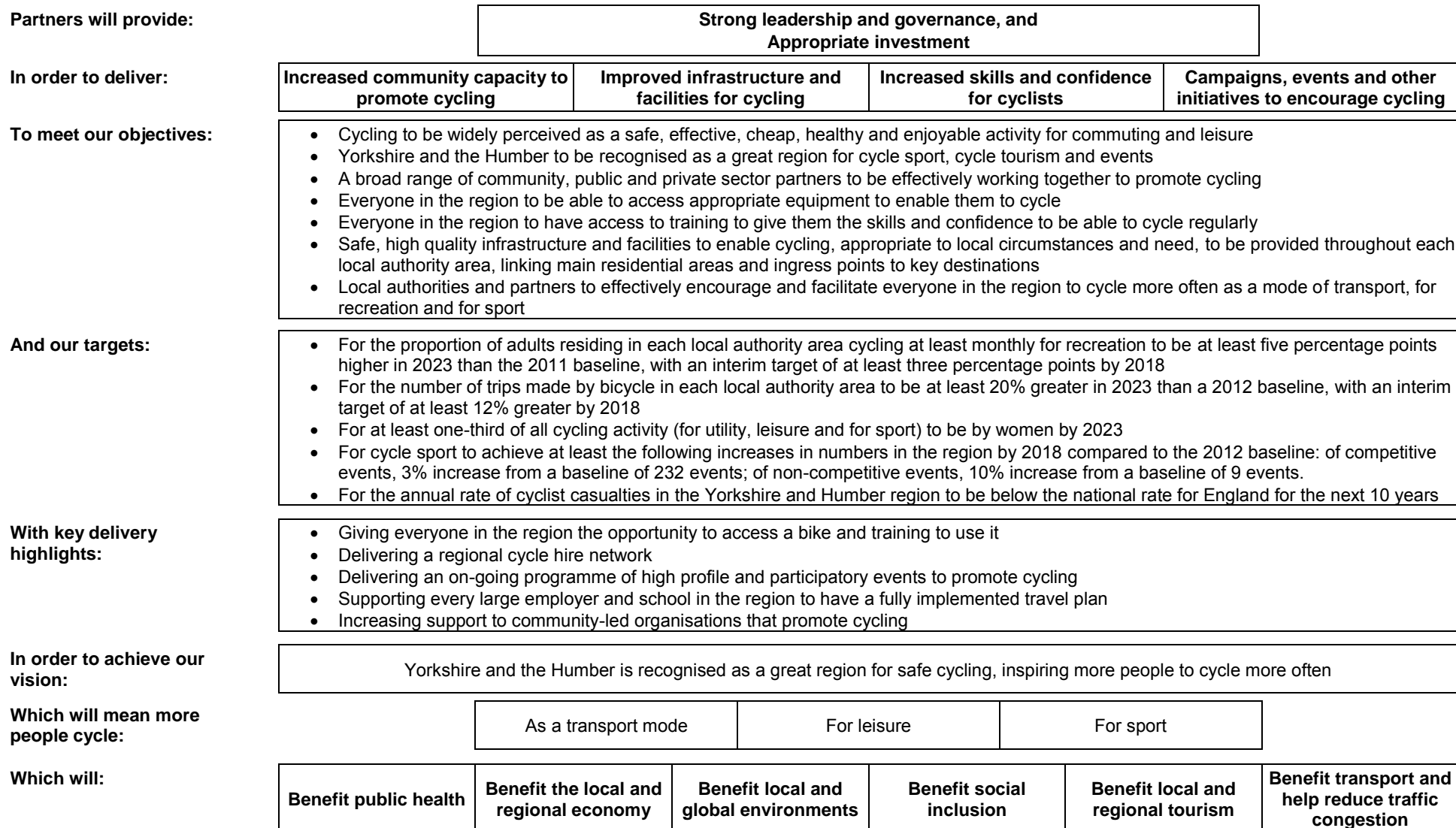
The vision seeks to get more people in the region cycling more often, whether they are already regular or occasional cyclists, or whether they currently don't cycle at all. It seeks to get more people cycling for whatever purpose, be it as a useful transport choice, as a pastime or for sport, in urban and rural areas. Achieving this vision will contribute to a broad range of cross-sectoral objectives: for health and wellbeing, for the environment and the economy but also for social inclusion, tourism, transport and sporting success.

The region of Yorkshire and the Humber already has a vast range of excellent events, initiatives and resources in place, as well as examples of high quality facilities and infrastructure that support leisure, utility and sport cycling. However, no area of the region provides everything that could be offered to promote cycling to all types of people. There remains much scope for improving and expanding the opportunities on offer to both new and existing cyclists leading to many people in the region being inspired to start cycling, or cycle more and more often. Evidence from elsewhere suggests that partners are able to encourage and enable them to do so.

To achieve the vision, RCDG members will provide effective, appropriate leadership and investment to deliver improvements in four key types of initiative to promote cycling: increase capacity in communities to encourage cycling, improve infrastructure and facilities, increase skills and confidence to cycle and promote uptake. The initiatives, the benefits they will achieve and how, are shown in the figure below.

Delivery of this strategy will be guided by a Regional Delivery Plan and implemented primarily through local delivery plans defined and prioritised by Local Authorities. These will drive the delivery of the legacy and achieve the aims and objectives of it by seeing more people across Yorkshire who live, work and visit, cycling.

Figure 1. Strategy process, objectives and outcomes



1 Introduction

This document presents a strategy to improve health, the environment and the economy in Yorkshire and the Humber through the promotion and increased use of cycling, as a transport mode, as a pastime and for sport, in urban and rural areas.

Why act now?

Yorkshire's hosting of the Grand Départ of the 2014 Tour de France presents a once in a lifetime opportunity to raise the profile of cycling in the region. The race will provide significant benefits to the region; before, during and after its time here. It follows British successes at London 2012 and in the 2012 and 2013 Tours, and for cyclists in the last three BBC Sports Personality awards; all of which have already brought cycling into the limelight.

Cycling's profile as a low cost, low pollution, healthy and enjoyable transport mode has also increased enormously in recent years. At the same time, the evidence of the benefits of cycling continues to grow, not least from the recent publication of guidance on promoting walking and cycling from NICE¹. Political support for cycling also appears to be increasing, in part due to the recent work of the All Party Parliamentary Cycling Group².

These reasons are amongst those causing a range of local and regional partners to want to come together to present this joint strategy for promoting cycling in Yorkshire and the Humber.

The scope of this strategy

The strategy aims to promote cycling for everyone; residents and visitors, in urban and rural locations throughout the region. It seeks to build much upon Yorkshire's hosting of the Tour de France Grand Départ to get more people in the region cycling more often, whether they are already regular or occasional cyclists, or whether they currently don't cycle at all. It seeks to get more people cycling for whatever purpose; be it as a transport mode, as a pastime or for sport. It aspires to increase investment to encourage cycling, but not at the expense of promoting other healthy or sustainable choices.

However, this is not simply a cycling strategy but a strategy to deliver a broad range of outcomes across the region and locally.

The benefits of a regional strategy

Most cycle journeys will continue to be relatively short distance. Local delivery will therefore remain at the heart of work to promote cycling. Strategies and plans to promote cycling, in all its forms, are already in place in many parts of the region. This strategy promotes a region-wide approach in order to add value to existing initiatives by:

- Demonstrating co-ordinated leadership to realise our vision and enabling efficient delivery
- Raising the profile of cycling and helping to influence social norms towards it being a more common transport or recreational choice for more people
- Providing high quality facilities and support, shared across the region or sub-regions, to promote cycling for sport
- Sharing information on best practice, of which much exists within the region
- Harnessing the power of regional, sub-regional or local events and campaigns.

2 The starting line

The benefits of promoting cycling

Investment in cycling has an overwhelmingly strong economic and policy rationale, and can deliver great value for money. It achieves useful contributions towards meeting a broad range of social, environmental and economic policy objectives. The main policy benefits are summarised in this section.

These can be realised whether cycling is promoted for transport, as a pastime or for sport. Moreover, and particularly in comparison with many other forms of transport investment, most initiatives to promote cycling can be delivered quickly and are almost universally well received within target communities.

Cycling benefits health

There is clear evidence that cycling improves public health; physical inactivity is a key determinant of poor health, and many people find cycling a good way to get more exercise. NICE³ estimates that 61% of adult men and 71% of adult women do not meet the recommended physical activity levels. Many people are at risk of a range of chronic health problems including obesity, respiratory complaints, mental disorders and joint ailments as a result. Increased use of motorised transport modes has been one of the main reasons why activity levels have fallen in recent decades.

However, for many people, cycling is one of the easiest and most acceptable forms of physical activity to incorporate into everyday life. Cycling has one of the best ratings for energy expenditure and calorie burning for a 'moderate' intensity exercise, and is highly recommended for improved health by the Chief Medical Officer⁴. NICE advocates the implementation of town-wide programmes to promote cycling for transport and recreational purposes, as well as cycle promotion alongside other interventions, to achieve specific health outcomes in the local population.

The World Health Organisation's HEAT (health economic assessment tool) estimates the value just in terms of reduced mortality of a non-cyclist becoming a regular cyclist to be £4,000 over ten years⁵.

Cycling benefits the economy

The British Cycling Economy Report⁶ quantifies the full economic benefit of cycling to the UK economy as £2.9 billion; this encompasses bicycle manufacturing, cycle and accessory retail, employment as well as improved health from increased physical activity. This is stated to be equivalent to £230 of economic benefit from every cyclist every year.

At the local level, cycle improvement schemes are, by transport standards, low-cost and quick to deliver. They also provide exceptional value for money: the Eddington Transport Study, a major UK Government-funded study into links between transport and the economy, concluded that 'some of the best projects are small scale, such as walking and cycling schemes'⁷.

Cycling supports local economies by increasing and encouraging access to shops and services in local centres. Furthermore, by reducing unnecessary car use, cycling can have positive impacts on congestion and journey time reliability; important factors for promoting business tourism, for successful local economies and attracting inward investment.

People that are more active are proven to be more productive. Regular cyclists take half as many sick days as the workforce at large⁸.

Cycling benefits leisure and tourism

Cycling as a leisure activity has boomed in recent years. It is estimated that the UK saw 1.3 million new cyclists in 2010⁹. Over 200,000 people took part in Sky Ride events in the UK in 2010, creating a 'vibe' around cycling as an activity that is fun, inclusive and easy to master. This has grown more and more with a staggering 2 million people at the end of 2013 taking part in these rides across the country..

Yorkshire and the Humber is a fantastically scenic place for cycling, and offers a range of terrain to suit cyclists of all types. It has many miles of dedicated cycle routes, including scenic traffic-free paths, quiet roads and lanes, signed on-road routes and themed long-distance routes¹⁰. These attract local people to cycle in their region and tourists to visit from further afield.

Cycling events help to promote cycling and also benefit the region's tourist economy. Dalby Forest, within the North York's Moors National Park, hosted the Mountain Bike World Cup in 2010, which was estimated to have generated £0.63m into the local economy and drew a crowd of nearly 7,000 spectators. Ampleforth hosted the National Road Race Championships in 2012, drawing a television audience of 100,000 due to the high-profile names racing the event, showcasing the Yorkshire landscape. Tourist businesses in the region started reporting increased sales as a result of the Tour de France in 2014 within weeks of the announcement of the route.

Cycling benefits the environment

Motorised transport is a major contributor to the UK's greenhouse gas emissions. One-third of all transport carbon emissions in the UK are generated by short, local trips (less than 10 miles) but, for all except the very shortest, the private car remains the dominant mode of choice.

Poor air quality caused by motorised transport is also a problem in parts of the Yorkshire and the Humber region, resulting in the declaration of Air Quality Management Areas (AQMAs) where pollution standards are exceeded. A regional air quality plan is in place for the achievement of the EU air quality limit values for nitrogen dioxide (NO₂)¹¹.



That road transport is such a large contributor to harmful emissions, combined with the fact that many trips are very local in nature¹², means increased cycling has huge potential to reduce the impact of travel on both the local and global environment.

Any measure to reduce the use of motorised travel will additionally lead to reduced problems of transport noise and community severance.

Cycling benefits social inclusion



Most people can (or could) cycle. Many of those that currently cannot could be given training, equipment and/or support to be able to do so. Cycling provides a low-cost mode of transport, which is particularly important for people that do not have access to a car. It provides significant benefits for children's independency, as well as physical activity.

Cycling is thus a highly inclusive transport mode.

Supporting people to cycle in their local communities will help to reduce inequalities across the region, by providing improved access to shops, services, as well as to employment, social and leisure opportunities. Opening up cycling and supporting services to better cater for female, disabled and minority groups through courses, rides, equipment and other activities will aid equality and integration.

Cycling offers a relatively low cost opportunity to partake in sport and active leisure and, because of its inclusivity, offers an activity that can be undertaken together, notably by family groups.

Cycling benefits transport

Two thirds of all journeys in the UK are less than five miles in length¹³. Local journeys like this can easily be made by bike by many people; five miles is approximately a 30-minute cycle. However, Department for Transport statistics for 2012 show that nationally only 2% of all trips between 2 and 5 miles were made by bicycle, whilst 79% were made by car (the latter being a two percentage point increase since 2010).



The school run is a major cause of congestion; one in five cars on the road during the morning peak is taking children to school.¹⁴ The average primary school journey is less than 1.5 miles^{15, 16}, which is a distance that can easily be undertaken on foot or by bike by many pupils, and research shows that there is appetite for change, with nearly half of all school children wanting to cycle¹⁷, which in turn can help with their health and independence.

This evidence shows the huge potential for cycling to replace less sustainable modes for many journeys; increasing the cycle mode share for local journeys for whatever purpose will help to reduce road congestion, and improve the journey experience for both cyclists and other road users.

Participation and trends in cycling

More people in the UK own a bike than own a car. In 2011, 85% more bikes were sold in the UK than cars (3.6M bikes¹⁸ versus 1.9M cars¹⁹).

Thirteen percent of the population of the Yorkshire and Humber region already cycle at least monthly. In some areas of the region (Craven, the East Riding, North East Lincolnshire, York), this rate is 20% or more, however some districts have less than 10% of residents cycling this often²⁰. Even within authorities, the proportion of people cycling regularly will vary substantially between areas.

Statistics from the Department for Transport²¹ show that the proportion of cyclists in Yorkshire and the Humber who always or usually cycle for recreational purposes is higher than the national average; 82% of cyclists in the region are purely recreational cyclists (compared to 77% in England), whilst the proportion who always cycle for utility purposes is lower than the average (12% opposed to 16%).

There is a correlation between uptake of types of cycling and rurality. Utility cycling is inevitably generally more attractive for more people in urban and sub-urban areas, where journey distances are often short and good facilities can be provided. In rural areas, journey distances tend to be longer and, if on-road, cyclists will commonly have to share roadspace with fast-moving traffic.

However, the scenery and topography make many rural parts of the region attractive to leisure and elite cyclists.

There are also large disparities in the types of people that commonly cycle. In particular there is a large gender imbalance; men dominate cycling in the UK, making over 72% of all bicycle trips²². In contrast, women cycle much more in the Netherlands, making around 55% of all bicycle trips²³. But change is possible: half of all cycle trips in York are now made by women whilst British Cycling has had much recent success in increasing participation in cycling amongst women, with more than 60,000 more women cycling in the last year and achieving a male/female gender balance on Sky Rides of 60:40.

Recent trends have unfortunately shown an increase in the number of cyclists killed or seriously injured on roads in Britain, with 26% more serious injuries/fatalities in 2011 than the 2005-09 average^{24, 25}, and the rate per mile cycled also increasing, albeit at a lower increase of 5% over the same period²⁶.

However, it is clear that in many areas and amongst some groups of people there is great potential to get more people cycling more often. Sustrans²⁷ and British Cycling²⁸ both suggest that cycling rates will typically increase by around 1% per annum in future years, so we anticipate around 10% more cycling would happen in Yorkshire and the Humber in any event by the end of the strategy period in 2023^{29, 30}. This strategy aspires to increase cycling well above that level.

Partners

There is a wide range of organisations, across all sectors (public, private, social enterprise, voluntary) who are engaged in promoting cycling in Yorkshire and the Humber. All are striving to meet sometimes diverse commercial and social objectives, but through the same shared output of more people cycling more often. This strategy will draw on the enthusiasm, knowledge and resource available from these and other partners:

- Local Authorities (with cross sector collaboration between transport, health, sport and physical activity, tourism and regeneration)
- Integrated Transport Authorities
- Health sector providers
- Sports partnerships
- Schools
- Travel plan networks
- Cycling clubs
- British Cycling
- Sports England
- Welcome to Yorkshire and local tourism bodies
- Sustrans
- CTC
- Bike shops
- Social enterprise/community interest companies
- National Park authorities
- Land owners such as Yorkshire Water and the Forestry Commission
- Government departments and agencies, i.e. Highways Agency, Dept for Transport and Dept of Health
- Local volunteer groups and interested parties
- The Bicycle Association of Great Britain
- County Sport Partnerships
- Northern Rail
- Private and charity sectors

Excellence in promoting cycling

The region of Yorkshire and the Humber has a vast range of excellent events, initiatives and resources in place, as well as high quality facilities and infrastructure to support utility, leisure and sport cycling. Many of these are available across the region, but there are also a number of sub-regional assets and specialisms.

We highlight below some of the areas of excellence in promoting cycling in the region, in order for them to be recognised and celebrated, and which show how cycling can be successfully developed in both urban and rural settings.

Community capacity

Cycling clubs are effective in encouraging many people to take up and continue cycling.

- There are 134 cycling clubs in the Yorkshire and the Humber region
- There are 4,200 British Cycling members in the region (50% of these members belong to a cycling club)
- Ilkley Cycling Club is the largest, most proactive cycling club in the country (with over 1,000 members)
- There are over 30 Go-Ride (Young People) registered clubs in the region

Outside these groups, there are many others volunteers and local resources in the region, providing the community capacity to encourage cycling. They include:

- 90 trained ride leaders (Sky Riders) employed on Bradford and Hull Sky Ride programmes
- 87 trained women's Breeze champions
- Over 100 trained commissaire officials who officiate and manage cycle events in the region
- Cycle campaign groups
- Local stakeholder groups
- Community interest companies
- Volunteer guided ride leaders
- 350 Sustrans volunteers helping keep infrastructure in good condition

Infrastructure and facilities

Good infrastructure for cyclists exists in many parts of the region, and there are plans to make it even better.

- *For utility cycling:* There are examples of excellent infrastructure for utility cycling in the region. Most notably, York has provided ongoing investment in its cycle networks and has been rewarded with a high mode share for cycling and national recognition as great place to cycle. The National Cycle Network also provides utility cyclists with high quality routes and infrastructure. A recent report from Sustrans The Real Cycling Revolution³¹ shows that 30% of journeys on the National Cycle Network are for commuting, education or work purposes.

- *For leisure cycling:* There are areas with excellent off-road infrastructure including canal tow paths, greenways (former rail routes), signed National Cycle Network (including the Way of the Roses and the TransPennine trail), all offering wonderful cross-local authority routes and better off-road connections to key destinations. By the time the Tour de France comes to Yorkshire, 1,000 miles of NCN will be complete in the region by Sustrans. The map appended shows priority investment in the NCN as identified by Sustrans Yorkshire. There is a mixture of new route development to fill gaps in the existing network and existing route upgrade and maintenance. This will provide and enable a high quality network that serves all communities, towns and cities.
- *For sport cycling:* Yorkshire and the Humber is home to a range of facilities to support sport cycling, including an outdoor velodrome, six BMX courses of regional and national standard, three closed road race circuits, three cycle speedways and established sportive routes. Great trails for mountain biking are available. British Cycling has an ambition to build more velodromes and closed circuit cycle tracks in Yorkshire. The region also benefits from its sub-regional county sports partnerships (CSP) that chair the sub-regional Cycle Yorkshire groups made up of Councils and stakeholders.

Good examples of signing and route maps exist in many locations, complementing available infrastructure.

Many local authorities and other organisations have ambitious plans to invest in and enhance infrastructure.

Skills and confidence

There are numerous opportunities in this region for people to improve their skills and confidence in cycling. These include:

- Cycle training in schools (Bikeability)
- Cycle promotion to schools and families (Sustrans Bike It¹⁷ Project)
- A cycle sports academy
- Adult cycle training (Urban Cycle Skills)
- Wheels to work initiative
- Women-specific events and support (Breeze network, spin classes and clubs providing women-only rides)
- Cycle maintenance courses
- Guided rides

Many local authorities and their partners promote road safety, which has a key benefit of making cycling more attractive for less confident riders, and measures to reduce cycle theft.

Promoting uptake

Campaigns and events can be highly effective at encouraging more people to cycle more often. Examples within the region include:

- *For utility cycling:* Cycle to work and school challenges, personal travel planning advice, Bike to Work and school weeks.

- *For leisure cycling:* Guided cycle rides, Bradford, Leeds, York and Hull Sky Ride events promoting recreational cycling, community events, and festivals, such as the York Festival of Cycling.
- *For sport cycling:* Amateur racing events include criterium cycle races, time trials, hill climbs and sportives (over 20 independently organised sportives run during the summer period). Yorkshire has hosted high-profile elite events including the National Road Race Championships in 2012, the Mountain Bike World Cup in 2010 and various national criterium races.

Many public sector partners and private publishers produce maps and guides to cycling in Yorkshire (printed and on-line), which are helpful to promote all types of cycling.

York's annual Festival of Cycling has proved very successful over the years, featuring stunt shows, stalls and bicycle taster sessions for all ages, abilities and disabilities to try cycling, attracting at least 10,000 families and other non/lapsed cyclists as well as those people that already cycle regularly.

There are also good examples of local sub-regional schemes aimed at encouraging more people to cycle. As an example, go:cycling offers a range of free cycling services, including one to one and group training, bike maintenance and group rides.

There are a variety of initiatives that help people gain access to bikes. Key amongst them are bike recycling and loan schemes, many of which are led by social enterprises.

Investment

The promotion of cycling in Yorkshire and the Humber is funded through a number of mechanisms, including from Local Transport Plans, the Department for Transport (e.g. Local Sustainable Transport Fund projects), British Cycling and Sustrans, along with contributions from commercial suppliers and sponsors. Additionally, the pool of volunteers and local groups provides invaluable resource and time that allows the range of cycling events and initiatives across the region to happen.

However, whilst cyclists in Yorkshire and the Humber benefit from the initiatives listed above (and many others not included in this summary), no area of the region provides everything that could be offered to promote cycling to all types of people. There remains much scope for improving and expanding the opportunities on offer to both new and existing cyclists.

Inspiration

There are many cycling success stories that Yorkshire and the Humber can look to for inspiration. Many are from within the region, and a few of them are highlighted in the text above. Here, however, we highlight some examples from elsewhere, which show that a large sustained increase in cycle use amongst many people can be achieved.

Dedicated investment

Perhaps what is most inspiring is that a 'cycling culture' is not a prerequisite to achieving success. Stockholm, Sweden is an example of how quickly effective action can change attitudes to, and increase use of, cycling in an area that started from a similar baseline to many towns in Yorkshire and the Humber. Whilst the rate of cycling (6% and growing) is not as high as in some other European cities, this has been achieved in a little over ten years. In that time, car traffic stopped increasing, while cycle travel increased by 5% every year.

This was the result of consistent and continuous political leadership. The improvements included cycle network development (both cycle paths and lanes) and extensive roll out of cycle parking. Public and media opinion about the improvements went from sceptical to supportive in less than two years, due to the obvious benefits active travel investment brought³². With strong political will, continued positivity towards cycling and a clear and consistent policy and funding strategy, Stockholm has moved from being a city with relatively low levels of cycling to a place where cycling is normal and popular, and is seen to be the most practical way to travel for many trips.

Closer to home, the City of Edinburgh Council has underlined its on-going commitment to cycling by signing up to the Charter of Brussels for a 15% cycle mode share by 2020 (working from a base of approximately 7% for journeys to work).

Meanwhile, and despite the recent well-publicised investment in the 'Boris Bikes' and 'Barclays Cycle Superhighways', the London Assembly is looking to the Mayor of London to double funding for cycling in 2013/14 (to around £20 per capita)³³, which is the level of investment it says London needs to match cycling levels evident in leading cycling cities.

Within the region, the City of York has provided dedicated investment in cycle infrastructure over the past decade to develop a quality network of cycle routes and facilities. It has been rewarded for this commitment with high levels of cycling within the city, particularly for utility purposes, and has been rated as one of the top three places to cycle nationally.

The West Yorkshire authorities have recently (2013) been awarded £18.1M of DfT funding in order to help get more people cycling, more often, more safely.

Mass participation events

Since 2009, British Cycling and its principal partner Sky have been working together to get more people cycling. The partnership has already achieved its ambitious target of getting one million more people cycling by 2013; one year early. Sky Ride events have occurred in Bradford and Hull, supported by programmes of Sky Ride local led rides, to promote recreational cycling in these areas.



Community-led action

Ilkley Cycling Club (ICC) was re-established in March 2011 and in two years has grown to a membership of over 1,000 people. This success is no doubt due to the club providing opportunities for all tastes and abilities. It runs a Youth Development Programme for children and provides rides for all levels of cyclists, including women's rides, family rides, social 'all comer' rides (for inexperienced and new cyclists), through to training rides and races for more experienced and competitive cyclists.

Other cycling clubs in Yorkshire and the Humber may benefit by adopting ICC's approach by opening cycling up to everyone, attracting new markets of cyclists and boosting membership. This approach will develop more interest in cycling, encourage greater member involvement and thus help to build more capacity within local communities.

Key lessons

The key lesson from these case studies (and other successful examples where cycling levels have been significantly increased) is that concerted effort over time is required to develop infrastructure

and encourage and enable people to use it. Dedicated leadership and good joint working between partners with shared aims is paramount. The coming together of local authorities and partners in Yorkshire and the Humber to develop and promote this strategy is evidence of a good basis for achieving strong regional leadership and dedication to promoting cycling across the region.

The success stories show that investment is required, but that good value can be achieved for relatively modest sums. There is great potential from realigning existing spend rather than an automatic dependency on new funding. The partnership approach of this strategy also provides increased opportunity to attract other funding including from central and European Government and the private sector through joint funding bids.

Overall, these examples show that it is possible to substantially increase cycling in every setting.

3 A vision for cycling in Yorkshire and the Humber

Based on the background outlined above we aspire for Yorkshire and the Humber:

“To be recognised as a great region for safe cycling, inspiring more people to cycle more often”

We will achieve this vision by giving people of all ages, abilities and disabilities, whether living in or visiting Yorkshire and the Humber, access to the skills, facilities, equipment and enthusiasm to confidently and safely enjoy cycling in the region, for whatever purpose.



Objectives

Our shared objectives to meet the vision for cycling in Yorkshire and the Humber are for, by the end of the strategy period in 2023:

- Cycling to be widely perceived as a safe, effective, cheap, healthy and enjoyable activity for commuting and leisure
- Yorkshire and the Humber to be recognised as a great region for cycle sport, cycle tourism and events
- A broad range of community, public and private sector partners to be effectively working together to promote cycling
- Everyone in the region to be able to access appropriate equipment to enable them to cycle
- Everyone in the region to have access to training to give them the skills and confidence to be able to cycle regularly
- Safe, high quality infrastructure and facilities to enable cycling, appropriate to local circumstances and need, to be provided throughout each local authority area, linking main residential areas and ingress points to key destinations
- Local authorities and partners to effectively encourage and facilitate everyone in the region to cycle more often as a mode of transport, for recreation and for sport



Targets

We set ourselves the following targets for achievement during the strategy period:

- For the proportion of adults residing in each local authority area cycling at least monthly for recreation to be at least five percentage points higher in 2023 than the 2011 baseline, as measured by the Active People Survey^a, with an interim target of at least three percentage points by 2018³⁴
- For the number of trips made by bicycle in each local authority area, as measured using local data collection processes, to be at least 20% greater in 2023 than a 2012 baseline, with an interim target of at least 12% greater by 2018
- For at least one-third of all cycling activity (for utility, leisure and for sport) to be by women by 2023
- For cycle sport to achieve at least the following increases in numbers in the region by 2018 compared to the 2012 baseline: of competitive events, 3% increase from a baseline of 232 events; of non-competitive events, 10% increase from a baseline of 9 events.
- For the annual rate^b of cyclist casualties in the Yorkshire and Humber region to be below the national rate for England for the next 10 years.

Delivery highlights

Amongst other elements, described in the next section, we commit during the strategy period to:

- Giving everyone in the region the opportunity to access a bike and training to use it
- Delivering a regional cycle hire network
- Delivering regular events to promote cycling to a range of participants in each Local Authority area
- Supporting every large employer and school in the region to have a fully implemented travel plan
- Increasing support to community-led organisations that promote cycling.

^a The 2011 baseline regional average was 13%. Individual Local Authority figures range from 8% to 32%

^b With the rate of cyclist casualties to be determined by the number of cyclist casualties, divided by estimated numbers of annual cycling journeys derived from the Active People Survey

4 Enablers of change

In this section, we outline the key types of actions that will enable local authorities, British Cycling, Sustrans and other groups, between them, to deliver the vision and objectives described in this strategy. These will be a combination of many well proven interventions with some innovative approaches.

It will be for local stakeholders to decide which measures are most needed in which setting within the region and, as such, sub-regional action plans will be developed to support this vision. They will need to be tailored to a broad range of socio-demographic, topographic and other factors, in addition to an understanding of the baseline provision of infrastructure, promotion and capacity to support cycling in those locations. In every case, the opportunity for promoting cycling brought by the 2014 Tour de France will be maximised.

Leadership and governance

There is clear evidence that effective work to promote cycling requires strong leadership over an extended period³⁵. The partners promoting the vision for cycling in Yorkshire and the Humber will therefore provide consistent and high-profile leadership and co-ordination to ensure their activities, and those of others, will influence and support this legacy and what it aims to achieve.

Effective regional, sub-regional and local governance arrangements will underpin this leadership and ensure value for money is delivered. Partners will support, and be supported by the Regional Cycling Delivery Group (RCDG), who will help co-ordinate activity, share best practice and evaluate outcomes.

A Regional Cycling Delivery Group will co-ordinate activity and share best practice

The RCDG will be chaired by the CEO for the City of York Council. The Group will report to the Yorkshire Grand Départ Legacy Board chaired by Welcome to Yorkshire's CEO. The RCDG will be supported by the regional director who, amongst other things, will ensure the legacy is as successful as possible, provide guidance on setting strategic outcomes, ensure appropriate allocation of resources and support for local, sub-regional and regional delivery. Local delivery groups, comprising representatives of local authorities and other stakeholders, will coordinate and drive local action, informed by sub-regional and local action plans that support this strategy.

Sub-regional and local plans will determine local delivery priorities

These working arrangements and responsibilities will be underpinned by a Memorandum of Agreement, which all partners undertake to support.

Partners will embed the objectives of this action plan within their relevant policies and plans, relating them as appropriate to key corporate outcomes (including for improvements to health, the environment and the economy).

To ensure that the outcomes of this strategy are measured, and that lessons to improve delivery are learned during the strategy period, we will maintain an on-going research strand. This will collect and/or collate relevant data on use of and attitudes to cycling in the region.

Investment

Investment of funds and time is required for the vision to be achieved, though this should not be at the expense of other good value initiatives to promote other active and sustainable travel choices, or other essential works as the partners see fit.

Partners will align their policies and plans, capital and revenue budgets for transport, place-making, health improvement and other relevant programmes in order to ensure they are appropriate to meet the objectives of this strategy and their own local objectives and needs. Partners will seek opportunities to attract additional funding or benefit in kind from outside organisations including charitable, private and governmental, in order to add further value to their own investment.

Partners will also seek to identify and realise opportunities to provide further value by their own investments being matched (by inputs of funds and/or time) by other partners.

Partners will share funding where appropriate, particularly to facilitate campaigns or events that have benefit across the region or within sub-regions.

Increasing community capacity

Volunteers and social enterprise groups do much to promote cycling, through their work as trainers, group leaders and in many other roles. Support from public and private sector agencies can increase the capacity of the community to promote cycling and so be a good value way to meet objectives. Sharing best practice and inspiring local communities to deliver results should be prioritised to get more people in Yorkshire and the Humber to safely cycle, more often.

The development of cycling clubs, both recreational and competitive, is vital to ensure a lasting legacy for this and future generations. By catering for all disciplines and all levels of cyclists, clubs will attract new markets, boost membership and be one of the key under-pinning motivators and facilitators to increase cycling. This in turn can generate more local involvement and thus build capacity within local communities. Partners will support this voluntary base to ensure that local people are able to cycle more proficiently and safely and have more opportunities for their needs and abilities.

***We will support
community-led activity
to promote cycling***

Partners will consider the various offers available through British Cycling, Sustrans, CTC and other group programmes. These include examples such as training opportunities for local people to become Sky Ride leaders or Breeze Champions, volunteering to promote and maintain local greenways, advocating for cycling in local communities, assisting local bike hire and recycling projects and developing skill sets in local communities to promote cycling. Similarly, British Cycling's Go Ride initiative provides structured training and coaching opportunities for young people to develop their skills and supports them in accessing a quality club environment where they can develop their interest and progress through a competitive structure. The Go Ride system has been responsible for discovering and developing many of today's cycling superstars.



Unlocking the full potential for community-led activity to promote cycling may require some funding, but also potentially training and administrative support for individuals and groups.

Improving infrastructure and facilities

The provision of good quality infrastructure is critical in order to encourage and facilitate more people in Yorkshire and the Humber to safely cycle, more often. Partners will take advantage of opportunities to expand and improve local cycle networks, cycle parking provision and sporting facilities wherever possible.

We will encourage every large scale employer and school to have an effective travel plan in place

Understanding where people want to go will ensure that cycle networks connect communities to employment, education and leisure activities. Local authority partners will use their ability to influence journey patterns over time through their planning policies to make them more attractive for cycling.

All good networks have high quality, appropriate and well maintained infrastructure. Journey quality and experience must be at the heart of this, to ensure that cycling is easy, enjoyable and convenient, whether it is for leisure or utility purposes, where possible. Providing cycle lanes as a dedicated road-space to cyclists is often favourable, but quality traffic-free cycle routes can be even better.

However, work must recognise that dedicated infrastructure cannot be provided everywhere and that many cycle journeys will continue to make use of streetspace shared with other users (motorists and pedestrians). Effective design and maintenance of these spaces can do much to make cycling more attractive. Slowing traffic (for example with 20 mph limits) can help attract cyclists that are otherwise fearful of sharing roadspace with vehicles. Conflicts with other road users (including pedestrians) must be avoided wherever possible, and managed by changes to infrastructure and to road users' understanding of each other.



Quality signage and maps add to the user's experience, while effective maintenance of existing infrastructure is essential if its benefits are to be sustained. All this needs to be underpinned by a good school and workplace travel planning service to encourage their staff and pupils/families to travel more sustainably and, where possible, providing match-funding opportunities. Partners will support every large scale employer to have an effective travel plan in place, tied into their corporate social responsibility objectives.

Good quality and, ideally, covered and secure cycle parking should be available at key trip attractors. Shower, locker, and drying facilities should be available in workplaces where possible so that cycling to work can be integrated into employees' daily lives.

The availability of facilities to meet the needs of competitive cyclists at a local and regional level will be reviewed, with new facilities scoped and improvements made to existing venues where appropriate.

We will develop a regional bike hire network

Although a large proportion of residents of the region do have access to a bike that is suitable for their needs, by no means all do. Partners will develop a regional bike hire network as part of plans to enable every person in the region to have access to appropriate cycles. This may be done via connecting and sign posting to existing cycle hire facilities and/or a regional network.

Increasing skills and confidence

Partners will look to increase the skills and confidence of new and inexperienced cyclists, by providing training and opportunities for more people to ride, and to do so confidently. Retraining/refresher skills are often needed for people who have not ridden for a long time.

Every person in Yorkshire and the Humber will be given the opportunity to access a bike and training to use it. This could be facilitated through community events, networks, skills training, cycle maintenance training and guided cycle rides for all ages and abilities.

Every person will be given the opportunity to access a bike and training to use it

Focused training opportunities can be provided for target growth markets, likely to include women, older people, people in deprived areas and minority ethnic groups and for people with disabilities. Children especially will be targeted through cycle proficiency training, e.g. in schools. Partners will, in particular, strive to reduce the current gender imbalance in cycling in the region, with the aim of getting equally high numbers of women and men cycling.

Any training or support must be targeted to the needs of the individual. For some target groups (notably children who are aspiring to cycle independently) giving confidence to carers that cycling is safe can be a key enabler of change, supported by the provision of off-road/quiet street cycle infrastructure. Indoor spin classes are an increasingly popular way to get fit and continue cycling when weather conditions are less



favourable for cycling outdoors. Targeted programmes to promote cycling by women have proven particularly popular. This includes British Cycling's Breeze network, designed to encourage women to start cycling for fun and to provide ongoing support to increase confidence about riding a bike.

Work to promote cycling should be backed up by marketing and road safety campaigns to increase awareness, dispel negative perceptions and engender better respect between all road users.

Promoting uptake

On-going work is required if potential users are to see cycling as a safe, convenient and enjoyable activity. Campaigns and events have their role in raising awareness, in helping people understand how cycling is relevant to them and to encourage them to take part.



Individual local authorities, British Cycling, Welcome to Yorkshire and other partners have already taken significant steps to raise profile and participation in cycling. As examples, mass participation cycle rides and cycling festivals are tried and tested events that encourage thousands of local people to engage with cycling, as demonstrated in Bradford and Hull which have attracted large numbers of new cyclists to take

part in their Sky Ride events. Through a national, high profile marketing campaign, Sky Rides inspire local communities to get out and have fun cycling in a safe, traffic free environment.

Due to the growing popularity and interest in cycling at all levels, British Cycling is increasingly being approached by major cycle sponsors to identify locations and hosts for new cycle races. Hosting a race series or large cycle sport event can inspire local people to get out on their bikes more often. British Cycling calls this “inspiration to participation”.

The dovetailing of elite events with those for amateur sport and less formal family events provides a good opportunity to cascade uptake throughout the population. The ‘Olympic effect’ has led to 20% of Londoners saying that they would like to cycle more³⁶. Partners will therefore use the great opportunity of the Tour de France 2014 to organise a programme of Tour de Yorkshire-related cycle-promotion events, rides and races to take place before, during and after the time that the race is in the region. These will be targeted at a wide-ranging audience.

A series of Tour de Yorkshire cycle-promotion events, rides and races will be organised

Social marketing campaigns can help encourage people to cycle more. If carefully targeted to the needs of the audience they can deliver exceptional value towards objectives. Campaigns can be delivered through both mass media (billboards, local radio, etc) and individualised approaches (at schools, workplaces, within residential communities). A Tour de France resource pack has been developed and provided to all schools in the region. Campaigns will both encourage more cycling, and also be used to promote road safety messages.

Health referrals/signposting is another important tool to increase uptake in cycling as a measure to improve health for inactive and needy individuals, and partners will identify how best their use can be increased. Implementing and monitoring travel plans at key locations (schools, businesses, rail stations, etc) will also be a key tool to ensure that everyone feels part of the bigger, regional picture and doing their bit to travel sustainably around their home town or city.

In Summary

Effective promotion of cycling as a transport mode, for leisure or for sport, requires a balance of infrastructure, training and promotion. Different people, in different settings, will require a different balance of these to be targeted at them if they are to cycle more often. However, if this correct balance is achieved, promoting cycling is a low cost approach to providing great value in achieving a range of important outcomes; for health, for the economy and the environment.

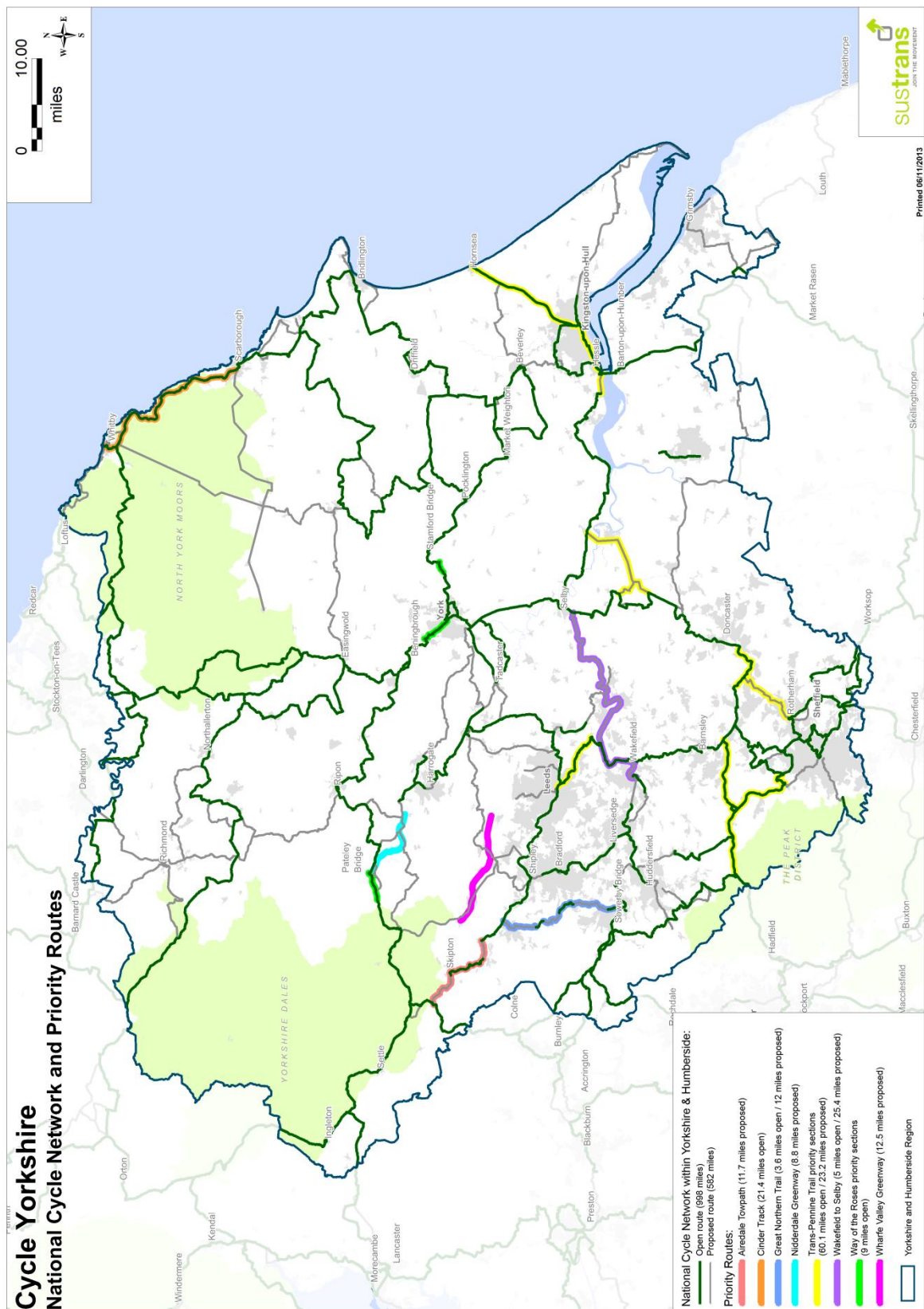
5 Delivery plan

Achievement of the vision and objectives for Cycle Yorkshire depends on the co-ordinated effort and investment of a broad range of partners, building on the good work already underway by Local Authorities, legacy partners and local organisations to encourage more people to cycle more often.

In order to co-ordinate that activity, a Regional Delivery Plan for this strategy will be developed. Implementation of this plan will be monitored by the RCDG.

It is anticipated that more detailed sub-regional action plans will also be developed at the discretion of each sub-regional group. These will reflect local needs and opportunities and be informed by the local delivery plans led by each Local Authority who will primarily be delivering the legacy in each of their areas across the region. Detailed actions will therefore be listed in those documents.

Appendix: National Cycle Network and Priority Routes in Yorkshire (dated 2013)

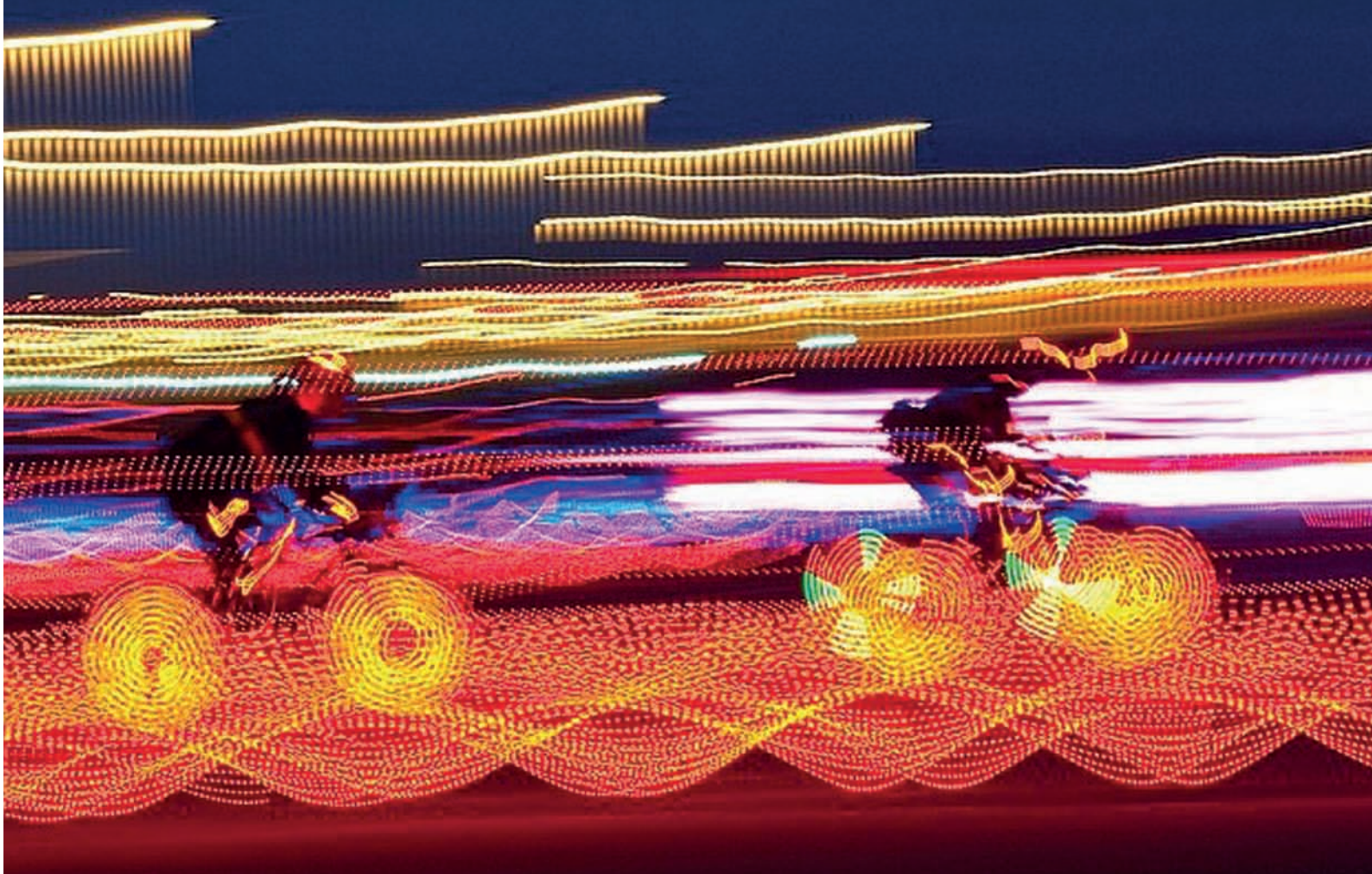


This map has been put together as a wish list for priority investment in the National Cycle Network (NCN) as the Sustrans Yorkshire team see it at the moment. There is a mixture of new route development to fill gaps in the existing network and existing route upgrade and maintenance. We believe that significant investment in these routes will have a dramatic effect on the use and enjoyment of the NCN. Ultimately, our aim is to provide and enable a high quality network that serves all communities, towns and cities and we will focus our efforts wherever a need is identified and our services required and valued. For more details please visit www.sustrans.org.uk/ncn/map.

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- ²¹ Department for Transport (2012) Walking and Cycling Statistics; based on data from the Active People Survey, a household survey which is run by Sport England.
(<http://www.dft.gov.uk/statistics/series/walking-and-cycling/>)
- ²² National Travel Survey, Table NTS0609 Bicycle trips by age and gender: Great Britain, 2008/10.
<https://www.gov.uk/government/statistical-data-sets/nts06-age-gender-and-modal-breakdown>
- ²³ Grous, Alexander (2011) *ibid*
- ²⁴ Table RAS30061, Reported Road Casualties in Great Britain: 2011 Annual Report, DfT.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/9274/rrcgb2011-01.pdf
- ²⁵ The increase in casualties in the Yorkshire and the Humber region is lower than the national average, but the 2011 total was still nearly 7% greater than the 2007-09 mean
- ²⁶ Table RAS30065. *Ibid*
- ²⁷ Sustrans, Economic appraisal of local walking and cycling routes methodology 2007
<http://www.sustrans.org.uk>
- ²⁸ http://corporate.sky.com/documents/pdf/publications/the_british_cycling_economy
- ²⁹ The marginal compound effects are ignored
- ³⁰ We note that the DfT in WebTAG anticipate a lower do-minimum annual growth in cycling of 0.25-0.52% per annum (equating to 2.5-5% growth over ten years) but we suggest that the 1% per annum growth forms a more reasonable baseline
- ³¹ Sustrans 'The Real Cycling Revolution' Report
http://www.sustrans.org.uk/sites/default/files/file_content_type/real-cycling-revolution.pdf
- ³² Sustrans Scotland & Transform Scotland Trust (2010) *Civilising the Streets: How strong leadership can deliver high quality of life and vibrant public spaces* —
<http://www.transformscotland.org.uk/civilising-the-streets-project.aspx>
- ³³ London Assembly (2012) Gearing up - An investigation into safer cycling in London
- ³⁴ Recognising that more of the growth should be achievable in earlier years of strategy delivery, coinciding with the opportunity given by the Tour de France
- ³⁵ For example in 'Civilising the Streets'. *ibid*
- ³⁶ London Assembly (2012) *ibid*



MORE PEOPLE CYCLING MORE OFTEN

The West Yorkshire Tour de France Legacy 2014 onwards

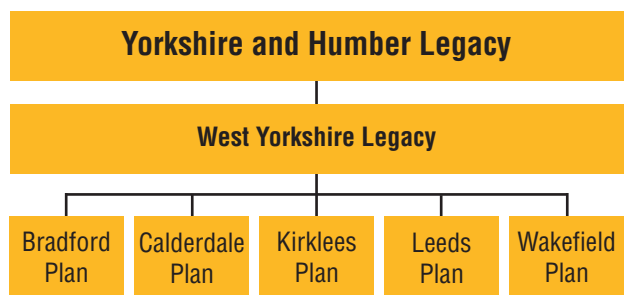
MORE PEOPLE CYCLING MORE OFTEN

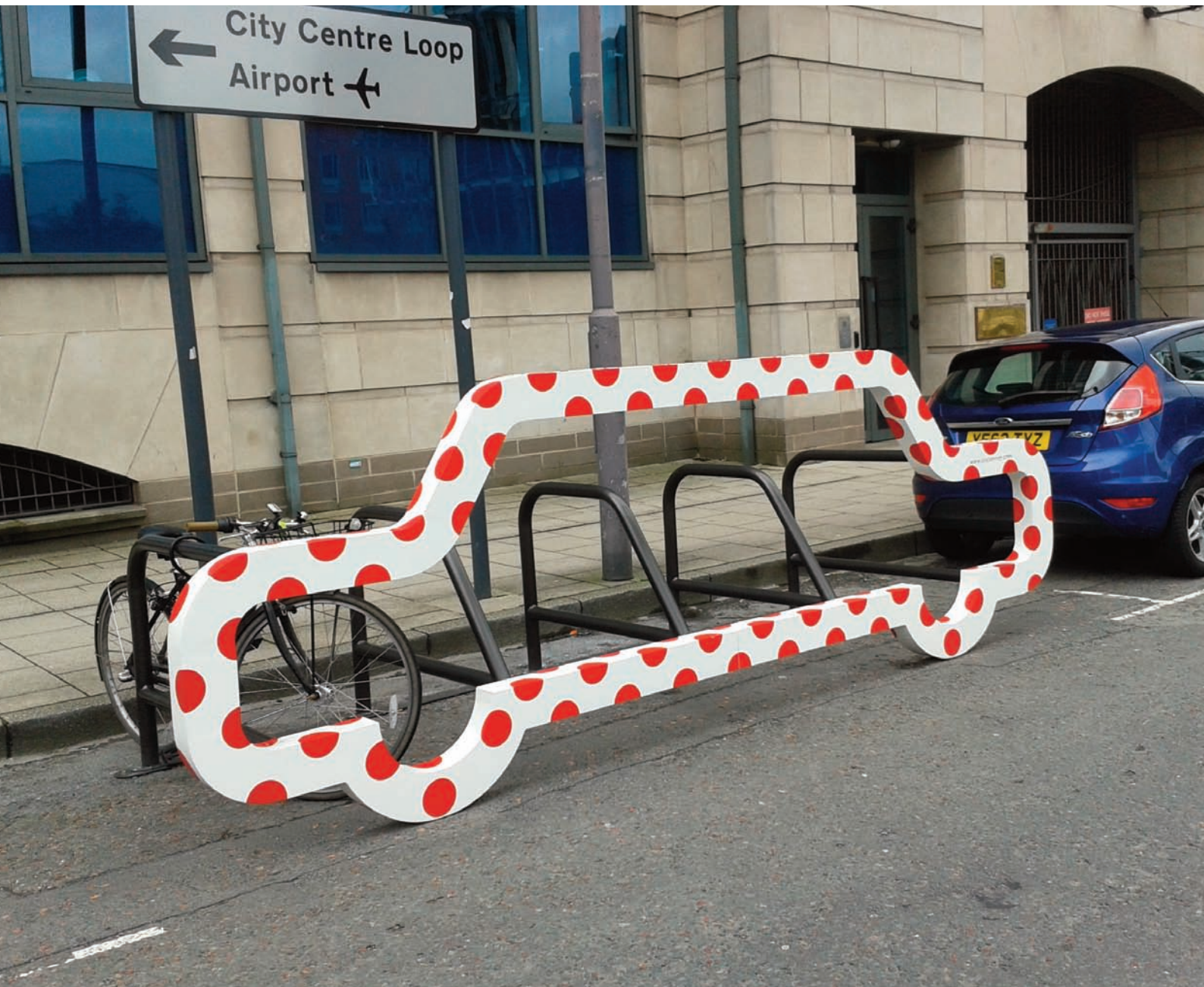


Who are we?

The West Yorkshire Tour de France Legacy Partnership brings together providers of sport and physical activity, transport and health to improve and increase opportunities to participate in cycling.

The partnership supports local planning and delivery of a cycling legacy through effective communication and the development of Countywide projects. It supports district specific plans and the regional Cycle Yorkshire strategy objectives of creating a cycling legacy from the Tour de France.





What are we going to do?

The partnership has identified four objectives that we will deliver as part of our Tour de France legacy starting in 2014.

The legacy will evolve over a ten year period and this is a live document that can be found on the websites of West Yorkshire Sport (www.wysport.co.uk) and West Yorkshire Combined Authority (www.wymetro.com).

The objectives are to provide:

1. More coaches, leaders and volunteers
2. More and better places to cycle
3. Building skills and confidence
4. More cycling events and activities

OBJECTIVE ONE:

More Coaches, Leaders and Volunteers



The cycling community will be able to cater for the increased demand generated by the Tour de France to sustain participation in cycling.

In West Yorkshire we will:

- Increase the number of Coaches, Leaders, Cycle Trainers and Volunteers
- Increase the opportunities in cycling for people to volunteer
- Support organised cycle groups and clubs
- Offer workplaces support with cycle programmes and activities

OBJECTIVE TWO:

More and better places to cycle



High quality cycling infrastructure is in place that will provide safe and enjoyable opportunities to cycle.

In West Yorkshire we will:

- Help coordinate bike recycle schemes
- Deliver CityConnect (super highway between Bradford and Leeds) and supporting activity
- Deliver cycle hire schemes
- Create online cycle maps across the area and develop more cycle route maps
- Commit to seeking additional capital schemes to develop the local infrastructure
- Ensure that any new development or highway scheme is designed to accommodate cyclists through a process of 'cycle-proofing'.
- Have a designated Cycle Sport facility
- Continue to maintain to a high standard on our National Cycle Network routes
- Ensure that the framework and ethos of the West Yorkshire Local Transport Plan Cycle Prospectus is embedded in ways of working in local authorities

Check the online version of this document at www.wymetro.com or www.wysport.co.uk for links to information about these activities.

OBJECTIVE THREE:

Building skills and confidence



All those wanting to take up cycling have the skills and confidence to do so.

In West Yorkshire we will deliver:

- More adults accessing cycle learn and improvement programmes
- More schools offering Bikeability and more young people accessing this programme
- More opportunities for young people
- More bike maintenance courses
- A West Yorkshire Road Safety Campaign

OBJECTIVE FOUR:

More cycling events and activities



There will be a range of cycling related events and organised activities across West Yorkshire.

In West Yorkshire we will deliver:

- 25,000 people taking part in mass participation cycling events
- More people participating on local led cycle rides
- More cycle sport races
- More inclusive opportunities for disabled people and the BME community.
- More community cycling events and a festival in each district
- More opportunities for women and girls to participate in cycling

A BIT MORE ABOUT THE PARTNERS AND PROGRAMMES

The partnership involves officers in highways and transportation, road safety, public health, sport and leisure, in each of the five West Yorkshire District Councils, West Yorkshire Sport, British Cycling, West Yorkshire Combined Authority (formerly Metro) and other cycling organisations.

CTC is the national cycling charity promoting all forms of cycling, protect the interests of existing and would-be cyclists, and inspire people of all ages, backgrounds and abilities to discover the joys of cycling.

Sustrans is a leading UK charity enabling people to travel by foot, bike or public transport for more of the journeys we make every day. Sustrans works with communities, policy-makers and partner organisations so that people can choose healthier, cleaner and cheaper journeys and enjoy better, safer spaces to live in.

British Cycling is the national governing body for cycling. As such, British Cycling works across all levels and six disciplines of the sport (BMX, Mountain Bike, Cyclo-Cross, Road, Track and Cycle Speedway), from providing the support and encouragement people need to get riding their bikes for the first time, to being home to the hugely successful Great Britain Cycling Team.

West Yorkshire Sport is one of the 45 County Partnerships in England which connect providers of sport and physical activity such as National Governing Bodies, Local Authorities, Schools, Colleges and universities and local clubs to work together to increase the number and quality of opportunities to take part across a county area.

go:cycling is a project coordinated by WYCA (Metro) and is being provided in partnership with West Yorkshire's five local authorities and CTC (the national cycling charity). It is supported by the Department for Transport through the Local Sustainable Transport Fund and offers a range of free cycling services for adults who live, work or study in West Yorkshire.

Bike and Go is an ingenious new scheme provided by train operating company Northern Rail that lets you hire a bike from participating train stations and continue your journey quickly and easily under your own steam. No walking, no waiting - just get on your Bike & Go!

CityConnect is a programme of cycle improvements in the Leeds City Region being delivered by Leeds City Council and City of Bradford Metropolitan District Council, together with West Yorkshire Combined Authority and other local partners. Funded through the Department for Transport's Cycle City Ambition Fund, CityConnect will make it easier and safer to get around on foot and by bike giving you better access to your local area, increasing your travel options and reducing congestion.

Bikeability is 'cycling proficiency' for young people for the 21st Century! If you're thinking about getting on your bike, why not complete your Bikeability. It's fun and gives you the skills and confidence to cycle in modern road conditions.

Breeze is part of British Cycling's Sky Ride programme and is the biggest programme ever to get more women into riding bikes for fun. The aim is to help thousands more women feel confident and comfortable about going on a ride.

Sky Rides are British Cycling's big, fun events which take over a town or city centre so lots of cyclists of all ages and abilities can ride safely together on a traffic-free route. They're a great day out for families, with loads to do both on and off a bike.

Sky Ride Local leisure bike rides are guided by friendly British Cycling Ride Leaders along scenic planned routes. With different levels, there's something for everyone – whether you're building your confidence or already comfortable on a bike and looking for a challenge. Rides are all free and are grouped in levels to suit everyone from beginners to experienced cyclists. Whichever you choose, you'll be riding on safe routes, in good company. Each of the 5 districts in West Yorkshire have partnered with British Cycling to offer these opportunities to local communities.

REPORT FRONT SHEET

AGENDA ITEM: 12

Combined Authority: 18 September 2014

Report Title: Bus Strategy

Report Summary

To seek WYCA guidance regarding the approach to bus strategy.

Key facts:

- WYITA had approved a Bus Quality Contract Scheme as its preferred means of developing local bus services to meet strategic objectives.
- Bus operators strongly oppose this approach and have developed a partnership alternative
- Progressing a Bus Quality Contract Scheme involves significant risks as well as longer term significant benefits
- Adopting a partnership approach avoids the significant risks of a Quality Contract Scheme and has customer benefits that can be realised in the short term, but would not provide benefits such as fully integrated ticketing, competition for the market and greater accountability.

Possible Questions

1. How does WYCA wish to develop its role as a Combined Authority and Local Transport Authority and achieve its ambitions for developing bus services as part a transport system that supports the economic strategy set out in the Strategic Economic Plan as well as the low carbon and social (quality of life objectives) set out in the current Local Transport Plan?
2. Does WYCA consider that the potential benefits of a Bus Quality Contract Scheme outweigh the risks of challenge and exposure to financial risk?
3. What enhancements, if any, to the proposed partnership be required if this approach was to be adopted?

Note: The above questions may arise during the debate, but do not preclude other items for discussion and debate.

ITEM 12

Report to: Combined Authority

Date: 18 September 2014

Subject: BUS STRATEGY

1. Purpose

- 1.1. To seek guidance regarding WYCA's preferred approach to improving local bus services.

2. Information

Background – the Importance of Bus Services

- 2.1 Local bus services tend to be an important, but often neglected, mode of transport with a customer base that is less 'vocal' than rail passengers. Recent research by Greener Journeys and pteg (Passenger Transport Executive Group) has confirmed the importance of bus services to local economies. The 2014 Greener Journeys report (Buses and Economy 2), which was based upon research undertaken by Leeds University (Institute of Transport Studies), concluded that:

There is a significant relationship between accessibility by bus and employment. People in urban areas who are currently unemployed and seeking work depend heavily on the bus for access to employment. This is particularly the case for younger people, females, those with no car available and those with lower skills.

The bus is a vital artery for shopping trips. In our sample survey, 70% of non-food shopping trips are to town/city centres with 30% out of town. Bus has the largest market share (one third) of retail/expenditure trips to city centres. Bus users contribute 22% of expenditures on non-food and entertainment across all locations.

The bus has an important social insurance dimension. This is the value of having the option available of using the bus, plus any social or community value buses have on behalf of others.

- 2.2 The pteg report (Making the Connections: the Cross Sectoral Benefits of Supporting Bus Services) re-enforces these findings and also concludes that:

The bus provides exceptional value for money in generating economic benefits for urban areas. In PTE areas, bus networks are estimated to generate over £2.5bn in economic benefits, against public funding of £0.5bn - around £1.3bn reflect user benefits from access to jobs, training, shopping and leisure opportunities.

The bus is a unique and effective tool of social policy. Vulnerable and socially disadvantaged groups in society are most reliant on bus networks; this includes low income households; young people in education, or trying to enter the job market; older people; disabled people; jobseekers; and women.

Bus services are key to providing access to opportunity including providing the jobless with access to work; young people to education and training; and providing a way out of social isolation for older and disabled people.

- 2.3 The quality and effectiveness of local bus services will be important in delivering the Strategic Economic Plan as buses provide access to employment and training opportunities, support retail and other activities as well as helping to address congestion.

De-regulation and the West Yorkshire Context

- 2.4 The 1985 Transport Act de-regulated and privatised local bus services, with the exceptions of London and Northern Ireland. As a result bus services in West Yorkshire are operated by private companies within a de-regulated framework, with circa 90% of bus service mileage provided on a 'commercial' basis (i.e. without direct subsidy from WYCA and associated contractual arrangement), with a small proportion of operating costs offset by Bus Service Operators Grant (BSOG). Bus operators of commercial services determine most aspects of service standards, including routes, frequencies, fares, ticketing, and quality of delivery.
- 2.5 Local Transport Authorities, such as WYCA, are able to influence the performance and development of local bus services through partnership agreements (either voluntary or statutory) or through a Quality Contract Scheme, which has the effect of suspending bus de-regulation and introducing the tendering regime that applies in London and most major European cities. Further information on these approaches is set out in **Appendix 1**.
- 2.6 There has been an on-going debate about the effectiveness of bus de-regulation, with some strongly held opposing views. The Competition Commission undertook an investigation of the bus industry between 2010 and 2012. The Commission's final report of 2012 concluded that there was, in general, little effective competition between bus operators and that some detriment (the Adverse Effect on Competition) was likely as a result. The Competition Commission noted that the Adverse Effect on Competition was, in general, more likely to occur in West Yorkshire than other comparable metropolitan areas.

- 2.7 The Competition Commission proposed a number of remedies aimed to promoting competition between bus companies. The former WYITA were advised that these remedies were unlikely to be effective in the West Yorkshire context. Recent market analysis has demonstrated that the level of competition has not changed significantly since the Competition Commission's report was published.
- 2.8 The Institute for Public Policy Research have recently published a report ('Greasing the Wheels') which considers the funding, governance and regulatory framework for rail and bus markets. The report concludes that liberalisation of bus services (de-regulation) has not resulted in competitive markets, mirroring the Competition Commission's findings. The report acknowledges that partnership between authorities and bus companies have worked in some areas (examples being Brighton, Oxford and Sheffield) but recommends that it should be easier for local transport authorities to have greater control over local bus services by making the process for a Bus Quality Contract Scheme easier. Although not referenced in the IPPR report, Transport for Greater Manchester are exploring bus market reform with the Department for Transport as part of their City Deal and Growth and Reform Plan (Greater Manchester Strategic Economic Plan).

West Yorkshire Bus Strategy

- 2.9. The majority of West Yorkshire bus services are provided by three large operators - First (c 65%), Arriva (c 25%) and Transdev (c 8%), with the remainder being provided by around 40 other companies. Each of these three operators is 'dominant' in different parts of West Yorkshire.
- 2.10 Bus patronage in West Yorkshire declined by 11% between 2001 and 2011, despite an increase in population and the introduction of the English National Concessionary Travel Scheme. The reasons for decline are complex and include changes in car ownership, growth in local rail travel, the relative costs of public transport and car use, perceptions of value for money and operational performance.
- 2.11 There has been considerable bus related investment by the former WYITA, District Councils and bus operators. Operators have moderated the frequent service changes and fares increases of a few years ago and introduced some fare reductions, as well as investing in vehicles (including hybrid buses) and introducing wi-fi on some services. Patronage appears to have stabilised at around 180-185 million journeys per year, with the major operator currently reporting year-on-year growth. The most recent Passenger Focus survey of existing passengers reports an increase in satisfaction with bus services in West Yorkshire.
- 2.12 The former WYITA had reviewed the operation and performance of local bus services and was concerned at the loss of patronage, network instability, a pattern of above inflation fare increases, fragmentation of ticketing and inconsistent performance standards. The former WYITA resolved that a Quality Contract Scheme should be developed as its preferred option for improving bus services, whilst engaging in further discussions with bus operators regarding an alternative partnership approach.

- 2.13 Bus operator partnership proposals developed subsequently were not accepted by the former WYITA, who considered that they lacked important detail and fell short of the ITA's aspirations for integrated ticketing (a single ticketing system), transparency regarding value for money and certainty about implementation. The former ITA also resolved to continue discussions with bus operators and District Councils to develop a partnership approach to improving local bus services.
- 2.14 Operators have also, in tandem with these discussions, engaged in a series of network reviews resulting in retention of network connectivity (with little loss of services) and a significantly reduced tendered services budget for WYCA (of circa 25% or circa £4.5m per annum) and retained young persons' concessionary travel at a lower re-imburement rate. Progress has also been made with the introduction of smartcard ticketing, funded through Better Bus Area Fund, and operators have introduced fare reductions, (significant in terms of some products in some areas) and introduced new zonal tickets.
- 2.15 Partnership proposals, subsequently further developed through discussion with bus operators and District Councils, were presented to an informal meeting of the Combined Authority on 26 June 2014. The presentation, and subsequent correspondence, is attached as **Appendix 2**. The objectives set out in the presentation, and associated partnership documentation, are:
- A transport system which contributes to a cohesive city region and drives the local economy by connecting jobs, places and people.
 - A creative approach which leverages maximum funding and investment, aligned with the West Yorkshire Plus Transport Fund (WY+TF) and gives the region true competitive advantage.
 - Better value for money on behalf of local people, with a robust prospect of success and accelerated delivery.
- 2.16 The proposed partnership approach has been documented in a Memorandum of Understanding, schedules and draft Voluntary Partnership Agreement, with the key elements as set out below:
- Network Stability, as defined through a Service Change Code of Conduct. Operators would commit to not make structural changes (e.g. changes with a significant impact on customers through re-routing or frequency reductions) more than once per year. Structural changes would only be made on one of three dates throughout the year. Changes to improve punctuality could also be made on other dates by agreement. The Code of Conduct also contains operator commitments to consult in advance of proposed changes.
 - Quality Standards, comprising a schedule of service standards covering operator, WYCA and highway authority responsibilities has been developed. The standards include a 'last journey' guarantee.

- Key Performance Indicators, covering a number of output and outcome indicators, such as patronage, reliability and punctuality, access to key centres and customer satisfaction.
- Data Share Agreement, reflecting previous work between the Confederation of Passenger Transport (CPT, the operators' national trade body) and pteg, has been developed. The agreement also incorporates current data share agreements relating to bus real-time information and data from electronic ticket machines.
- Customer Service Charter, including a number of existing commitments but also introducing a passenger compensation policy.
- Core Network Definition, setting out which services, which would be provided without direct WYCA financial support.
- Re-investment proposals linked to bus priority measures, with operators propose to re-invest a proportion, to be agreed on a scheme by scheme basis, of the bus resources saved.
- Two new multi-operator tickets, comprising new multi-operator weekly and monthly zonal tickets (available on smartcards only) for Bradford and Leeds, these being the largest two urban areas in West Yorkshire. The tickets would be priced above equivalent operator only products (£14 per week) but significantly less than the equivalent multi-operator West Yorkshire wide bus only ticket (£22) per week. These new products would benefit customers and would be expected to lead to patronage growth.

2.17 The partnership proposals also include a Bus Partnership Board, comprising WYCA (or Transport Committee members) and operators, with an independent chair to oversee the effectiveness of any partnership. The arrangements would be documented through voluntary, and potentially statutory, agreements (as described in Appendix 1).

Quality Contract Scheme

2.18 The Quality Contract Scheme, which was being developed by the former WYITA, would include many of the above features of the partnership proposals as well as providing the following additional benefits:

- An integrated system, with fully integrated ticketing (i.e. no single operator products) and co-ordinated service patterns. A range of simple, zonal tickets covering all the major urban areas would be introduced, with particular benefit for customers currently paying a premium price for using bus services provided by more than one operator. Initial modelling indicated that the removal of premium pricing would mean, that unless additional funding was available, that some customers who currently only use the services of one operator would (at

least initially) pay slightly more. Further scheme development would provide the opportunity to refine this approach.

- Consistent high service standards, with enforceable contracts and local accountability through local bus boards as well as to WYCA.
- Potential for increased competition for the market, rather than (currently limited) competition within the market.
- A reduction in the Adverse Effect of Competition identified by the Competition Commission, as it is considered that a Quality Contract Scheme would be more effective than the remedies proposed by the Competition Commission.
- The ability for WYCA to make a wider range of bus-related investments without State Aid constraints and with the retention of any resulting increases in revenues.
- An increased ability to cross-subsidise between services to retain a more comprehensive network.
- A different route for progressing key projects, such as NGT, and with the option to provide service and ticketing integration.

2.19 Progressing a Quality Contract Scheme would have the following disadvantages:

- An extended timescale before customer benefits were realised of circa 3 years, which could be extended by challenge of the strategy by operators.
- Opposition from bus operators, based upon experience in the north east, where Nexus (formerly the Tyne and Wear ITA and now the North East Combined Authority) have experienced sustained objections during their scheme development. There is a legal requirement to consult operators on the development of a scheme. It is considered very likely that bus operators would vigorously oppose the development of any West Yorkshire scheme.
- WYCA would be exposed to financial risk (as it would not be possible to specify fares and ticketing without taking revenue risk).
- WYCA would be exposed to reputational risk if it was to use fare increases and service cuts as a way of managing a budget shortfall.
- WYCA could be exposed to reputational risk if a strategy to simplify and harmonise fares increased costs to some users (as previous work suggested would happen in the short term unless additional subsidy was available) as well as reducing costs to other users.
- WYCA would incur significant costs in scheme development, with the benefits not realised if the Scheme was not subsequently implemented.

- WYCA would incur additional costs in scheme and contract management, although these could be off-set by revenues.
- WYCA would be likely to incur additional costs as a result of legal challenge from bus operators.
- Cross subsidy, although a social benefit, could lead to an inefficient allocation of resources.
- There would be a risk of reduced investment and services during the transition period and possible 'spoiling' tactics by bus operators.
- Whilst WYCA would retain NGT revenues, it would also experience revenue loss from other services affected by the NGT proposals.

Options

2.20 WYCA has four broad options to consider in determining how to progress its strategic approach to bus services. These options can be summarised as:

- Acceptance of the existing partnership proposals, possibly for a defined period. This would be the least risk option, with the prospect of benefits realised in the short term and it would, however, fall short of meeting the former ITA's aspirations for an integrated bus system full accountability to elected Councillors.
- Provisional acceptance of the partnership proposals, with specific requirements for full acceptance, such as acceleration more integrated ticketing, a share of increased revenue resulting from WYCA / District Council investment through the Transport Fund and the faster adoption of 'green bus technologies'. This could, but might not, lead to an enhanced proposition from operators and may not realise benefits as quickly as unconditional acceptance.
- Re-endorsement of the development of a Quality Contract Scheme, with further work on the Public Interest Statement and associated 'tests'. This would incur the risks set out above and could result in detriment to customers in the short-medium term. No other Local Transport Authority has made a Quality Contract Scheme, although it is understood that the North East Combined Authority will be considering progressing proposals in the autumn following a formal consultation on a draft Scheme. The process of implementing a Scheme could take three years (or more if legal challenge extended the timescale), meaning benefits would not be achieved in the short-term and partnership working would not evolve. WYCA would also need to view this as a major 'business change' programme with profound implications for the capacity and capability of the organisation.
- Do nothing, with collaboration on specific initiatives without a partnership framework agreement. This would not preclude future alternative approaches but would not provide the certainty operators state they need in order to make investments in vehicles and to complement Transport Fund investment.

2.21 A high level assessment of the 'pros' and 'cons' of these options is set out in Table 1.

Considerations

2.22 Previous work, which would need to be updated to reflect changes to networks and fares, indicated that a Quality Contract Scheme would be likely to lead to higher patronage than a partnership approach and meet four of the five Public Interest Tests set out in Department for Transport guidance (with further work required in relation to the fifth, Public Interest, test) and be affordable within a continuation of the previous ITA levy. These conclusions were caveated by the non-availability of certain key data (such as service specific patronage data and a full understanding of TUPE implications), sensitivity to operating margins and the potential cash-flow issues arising from a strategy to simplify fares and introduce a number of zonal fares based upon the main urban areas.

2.23 Some of this work now requires updating so further modelling and assessment would be required should WYCA decide to proceed with the development of a Quality Contract scheme. In addition, some of the previous strategic fit work, relating to conformity with transport objectives and policy, would need to be undertaken in tandem with the work to update the current Local Transport Plan through the development of the Single Transport Plan (reflecting the statutory duty to keep the Local Transport Plan under review).

2.24 It is suggested that the WYCA provide direction regarding the development of its approach to bus services, with any further work on detail overseen by the Transport Committee. WYCA may wish to consider:

- Whether it considers that local bus services should be planned as part of an integrated system or should be the result of a market approach, with a largely residual role for WYCA, albeit enhanced through partnership principles and associated governance, in relation to social needs.
- How it wishes to develop its role as a Combined Authority (and Local Transport Authority) and its ambitions for developing bus services as part of a transport system that supports the economic strategy set out in the Strategic Economic Plan as well as the low carbon and social (quality of life objectives) set out in the current Local Transport Plan.
- Whether it wishes to review, as part of the development of the Single Transport Plan, its objectives for local bus services and their role in implementing the Strategic Economic Plan.
- Assessment on the extent of available funding to support scheme development, organisational change and appetite for risk.

3. Financial Implications

- 3.1. The IPPR report acknowledges the challenges in developing a Bus Quality Contract Scheme, evidenced by the lack of Schemes that have been implemented since the legislation was introduced in 2000 and amended in 2008.
- 3.2. The bus strategy work undertaken to date has been managed with diminishing staff resources as a consequence of a requirement to also address competing priorities. It would be necessary to re-establish an adequately resourced project team, drawing on independent advice when necessary, should WYCA wish to progress a Quality Contract Scheme to the formal consultation stage. The implementation of a Scheme would require significant organisational change, with the need to acquire new skills and experience.
- 3.3. The estimated cost of developing a Bus Quality Contract Scheme to the completion of formal consultation (in early 2016) is estimated to be £700,000, although this depends upon the extent of shared experience with Nexus and issues that may arise during the process. There would be further, significant, expenditure in procurement and implementation phases, as well as the potential costs of responding to legal challenge. Provision for further development of bus strategy has been made within the 2014/15 capital and revenue budgets, with future funding to be considered as part of the medium term financial strategy.
- 3.4. The adoption of a partnership approach would not incur these costs, although some external legal advice procured from approved budgets might prove necessary and adequate resourcing would need to be addressed.

4. Legal Implications

- 4.1. WYCA, as the Local Transport Authority for West Yorkshire, has the ability to enter into Voluntary Partnership Agreements and to make, subject to due process, a Quality Partnership Scheme, a Ticketing Scheme and a Quality Contract Scheme.

5. Staffing Implications

- 5.1. Paragraph 3.2 above sets out the necessity of a dedicated project team should WYCA resolve to progress a Quality Contract Scheme, as well as the need for future organisational change. These would, if required, be the subject of future reporting.

6. Consultees

- 6.1. Bus operators, through ABOWY, were invited to comment on this report as it seeks to represent the proposals developed through discussions about a partnership approach.

Option	'Pros'	'Cons'
1:-Acceptance of the proposed partnership agreement	Acceptance of the proposed partnership agreement is lower risk and cost. It would achieve customer benefits, including new zonal ticketing products for the Leeds and Bradford urban areas, in the short-term see comments above re this. It may be possible to develop a partnership approach to secure further benefits over time and exert greater influence through the Partnership Board.	The partnership proposals do not meet in full the former ITA's aspirations for a single ticketing system, certainty through enforceable contractual arrangements and transparent value for money.
2:-provisional acceptance of a partnership agreement	It may be possible to 'lever' some additional commitments from operators. Any leverage would be facilitated by a greater commitment from WYCA and District Councils to invest in a range of bus priority measures.	The 'provisional acceptance with further requirements' option may or may not be deliverable. Acceptance of the proposals as they stand may therefore be the best that can be achieved through partnership.
3:-Progress work on a Quality Contract Scheme	The process of making a Quality Contract Scheme is challenging. In the long-term it would provide WYCA with the means to secure better bus services for passengers, develop an integrated transport system and achieve value for money through competition for the market. The WYCA would become accountable for the provision of local bus services and would therefore have more opportunity to align these with the SEP and other plans and policies. These benefits may be eroded should adequate public funding not be available.	This option will involve higher costs in the short-term, will increase financial risk to the Authority and may also lead to diminished delivery in the next few years during Scheme preparation if operators divert their energies into opposing a Quality Contract Scheme. Those elements of the partnership proposal that are conditional upon its acceptance, such as new zonal tickets, would not be implemented.
4:-'Do nothing', with collaboration on specific initiatives.	Minimises costs and, if desired, would permit lobbying for a more achievable process for making a Quality Contract Scheme and/or awaiting the outcome of discussions between Transport for Greater Manchester and Department for Transport regarding bus reform.	Would prolong current uncertainty with little tangible benefit and could lead to accusations on the WYCA being indecisive on a key transport issue. Customers would not benefit from fare reductions on new zonal M-Card products Lobbying may not be successful and requirement of the proportionality test is likely to remain.

Table 1: Overview of Options

7. Recommendations

- 7.1. That the WYCA provides guidance regarding its preferred approach to improving local bus services and delegates the development of a detailed implementation plan to the Transport Committee.

8. Background Documents

- 8.1. Background documents are listed below:

Strategic Economic Plan 2014

West Yorkshire Local Transport Plan 2011

Department for Transport Statutory Guidance on Quality Contract Schemes

Reports to WYITA (20/11/2009; 17/06/2011; 29/06/2012)

ABOWY Bus Partnership Proposals, April 2014

Competition Commission Final Report 2012

Greener Journeys report (Buses and Economy 2) - 2014

pteg report (Making the Connections: the Cross Sectoral Benefits of Supporting Bus Services)

Institute for Public Policy Research report 'Greasing the Wheels (2014)

Draft Partnership Agreement and Schedules

Better Bus Area Funding Bid (2012)

Review of West Yorkshire Bus Market (WSP, 2014)

APPENDIX 1

STRATEGY OPTIONS

- 1.1. Legislation and guidance in England sets out two alternative approaches to improving local bus services
 - Partnership Approaches, including voluntary, qualifying and statutory forms, which are non-contractual ways of joint working between Local Transport Authorities (such as WYCA), highway authorities and private bus operators. Most areas are developing partnership approaches and these may be supplemented by a Ticketing Scheme; and
 - A Bus Quality Contract Scheme. This would suspend the 1985 Transport Act (de-regulation) for a period of up to ten years and introduce a London style contracting regime for the majority of local services. No Local Transport Authority (LTA) has introduced a Bus Quality Contract Scheme. This approach has previously been considered by South Yorkshire ITA and is currently being considered by Nexus.
- 1.2. Whichever approach is taken, all aspects of a scheme must comply with the respective competition law which is intended to remove barriers to market entry and prevent anti-competitive practices.

Bus Partnership Approaches

- 1.3. **Voluntary Partnership Agreement (VPA)** - A VPA is a particular type of voluntary agreement, and is defined as any voluntary agreement under which:
 - a LTA, or two or more LTAs usually undertake to provide particular facilities, or to do anything else for the purpose of bringing benefits to persons using local (bus) services, within the whole or part of their area, or combined area; and
 - one or more operators of local services undertake to provide services of a particular standard.
- 1.4. An agreement must involve at least one LTA in order to satisfy the definition of a VPA. A voluntary agreement has the advantage of maintaining flexibility but with no sanctions for non-compliance.
- 1.5. **Qualifying Agreement (QA)** - An agreement involving two or more bus operators but no LTA cannot be a VPA. It will normally however, be a 'qualifying agreement' between operators (for example to provide an even headway on a defined service or corridor). The Department for Transport (DfT) encourages the LTA to be part of this process, in order to ensure the outcomes can help deliver against wider objectives. Also, where the QA has been endorsed and certified by the LTA, the competition law provisions set

out in the 2000 Act will usually apply in place of Chapter I of the Competition Act 1998, making the competition test more tailored to bus operation.

- 1.6. **Quality Partnership Scheme (QPS)** – The QPS model was introduced by the Transport Act 2000. Under such a scheme a LTA (or two or more LTAs jointly) agrees to invest in improved facilities at specific locations along bus routes (e.g. bus stops or bus lanes) and operators who wish to use those facilities undertake to provide services of a particular standard (e.g. new buses, or driver training standards).
- 1.7. Only those operators prepared to provide services to the standards specified in the scheme are permitted to use the facilities. Schemes can be route or corridor specific, or could cover larger networks of routes or LTA areas.
- 1.8. The QPS model allows a LTA to specify service (or corridor) frequencies, timings or maximum fares as part of the standard of service to be provided under a scheme, in addition to quality standards. It also provides safeguards to ensure that unrealistic conditions are not imposed on operators, and that a fair commercial rate of return on their investment can still be achieved. The operators therefore maintain a right to object against the making of a scheme, as long as they can justify this objection.
- 1.9. Because of the reasons set out above, the QPS model is seen as a partnership (rather than being ‘imposed’), and is often implemented in parallel with VPAs (an overarching QPS, with individual VPAs) or QAs. In order to reach agreement it is therefore common for all partners to make a degree of compromise in order to reach agreement (which could be seen as ‘watering down’ the scheme).
- 1.10. Also because of the reasons set out above, although the scheme is binding on all parties, if an operator can demonstrate it is no longer commercially viable for them to maintain the required levels of service, they may withdraw from the scheme, either in full or part. In terms of other aspects such as quality standards, there are no real means of enforcement (being a voluntary arrangement).
- 1.11. **Supporting Legislation** – In addition to the overarching guidance relating to the form of partnership, individual aspects are covered by separate guidance from DfT including Multi Operator Ticketing Schemes, in response to the Competition Commission recommendations in that respect, where entry into the market for smaller operators was seen to be restricted by their ability to provide a comprehensive network (or network ticketing product).
- 1.12. Guidance on ticketing schemes covers both voluntary and statutory schemes, and also how the provisions in the Public Transport Ticketing Schemes Block Exemption allow a multi-operator ticketing scheme to be implemented in a way in a way that would be compatible with competition law.
- 1.13. Although operators can implement ticketing schemes themselves, DfT guidance highlights that the involvement of the LTA can reduce the likelihood that operators are perceived to be, or are actually, improperly fixing ticket prices or sharing markets behind closed doors.

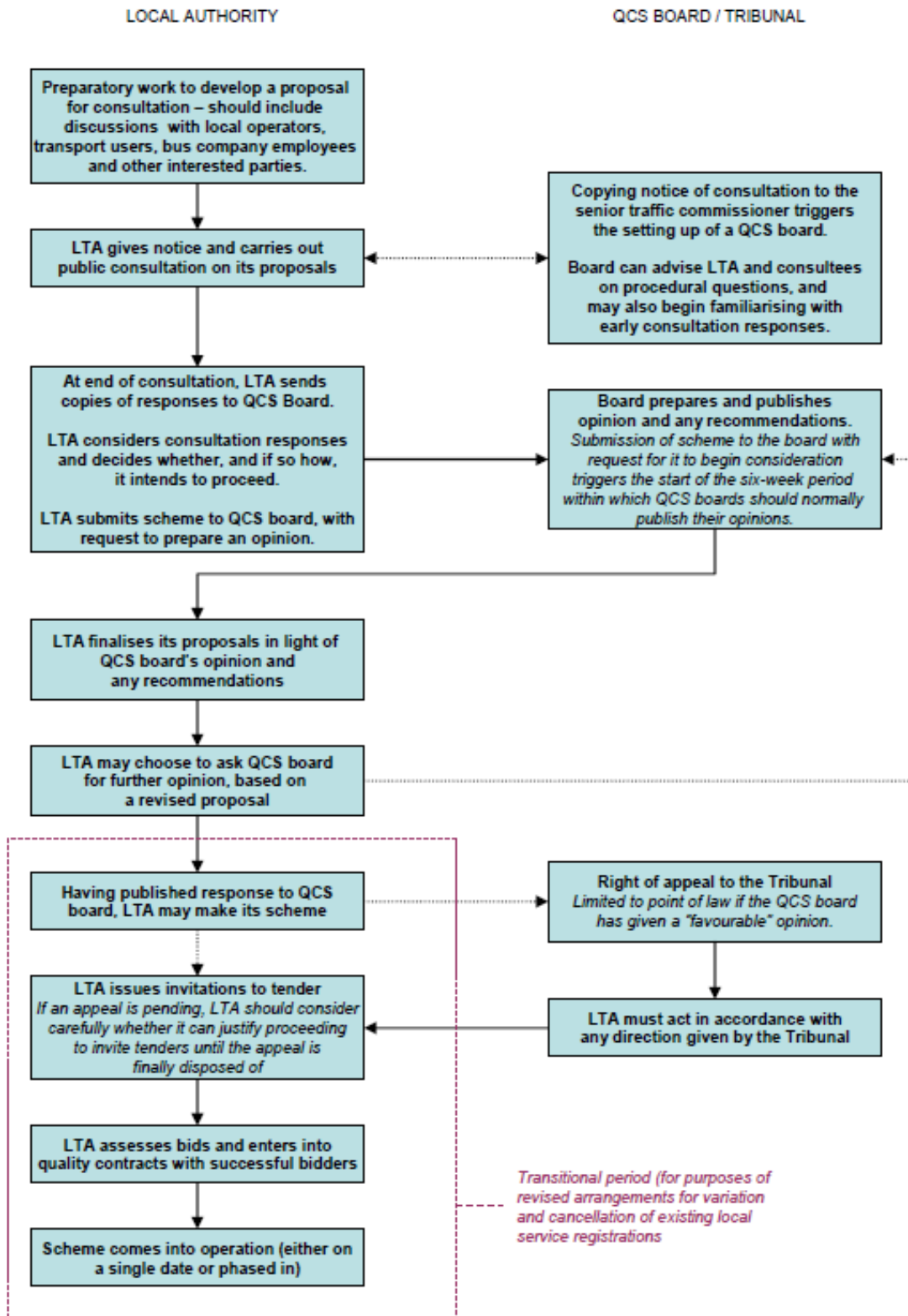
- 1.14. A LTA, under powers included in the Transport Act 2000, can mandate all operators to participate in a statutory scheme, with penalties for those who refuse. A defined implementation or change process must be followed, including consultation with operators about ticket types and validities, the scheme area and excluded services.

Bus Quality Contract Scheme

- 1.15. WYCA, as the Local Transport Authority for West Yorkshire, is able to make a Bus Quality Contract Scheme (Bus QCS) under the Transport Act 2000, as amended by the Local Transport Act 2008.
- 1.16. A Bus QCS would suspend the 1985 Transport Act (de-regulation) and would allow WYITA to:
- specify and procure local bus services, setting service standards, specifying the bus network and defining tickets and fares; and
 - exclude existing services and exempt new services.
- 1.17. The process for developing and implementing a Bus QCS is clearly set out in statutory guidance issued by the Department for Transport (DfT) and summarised below and at Appendix A:
- WYCA would develop a Scheme through consultation with interested parties during a period of informal consultation on both principles and detail.
 - The development to date has included liaison with the five District Councils to gain further support for this work and to ensure that their objectives and priorities were reflected in proposals. These discussions would also explore how to complement their activities as highway, planning and education authorities.
 - The early consultation has also included bus operators and neighbouring authorities, covering cross boundary services or other services which may be covered by clearance certificates or exemptions.
 - WYCA would also develop a communications strategy to explain to partners, interested parties and the general public the reasons for this approach and the proposals to enhance local bus services
 - Following informal consultation WYCA would prepare a consultation document, known as the Public Interest Statement, setting out the rationale and details of the proposed Quality Contract Scheme. The consultation documentation would be copied to the Senior Traffic Commissioner, triggering the establishment of a Quality Contract Scheme Board.
 - WYCA, after consideration of consultation responses, would submit the draft Scheme to the Quality Contract Scheme Board with the request that the Board prepares an opinion. The submission must also describe the reasons for seeking a Quality Contract Scheme (the public interest criteria) and a statement of affordability.

- WYCA would finalise the scheme in the light of the Quality Contract Scheme Board’s opinion. WYCA could choose to ask the Quality Contract Scheme Board for a further opinion if the scheme is modified.
 - WYCA would publish a response to the Quality Contract Scheme Board Opinion.
 - WYCA would then consider all the relevant issues in making the important decision whether to make the Bus Quality Contract Scheme, thereby introducing a franchised system whereby operators provided services to WYCA’s specification after a procurement process.
- 1.18. Bus operators would have the right of appeal to the Transport Tribunal. If the Quality Contract Scheme Board opinion was favourable the appeal is restricted to points of law. WYCA would be required to act in accordance with any direction given by the Transport Tribunal
- 1.19. Subject to a ‘successful’ outcome, WYCA would proceed to invite tenders, award contracts and implement the Quality Contract Scheme.

ANNEX A – SUMMARY OF PROCESS FOR IMPLEMENTING A QUALITY CONTRACTS SCHEME



A New Approach to Bus Travel

*“Delivering an outstanding bus system for
West Yorkshire”*

June 2014



A photograph of a bus station interior. In the upper center, a digital departure board displays the following information:

Service	Destination	Board Time
178	Castleford B 5	B 1055
147	Rainfield B 5	B 1058
136	Chequerfield	F 1059
158	Rainfield B 5	B 1059
146	Knottingley	C 1100
249	Batley	B 1100
411	Leeds Bus Sta.	C 1100
146	Castleford B 5	B 1101

Below the board, several people are walking through the station. On the right, a group of people is seated on a bench. The scene is brightly lit with overhead lights.

More people travel to work in West Yorkshire by bus than all other forms of public transport combined

(2011 Census)

The Role of the Bus in the Economy



183.7 million bus journeys per annum in West Yorkshire (2013/14)

57% of people surveyed in West Yorkshire use the bus at least once a month (Metro Tracker Survey 2012)

A significant employer – in West Yorkshire there are around 5,000 FTE jobs associated with the bus industry

In PTE areas, bus networks are estimated to generate over £2.5bn in economic benefits (PTEG 2013)

In the UK, 11% of employees would be forced to look for another job if they could no longer commute by bus (Greener Journeys, 2012)

The Partners

- West Yorkshire Combined Authority
- District Councils from across the City Region
- Bus Operators of all sizes

Successfully working together to provide an outstanding bus system that serves the public and businesses of West Yorkshire

Shared Partnership Objectives

- A transport system which contributes to a cohesive city region and drives the local economy by connecting jobs, places and people
- A creative approach which leverages maximum funding and investment, aligned with the WY+TF and gives the region true competitive advantage
- Better value for money on behalf of local people, with a robust prospect of success and accelerated delivery



A Comprehensive and Binding Framework

STABILITY

- A Core Network for West Yorkshire

VALUE FOR MONEY

- Ticketing Systems and Fares

CONSULTATION

- Code of Conduct on Service Changes

INVESTMENT

- Private sector investment aligned with public sector commitments

QUALITY AND CONSISTENCY

- Agreed Operation and Service Delivery Standards with a guaranteed no quibble refund

COMMUNICATION

- Passenger Information

ACCOUNTABILITY

- Key Performance Indicators and Targets

What Have the Partners Already Delivered?

Network stability and growth through programme of network reviews

Established better consultation arrangements

Invested over £49m in vehicles, ticket machines and staff training

A series of capital projects such as A65 Busway

Launched a new region wide smart ticket including BBA funding

Individual operators have introduced better value fares

What Has Already Been Achieved?

Over 1 million smart card transactions every month

Secured £5m savings per annum for tendered services

£1m savings per annum for young person concessionary fares

Reliability and punctuality continuously improving

Decline in passenger journeys stopped - growth now being achieved

Passenger satisfaction and perception of value for money increasing



Key Partnership Commitments

- Network stability - structural changes limited to once every 12 months, with agreed network review process incorporating pre-registration consultation
- Fare stability - changes limited to once every 12 months
- Agreed and monitored quality standards for vehicles, bus stops and bus stations
- Early consultation on land use and planning decisions that will impact bus services
- Closer working on planned road and highway works

Key Partnership Commitments

- Joint investment in the bus network including a “Give to Get” principle on a rolling programme of infrastructure improvements linked to the WY+TF
- Promoting all ticketing products, with ITSO smart technology as the mainstay of the ticketing offer
- A way of accessing real time information at every stop including effective operation of the yournextbus information system
- Accountability through clear and agreed performance standards which will be published and open to scrutiny

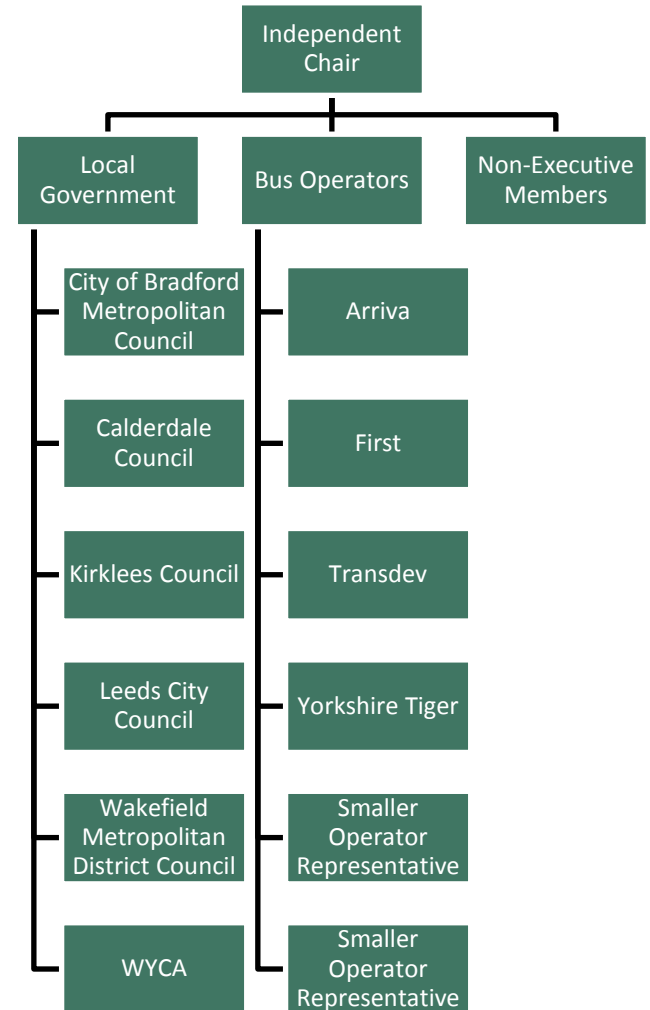
How Does The Framework Ensure The Partnership Addresses Our Mutual Aims?

No more than one change a year to any route	New customer charter	Smart Card technology
6 week period of consultation and review prior to registration of any service change	Define clear minimum service standards	Equals more convenience and cost efficiency for passengers
Exchange of data between operators and LAs	Integrated cross-operator training	Improves the already popular Metrocard
Removal of tendered journeys on core routes	Operator-neutral advice to passengers	Operator only options will further extend customer choice and value
Definitive passenger needs report	Increased liaison over planned road and highway works	Appointment of independent chair
Research to determine what passengers want	Minimise work during peak bus times	Passenger representation on proposed Bus Partnership Board
New central point of contact for issues/complaints	Ten year programme on stop facilities/stations	Annual operational and performance report
Improved accountability on all fronts	Further reduce fossil fuels to aid environment	Sub-groups to explore ongoing developments



Governance of the Partnership

- Administered by a Partnership Board
- Suggested Board of 12 Members - One Member, One Vote principles
- Work with the CA to deliver wider economic, social and environmental objectives for West Yorkshire
- Set appropriate targets for buses in West Yorkshire
- Publish annual report on Partnership performance



Initial Headline Targets

>90%

- Customers very satisfied or fairly satisfied with their bus journey (all passengers)

68%

- Customers very satisfied/fairly satisfied with value for money (fare paying passengers only)

-25%

- 25% reduction in the number of customer complaints per 100,000 boardings

208 million

- Number of bus passenger journeys boarding in West Yorkshire

Increasing

- Bus mode share at cordon points by urban centre in morning peak

75%

- % of working population with access to key employment centres within 30 minutes by bus

99.5%

- Mileage operated

≥90%

- Services on time

TBC

- Value for money of public investment in bus services

How Does This Contribute to the WYCA's Wider Objectives?

- Improves connectivity to jobs and services
- Makes it easier for people to commute to and from centres and expected major growth areas
- Faster more reliable journeys, less congestion and improved local air quality
- Creates a cohesive city region and sense of place
- Value for money on behalf of local people

Supporting Jobs and Communities

- Joseph Rowntree Foundation Initiative - “More Jobs, Better Jobs”
- Apprenticeships and training
- Supporting schools
- Securing investment
- Community engagement activities

INSPIRING SOCIAL CHANGE

MORE JOBS, BETTER JOBS

A partnership between the Joseph Rowntree Foundation, Leeds City Council and Leeds City Region.



What Investment Could This Unlock?

- Enhance benefits of investment in the WY+TF
- Bidding together for additional funding
- Operators to reinvest Saved Resource through “Give to Get” in enhanced services
- Further investment in vehicles and the training of frontline staff
- Further innovation in ticketing products and rollout of ticketing technologies
- Supporting joint research into travel needs and choices, such as TSB bid
- Joint marketing and promotional activities

What are the Next Steps?

- Commitments enshrined in a draft Voluntary Partnership Agreement - ready for legal review by all Partners
- Umbrella Agreement, but some elements could be Statutory Quality Partnership agreements
- Agreement could be signed by September 2014, subject to approval of the Partnership approach
- Engagement with the public and businesses
- Joint presentation to DfT on Partnership objectives, content and launch
- Confirm scope of schemes within the WY+TF

Summary

1. Working together is already delivering improvements
2. The Partnership offers the opportunity to accelerate investment and service improvements
3. Early benefits for the public of West Yorkshire as it is ready to implement immediately
4. It is aligned with the economic, jobs and environmental strategy for the city region
5. Legal agreement provides certainty and reduces risk for all Partners

A New Approach to Bus Travel

*“Delivering an outstanding bus system for
West Yorkshire”*

June 2014



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Our Ref: 3027/008

Councillor Tim Swift
West Yorkshire Combined Authority
Wellington House
40 - 50 Wellington Street
Leeds
LS1 2DE

16 July 2014

Dear Tim,

West Yorkshire Bus Partnership

I am writing to you as you were the Chair for the meeting of the West Yorkshire Combined Authority (WYCA) and the Bus Partnership Board on June 2014. I have also copied this letter to Councillor Peter Box as Chair of the WYCA, to Adrian Lythgo as the senior responsible officer, and to Roger Marsh as Chair of the Local Enterprise Partnership.

As Chair of the Bus Partnership Board for West Yorkshire I have sought over the last 2.5 years to develop a meaningful partnership between Integrated Transport Authority (always mindful of the transition to the Combined Authority), the district authorities, and the bus operators individually and as represented by the Association of Bus Operators for West Yorkshire (ABOWY). The aim of the Partnership has always been to provide a high standard of service to the public of West Yorkshire and at the same time support objectives for sustainable economic growth, strong connectivity, a low carbon environment and value for money. These Partners have worked together to develop a proposition to deliver together significant enhancements to bus travel in West Yorkshire. They are also willing to extend these proposals to York to reflect the West Yorkshire Plus Transport Fund. I also want to make clear that this is intended to be a position from which to further develop the Partnership and interventions over time.

The aim of our recent meeting was to set out all aspects of the Partnership proposition and the commitments made by each Partner, including those interventions that have already been delivered whilst the Partnership discussions have been proceeding. It also demonstrated that the Partnership can deliver important projects which have significant benefits to the public in West Yorkshire, such as the smartcards project, part supported by Better Bus Area funding.

Working together the Partners have already achieved sustained enhancements to bus services in West Yorkshire over the last two years, and a lengthy period of decline in passenger numbers has been halted, with passenger growth starting to be seen in certain locations. A good example of this in practice are the financial savings achieved in respect of tendered service changes, which have demonstrated that a joint network planning process can work, and the Combined Authority's liabilities have been reduced as a result. This one initiative alone will reduce local authority spending by in excess of £20m over the next 5 years.

There have also been some encouraging results in the most recent Passenger Focus ratings for West Yorkshire as result of the improvements over the last few years, but the Partners are keen to deliver more. The aim is to build upon these achievements by delivering wider improvements across West Yorkshire, giving the Combined Authority more involvement in shaping bus services generally and more visibility on value for money.

The Partnership is also committed to supporting the objectives of the Combined Authority for economic growth, particularly as we emerge from the last few years of recession. There is a desire and commitment from the operators to align their planning and investment with the West Yorkshire Plus Transport Fund to increase the impact of combined funding for certain projects. I would like to highlight in particular the "Give to Get" commitment. This emphasises how working together the Partners can bring together investment from different sources to provide comprehensive improvements in specific locations across West Yorkshire (and York). The proposals can also be linked to other proposals by the Combined Authority and/or district councils, such as access to skills training. The operators are prepared to align investment with the Transport Fund in order to achieve greater benefits and deliver the private/public funding partnership expected in the City Deal

The bus operators in the Partnership are committed to supporting access to employment, training and job creation. Recently published research, "Buses and the Economy II", from a study undertaken in partnership between Greener Journeys and Department for Transport shows that if bus journey times for commuters in England could be improved by 10%, it would result in over 50,000 more people in employment.

The Partnership is clear that buses are often undervalued as a mode of transport but this research shows how they drive economic growth, job creation and social cohesion. A key objective of the Partnership is to deliver these types of improvement working together using the "Give to Get" principles.

I recognise the importance of certainty for the public, the Combined Authority, the district authorities and the bus operators. Therefore, we have proposed challenging, but realistic targets, and suggested governance arrangements to support delivery, and to ensure challenge and accountability. There are still detailed points to be agreed in the Schedule of Deliverables, but the principles have been established and further assurances on operator commitment were provided by ABOWY earlier this year. All of these commitments can be confirmed in a formal document if the Partnership is confirmed, including target KPIs and delivery programme.

Clearly the Partnership must have the support of the Combined Authority, and I am keen for us to press on with the Partnership as I believe that we can deliver some further significant benefits to people in West Yorkshire. To date, the district authorities have been represented at all of the meetings of the Bus Partnership Board by officers from Bradford and Leeds, and they have discussed matters with colleagues from other districts and the highways officers meetings. Metro has represented the ITA at all meetings.

I would like to stress though, that what is being proposed is a just starting point, not the end solution. The current proposals represent a base position from which it is anticipated the agreement will evolve in terms of developing interventions which deliver the stated objectives. The Partnership proposals seek to reflect the aims and ambitions of the Combined Authority, and contribute to the wider vision for West Yorkshire and York.

I would be happy to meet with you and your colleagues to understand how we could take things forward, and discuss in more detail any key points or questions you might have about the Partnership proposition. I have attached a copy of the PowerPoint presentation from the meeting for convenience, which outlines the key proposals developed in the Partnership discussions, and would be pleased to send you copies of the detailed documents if required.

I look forward to seeing you in the near future.

Yours sincerely,



Nigel Foster
Director

t 07767 418936
e nigel.foster@foreconsulting.co.uk

Enc

cc Councillor Peter Box - West Yorkshire Combined Authority
Adrian Lythgo - West Yorkshire Combined Authority
Roger Marsh - Chair of the Leeds City Region LEP
James Lewis - Leeds City Council

Keith McNally - ABOWY

David Alexander - FirstGroup

Gary Bartlett - Leeds City Council

Nigel Featham - Arriva

Martin Gilbert - Transdev

Martinj Gilbert - Yorkshire Tiger

Joe Grint - City of Bradford Metropolitan District Council

John Henkel - WYCA

Andrew Stirling - Ross Travel

REPORT FRONT SHEET

AGENDA ITEM: 13

Combined Authority: 18 September 2014

Report Title: Strategic Rail Update

Report Summary

This report provides an update on rail devolution and setting up of Rail North Ltd, a company limited by guarantee established for the purpose of entering into a partnership with the Department for Transport for the management and development of the next TransPennine and Northern franchises. It seeks approval for WYCA to appoint an elected member as a Director of the company to represent West Yorkshire and York together with an alternate member. The report also provides an update on High Speed Rail including the next phase of work on the One North proposition.

Possible Questions

- Which elected member does WYCA wish to appoint as a Director for Rail North Ltd to represent West Yorkshire and York?
- Do members require any more information on rail devolution and Rail North?
- What are the key outputs WYCA would like to see from the next phase of work on One North?

Note: The above questions may arise during the debate, but do not preclude other items for discussion and debate.

ITEM 13

Report to: Combined Authority

Date: 18 September 2014

Subject: Strategic Rail Update

1. Purpose

- 1.1 To provide WYCA with an update on strategic rail issues including the appointment of a director to Rail North Ltd and an update on High Speed Rail work.

2. Rail North

- 2.1. At the July 24 meeting of the Combined Authority, a report was considered on the establishment of Rail North, including an Association of Rail North Partner Authorities and Rail North Limited (a Special Purpose Vehicle). WYCA agreed to join both organisations. Discussions are taking place with other Local Transport Authorities (LTAs) across the North of England on the timing of their joining Rail North - the intention is to have as many authorities signed up as possible by the autumn.
- 2.2. Transport for Greater Manchester is now proposing to formally establish Rail North Limited as a company and have requested that sub-areas nominate Directors of the company as soon as possible. As set out in the previous report, each of the 11 sub-areas is entitled to appoint a lead member as a director of the company. The relevant sub-area for WYCA is West Yorkshire and York. Discussions have taken place with City of York Council and, as a separate LTA, they will separately join the Association and Rail North Limited.
- 2.3. WYCA is asked to appoint an elected member to the Leaders Committee of the Association and also to appoint a director of RNL. WYCA may also appoint a substitute member of the Leaders' Committee and nominate an alternate director of RNL.
- 2.4 As previously reported, the role of Rail North Ltd is primarily to act as a vehicle to enter into a partnership with the Department for Transport for the management and

development of the next Northern and TransPennine franchises. The company will have a small annual running cost (not expected to be greater than £36,000 p.a).

- 2.5 The responsibilities of a director of the company will be in line with standard company law and are set out in Appendix 1.
- 2.6 Further progress has been made on the proposed Partnership with DfT. A Memorandum of Agreement has been developed covering the proposed Heads of Terms for a legally constituted partnership to jointly manage the franchises, also covering planning and investment functions. The proposal also sets out a clear process for a transfer of risk sharing (and ultimately) full devolution to Rail North. In the first phase, most risk would remain with the DfT and the manner in which further risk sharing is taken on would be the subject of agreement by Rail North Ltd members at the appropriate time.
- 2.7 DfT has recently announced the shortlists of bidders to compete for the Northern and TransPennine franchises. There are three bidders shortlisted for each of the two franchises:

Northern

- Abellio Northern Ltd
- Arriva Rail North Limited
- Govia Northern Limited

TransPennine Express:

- First Trans Pennine Express Limited
- Keolis Go-Ahead Limited
- Stagecoach Trans Pennine Express Trains Limited.

- 2.8 Work is continuing, jointly with the DfT, on the development of the specification for services to be included in the two franchises. Areas include the approach to rolling stock, capacity, performance and the level of train service on a route by route basis. An update on the development of the specification will be considered at a future meeting of the Transport Committee. There will also be a discussion on the specification (and potential strategic options) at the next meeting of the Leaders' sub-forum (scheduled for 23 September).
- 2.9 The details of the specification will be informed by the results of the public consultation which closed on 18 August (WYCA's response was considered at the July meeting).

High Speed and 'One North'

- 2.10 As previously reported, work has been undertaken, initially led by the Core Cities, to develop a proposition for significantly enhanced connectivity across the North in response to Sir David Higgins' report on HS2 and reflecting the comments made by the Chancellor of the Exchequer about wanting to see a Northern 'powerhouse'.

- 2.11 An initial strategic approach is set out in the '*One North: A Proposition for an interconnected North*' document launched on 5 August 2014. The £15bn 15-year investment plan includes new trains running on a 125 mph trans-Pennine rail-link to Newcastle, a better overall interconnected rail network and 150% more road capacity on roads. Other highlights of the proposed approach include:
- A 30 minute journey time target between Leeds and Manchester
 - Improved links to Bradford and Wakefield as capacity on the conventional rail network is freed up.
 - Enhanced connectivity within the Leeds City Region (and other city regions to link into both this and HS2, including a rail link to Leeds-Bradford Airport
 - New cross-city links in Leeds and Bradford.
- 2.12 The full document is available at <http://www.westyorks-ca.gov.uk/News/Articles/One-North/>
- 2.13 The next stage is to develop the proposition in more detail and provide the supporting evidence base to feed into the next Higgins report and the Chancellors' Autumn statement. A brief for this work has been developed by Transport for Greater Manchester and consultants for this phase of work have recently been appointed. There is the opportunity for WYCA to inform and feed into this phase of work.
- 2.14 WYCA will be asked to make a financial contribution to the work. It is proposed to seek approval from the Transport Committee to contribute to this work from an existing budget.
- 2.15 Overseen by the HS2 Regional Programme Board, work is continuing in two areas of High Speed:
- Masterplanning around the Leeds station site led by Leeds City Council
 - Connectivity to the wider City Region led by WYCA.
- 2.16 As part of the development of a 'connectivity vision' for the Leeds City Region, a workshop is being held with the Transport Committee and Portfolio Holders after the next meeting of the Transport Committee on 26 September. This will provide an opportunity to shape the city region 'ask' for High Speed.

3. Financial Implications

- 3.1. The financial implications associated with WYCA becoming a member of Rail North Ltd were set out in the report to the Authority considered on 24 July. The initial cost of running Rail North Ltd is estimated to be a maximum of £36,000 p.a

with West Yorkshire and York paying a proportionate share in line with the voting rights for Rail North.

- 3.2. An appropriate contribution to the One North work will be made from existing budgets.

4. Legal Implications

- 4.1. Joining the Association of Local Transport Authorities and Rail North Ltd requires signing legal documents appertaining to the two organisations. The details of these were set out in the report on this matter to the July meeting of WYCA.

5. Staffing Implications

- 5.1. Staffing implications in relation to the creation of Rail North Limited and the proposed Partnership with the DfT will be set out in a future

6. Consultees

- 6.1 City of York Council officers were consulted in preparing this report.

7. Recommendations

- 7.1. To appoint a member of WYCA to the Leaders' Committee of the Association and to become a director of Rail North Ltd.
- 7.2. To appoint a substitute member of the Leaders Committee and alternate director of Rail North Ltd.
- 7.3. To note work on High Speed Rail and One North.

8. Background Documents

- 'Rail North Governance' report to WYCA on 24 July 2014.
- *One North: A Proposition for an interconnected North*

Summary of the principal duties and responsibilities of a company director

Responsibilities include:

The board of directors of a company is primarily responsible for:-

- determining the company's strategic objectives and policies;
- monitoring progress towards achieving the objectives and policies;
- appointing senior management;
- accounting for the company's activities to relevant parties, e.g. shareholders.

The managing director/chief executive is responsible for the performance of the company, as dictated by the board's overall strategy. He or she reports to the chairman or board of directors.

Appointment

On appointment a new director will be asked to provide certain personal information (i.e. full name, address, date of birth, nationality, country of residence, former names and business occupation) to be included in the relevant form which he/she will be required to sign to signify consent to act as a director.

Additionally, the director will give a general notice of any interests in contracts involving the company.

Powers

The directors are generally responsible for the management of the company and they may exercise all the powers of the company. However, the extent of their authority may be constrained by the Companies Act 2006 and the articles of association. For example, articles of association often include provisions and restrictions on borrowing by the company.

Generally, the directors must act collectively as a board to bind the company. However, the articles usually entitle the board to delegate powers to individual directors as considered appropriate. In practice individual directors will normally carry out many of the company's activities.

Statutory Duties

Directors need to be aware that they are personally subject to statutory duties in their capacity as directors of a company. In addition the company as a separate legal entity is subject to statutory controls and the directors are responsible for ensuring that the company complies with such statutory controls.

The Companies Act 2006 codified certain common law and equitable duties of directors for the first time. The Act sets out seven general duties of directors which are:-

- to act within powers in accordance with the company's constitution and to use those powers only for the purposes for which they were conferred
- to promote the success of the company for the benefit of its members
- to exercise independent judgement
- to exercise reasonable care, skill and diligence
- to avoid conflicts of interest
- not to accept benefits from third parties
- to declare an interest in a proposed transaction or arrangement

These statutory duties cannot be seen in isolation because in addition a director will be subject to a wide range of regulation and legislation including the Insolvency Act 1986, the Company Directors' Disqualification Act 1986, the Health and Safety at Work etc Act 1974 and the Corporate Manslaughter and Corporate Homicide Act 2007.

Directors may be liable to penalties if the company fails to carry out its statutory duties. However, they may have a defence if they had reasonable grounds to believe that a competent person had been given the duty to see that the statutory provisions were complied with.

One of the main statutory responsibilities falling on directors is the preparation of the accounts and the report of the directors. It is the responsibility of the directors to ensure that the company maintains full and accurate accounting records. This includes the preparation of a balance sheet and a profit and loss account for each financial period of the company, and the presentation of these to shareholders and, subject to various exemptions, the filing of the accounts and report of the directors with the Registrar of Companies.

Liabilities & Indemnity

Directors may incur personal liability, both civil and criminal, for their acts or omissions in directing the company.

It is not practical to list every matter for which directors can be held to be liable. However, directors should be aware of the effects of the Company Directors' Disqualification Act 1986, which could lead to the disqualification from acting as a director of a company for a period of between two and fifteen years, and the Insolvency Act 1986 which gives rise to the possibility of directors being made personally liable for the company's debts, the Health and Safety at Work etc Act 1974, and the Corporate Manslaughter and Corporate Homicide Act 2007, which potentially provide for custodial sentences for Directors for the most serious cases.

Below are set out details of the most significant pieces of legislation that impose duties and liabilities on company directors. It should be noted that Members and Officers of Local Authorities, including the Combined Authority, have a statutory indemnity from personal liability when carrying out the business of the authority for which they work. It is also open for an authority to contractually extend the remit of this indemnity, within maximum

prescribed limits, within the terms and conditions of employment. Local Authorities, including the Combined Authority, usually have in place a policy of “D&O” (directors and officers) insurance which will provide cover for personal liability that might attach to members and officers carrying out authority business.

These indemnities do not necessarily cover members and officers in every scenario, such as where there was an act of gross negligence or a criminal offence had been committed. Breaches of an authority’s code of conduct or the terms and conditions of employment may also negate the indemnity afforded to the individual by the authority, depending on the circumstances.

Company Directors’ Disqualification Act 1986

The circumstances in which an application may be made for the disqualification of a director are as follows:

- the director has been guilty of three or more defaults in complying with companies legislation regarding the filing of documents with the Registrar of Companies during the preceding five years;
- he or she is, or was, a director of a company that has at any time become insolvent and that his/her conduct as a director of that company makes him/her unfit to be concerned in the management of a company;
- the director is found to be guilty of wrongful or fraudulent trading as defined in the Insolvency Act 1986 (see below).

Insolvency Act 1986 Wrongful Trading

If a company has gone into insolvent liquidation and before that liquidation took place a director knew, or ought to have known, that there was no reasonable prospect that the company could avoid the liquidation, then the court may declare that the director make a personal contribution to the company’s assets.

However, the director will not be made personally liable in circumstances where he/she can show that he/she took every step prior to the liquidation to minimise the potential loss to the company’s creditors.

Fraudulent Trading

Under this heading the court may also require a director to make a contribution to the company’s assets if, in the course of the winding up of a company, a director was knowingly a party to the carrying on of the company’s business with the intent to defraud the creditors.

Health and Safety at Work etc Act 1974

Health and safety law places duties on organisations and employers, and directors can be personally liable when these duties are breached: members of the board have both collective and individual responsibility for health and safety. Larger public and private

sector organisations need to have formal procedures for auditing and reporting health and safety performance.

If a health and safety offence is committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the organisation, then that person (as well as the organisation) can be prosecuted under section 37 of the Health and Safety at Work etc. Act 1974.

Those found guilty are liable for fines and, in some cases, imprisonment. In addition, the Company Directors Disqualification Act 1986, section 2(1), empowers the court to disqualify an individual convicted of an offence in connection with the management of a company. This includes health and safety offences. This power is exercised at the discretion of the court; it requires no additional investigation or evidence.

Individual directors are also potentially liable for other related offences, such as the common law offence of gross negligence manslaughter. Under the common law, gross negligence manslaughter is proved when individual officers of a company (directors or business owners) by their own grossly negligent behaviour cause death. This offence is punishable by a maximum of life imprisonment.

Corporate Manslaughter and Corporate Homicide Act 2007

Under this Act, an offence will be committed where failings by an organisation's senior management are a substantial element in any gross breach of the duty of care owed to the organisation's employees or members of the public, which results in death. The maximum penalty is an unlimited fine and the court can additionally make a publicity order requiring the organisation to publish details of its conviction and fine.

REPORT FRONT SHEET

AGENDA ITEM: 14

Combined Authority: 18 September 2014

Report Title: Medium term financial strategy and 2015/16 budget

Report Summary

The report sets out the first work towards establishing a robust medium term financial strategy for the full Combined Authority which will then inform the budget setting process for 2015/16.

Input is sought regarding the extent of activities which should be included in the financial strategy and the position to be taken on the transport levy. The strategy and budget should reflect the ambition of the WYCA and clearly deliver its objectives.

Possible Questions

1. Should the 2015/16 budget include provision for any specific services and activities not currently provided by the WYCA?
2. Are there any priority/key strategic areas to which Members would like to see funding directed, such as young persons' concessions?

Note: The above questions may arise during the debate, but do not preclude other items for discussion and debate.

ITEM 14

Report to: Combined Authority

Date: 18 September 2014

Subject: Medium term financial strategy and 2015/16 budget

1. Purpose

- 1.1. To consider an initial draft of a medium term financial strategy for the West Yorkshire Combined Authority (WYCA) and the implications of this for the budget process and levy for 2015/16.

2. Information

- 2.1. The WYCA has previously considered and re-endorsed the revenue and capital budgets for 2014/15 that were set by the West Yorkshire Integrated Transport Authority (WYITA) at its meeting in February. It has been recognised that the new organisation will require a new budget setting process which will need to be carried out against the background of a revised and refreshed medium term financial strategy (MTFS).
- 2.2. The previous WYITA financial strategy and budget were inevitably transport focussed; the emphasis now is to ensure that both the strategy and budget reflect the wider breadth of activity of the WYCA. This therefore needs to include the economic strategy dimension as embodied by the LEP and any other wider plans and aspirations of the WYCA, including delivering on devolution of powers, the West Yorkshire plus Transport Fund (WY+TF) and the Strategic Economic Plan.
- 2.3. Work is underway to provide figures for the economic strategy/LEP element of the MTFS at this stage; discussions have commenced as to the appropriate figures to include, taking into account the intention to transfer the accountable body function from Leeds City Council to the WYCA, but further work is still required. Synergies between the LEP and WYCA teams, and potentially other teams within the Districts will be explored as part of this work and reported back to a future meeting.
- 2.4. The transport element of the MTFS is set out below. For the purposes of establishing an initial position it has been assumed that all current activities and services continue to be provided and this is done within a levy freeze. The cost of providing rail services is shown for the current franchise extension period where it continues to be met by the Department for Transport. It is assumed that any cost sharing/

investment arrangements to support Rail North will be considered separately by the WYCA.

Medium term financial strategy	Original budget 2014/15	Revised forecast 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18
Transport costs:	£000	£000	£000	£000	£000
Concessionary Fares	53,242	54,122	55,222	56,286	57,480
- ENCS	43,380	43,571	44,644	45,627	46,768
- rail	673	654	671	733	770
- young people	9,189	9,897	9,907	9,926	9,942
Subsidised Services	19,490	19,005	19,900	20,467	21,030
Passenger Services	8,172	8,135	7,946	7,946	7,946
Rail - franchise costs	64,209	64,209	64,209	0	0
Rail - additional services	182				
Pensions	1,431	1,431	1,425	1,425	1,425
Financing charges	7,356	7,270	6,910	6,291	5,719
Combined Authority set up costs	67	117	0	0	0
Strategic priorities - rail dev/QCS	250	50			
Development			520	520	520
Corporate resources	6,045	5,984	5,427	5,427	5,427
Economic Strategy					
LEP					
	160,444	160,323	161,559	98,362	99,547
Funded by:					
Special Rail Grant	64,209	64,209	64,209	0	0
Net Transport levy applied	96,198	96,198	96,198	96,198	96,198
LEP Funding applied					
Net use of/(addition to) reserves	37	-84	1,152	2,164	3,349
	160,444	160,323	161,559	98,362	99,547
Reserves					
Revenue reserves b/f	6,571	6,571	6,655	5,503	3,339
(Utilised)/ added to	-37	84	-1,152	-2,164	-3,349
Revenue reserves c/f	6,534	6,655	5,503	3,339	-10

- 2.5. In terms of the transport budgets, setting aside the costs of rail then the largest budget line is for concessionary travel reimbursement. Some £43m of this is the cost of the statutory scheme and is subject to a three year agreement with the major bus operators, in order to manage the risk and volatility of what is a significant budget line.
- 2.6. The tendered services costs have been reduced by 25% over the last three years, following a series of network reviews and there is little opportunity for further savings in the resultant network without taking out services. The figures in the MTFS reflect the modelled costs of continuing the current level of schools, non-schools and AccessBus services.
- 2.7. Adjustments have been made for known changes in expenditure, such as the opening of the new bus station at Castleford but for the most part current budgets have been assumed to continue unchanged. This means that savings must be made in order to manage unavoidable inflationary increases and to deliver an increased level of activity following the move to the WYCA.

- 2.8. At this stage the financing costs of delivering the West Yorkshire plus Transport Fund have not been included. The Board will recall that the City Deal envisages the WYCA contributing £217m over the life of the Fund which will need to be included within the levy. A separate paper considers the funding made available through the Leeds City Region Growth Deal and the agreed local contribution and it is assumed that any proposals to further increase this will be considered separately. Similarly the options and further work to be pursued by the WYCA on the bus strategy are the subject of a separate paper but it should be recognised that these are likely to have consequences for revenue budgets.
- 2.9. The bringing together of staff from AWYA, Leeds City Region (LCR) and WYPTE/WYITA provides the opportunity to achieve further synergy in programme and project management. This should allow some of the additional capacity needed to deliver the growth deal being met without further cost. At this stage LCR costs and income are met by subscription and excluded from the MTFS.
- 2.10. The MTFS above is not viable as it stands; whilst the 2015/16 position is affordable and leaves reserves within acceptable parameters the 2016/17 position is less so, and the 2017/18 position is untenable. It is proposed that options for making cuts to services with effect from 2016/17 onwards, and the implications of these, be considered initially through the budget working group and reported to a future meeting of the WYCA. The views of the WYCA are also sought regarding priority areas where it may be desirable to increase expenditure, such as concessions for young people and the options for how this could be funded.
- 2.11. Work will shortly commence on the detailed budget for 2015/16. This process will involve scrutiny and justification of all budget lines to enable a proposed budget and associated levy to be considered in advance of the meeting in January where the levy must be set. Opportunities to reduce spending and increase income will be considered on a line by line basis when this work is undertaken.
- 2.12. At a previous meeting the WYCA approved the creation of a budget working group. It is proposed that this group consider the underlying assumptions in the MTFS and initial budget proposals for 2015/16 and provide assurances to the WYCA regarding the robustness of the figures put forward and the value of the services provided. This would enable options to be considered to drive down the transport levy or to enhance specific service provision.

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. Consultees

6.1. The Head of Paid Service was consulted in preparing this report.

7. Recommendations

7.1. That the Authority note the position on the medium term financial strategy and provide any further input to its development.

REPORT FRONT SHEET

AGENDA ITEM: 15

Combined Authority: 18 September 2014

Report Title: Governance and Audit Committee recommendations

Report Summary

To seek WYCA approval to decisions recommended by the Governance and Audit Committee, following that Committee's due consideration of these matters at their last meeting.

Decisions:

- To approve the Internal Audit Quality Assurance and Improvement Programme.
- To confirm the conclusions of the review of internal control and the effectiveness of internal audit.
- To approve the annual accounts for the WYITA and WYPTE for 2013/14 and the treasury management statement.

Possible Questions

The items in this report have been fully debated at the meeting of the Governance and Audit Committee.

ITEM 15

Report to: Combined Authority

Date: 18 September 2014

Subject: Governance and Audit Committee Recommendations

1. Purpose

- 1.1. To seek approval to decisions recommended by the Governance and Audit Committee at its meeting of 29 July 2014.

2. Information

- 2.1. The Governance and Audit Committee considered a number of items at its meeting on 29 July 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 Quality Assurance and Improvement Programme (QAIP).** This sets out the way in which Internal Audit will ensure it has robust assessment processes in place. This formal documentation is also required as part of compliance with the Public Sector Internal Audit Standards. The QAIP is available to view on the WYCA website under the 'Meetings' section and the Committee recommends this for approval.
- 2.3. **Review of internal control and of the effectiveness of internal audit.** These annual reviews are a statutory requirement and were considered in detail by the Governance and Audit Committee. As part of the evidence for this it also considered the internal audit annual report for 2013/14 which provides an opinion on the internal control environment in operation during that year; the opinion is that these frameworks were 'operating adequately.' The Internal Audit Report and Opinion is available to view on the WYCA website under the 'Meetings' section. The Committee recommends to the WYCA that the internal control environment is operating satisfactorily and that the internal audit function is effective.

- 2.4. **Approval of annual accounts 2013/14.** The Committee considered the annual accounts for the West Yorkshire Passenger Transport Executive (WYPTE) and West Yorkshire Integrated Transport Authority (WYITA). As part of their consideration the external auditors Deloitte presented their final reports (ISA260 report) on the audit work they had undertaken on these sets of accounts. The accounts and auditor reports are available to view on the WYCA website under the 'Meetings' section. The Committee recommend the accounts and the associated Treasury management policy for approval.
- 2.5. Due to the time that has elapsed between the Governance and Audit Committee considering the accounts and the request to this meeting to approve them it has been necessary for Deloitte to reissue their final reports on the accounts. This is simply to update the completion of some minor areas of work and to re-confirm that nothing has happened in the intervening period that has an impact on the accounts. There are no changes of any significance to the reissued versions that the WYCA need to take into account in order to sign the accounts. There is also a requirement for management to provide at this stage letters of representation to confirm that all necessary information has been made available to the auditors in their work.
- 2.6. Paper copies of the documents referred to in the above paragraph 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. Consultees

- 6.1. All the decisions requested are at the recommendation of the Governance and Audit Committee.

7. Recommendations

- 7.1. That the WYCA approve the Internal Audit Quality Assurance and Improvement Programme.
- 7.2. That the WYCA confirm the conclusions of the review of internal control and the effectiveness of internal audit.
- 7.3. That the WYCA approve the annual accounts for the WYITA and WYPTE for 2013/14 and the treasury management statement.

REPORT FRONT SHEET

AGENDA ITEM: 16

Combined Authority: 18 September 2014

Report Title: Request to Change Overview & Scrutiny Committee Standing Orders

Report Summary

To consider a request from the Overview and Scrutiny Committee to change Scrutiny Standing Orders in order to make the call in arrangements less onerous. The arrangements in place at the West Yorkshire District Councils and York Council are attached for comparison.

Note: This item is on the agenda at the request of the Overview and Scrutiny Committee.

Note: The above questions may arise during the debate, but do not preclude other items for discussion and debate.

Originator: Angela Taylor,
Director, Resources



ITEM 16

Report to: Combined Authority

Date: 18 September 2014

Subject: Request to Change Overview & Scrutiny Committee Standing Orders

1. Purpose

- 1.1. To advise the Combined Authority of a request from the Overview and Scrutiny Committee to amend elements of Standing Orders in relation to call-in arrangements.

2. Information

- 2.1. At its first meeting the Overview and Scrutiny Committee considered the arrangements in place in the Scrutiny Standing Orders to enable them to call in decisions. It was felt that these were too onerous with regard to the time allowed to register a decision to call in, the number of Members required to make such a request and then the time to convene a meeting. The Committee proposed that the 3 days required for registering a call-in be extended to 5 working days and that the meetings be convened within '7 clear *working* days' rather than '7 clear days.'
- 2.2. **Appendix A** sets out the arrangements in place at the West Yorkshire and York Councils; these were considered when the Scrutiny Standing Orders were drafted for the WYCA. There are variances between the different arrangements in place and Members are asked to consider if they feel it appropriate to make changes at this time to the Scrutiny Standing Orders.

3. Financial Implications

- 3.1. None arising directly from this report.

4. Legal Implications

- 4.1. As set out in the report. Any changes to Standing Orders can only be made by a meeting of the full Authority.

5. Staffing Implications

5.1. None arising directly from this report.

6. Consultees

6.1. Monitoring Officer

7. Recommendations

7.1. That the Combined Authority determine if any changes are made to the Scrutiny Standing Orders with regard to call-in arrangements.

8. Background Documents

8.1. Standing Orders

SCRUTINY ARRANGEMENTS DISTRICT CALLING-IN PROCEDURES

Procedure	WYCA	Bradford	Calderdale	Kirklees	Leeds	Wakefield	York
Length of time for registering a call in after a decision made by a Committee?	A decision may be called in on the 3 rd clear working day following publication of the list of decisions taken at a meeting of the WYCA or Transport Committee.	A decision may be called in by 1700 hours on the 3 rd working day following the publication of the list of decisions taken at a meeting of the Executive/Area Committee.	A decision can be called in up to 7 working days after a decision has been made.	A decision can be called in up to 5 working days after a decision has been made ie." a meeting held on Monday would mean that the call in period expires the following Monday at 5.30 pm."	To initiate a call-in a request must be submitted to the Scrutiny Officer by 5 pm of the 5 th working day after a decision has been published.	A decision may be called in up to 5 working days after publication of the decision.	A decision can be called in up to 2 days after a decision has been made.
Can a single Councillor call in a decision?	No. Any 5 members of the O&S Committee to include at least 1 member from 2 different constituent Councils.	Yes. The Chair of the Corporate Overview & Scrutiny Committee must call in a decision at the request of a member of the Committee, another Committee or	No. Any 3 members of the Council, one of whom is a member of the Scrutiny Panel within whose remit the decision falls.	No. It is either 5 Councillors or the lead member (Chair) of the Scrutiny Panel whose portfolio the decision falls in, plus another Councillor on the Scrutiny Panel.	No. The decision may be called in by either: 2 non-Executive elected members who are not from the same political group; or	No. The decision may be called in by at least the Chair and/or 3 members of the Overview & Scrutiny Committee.	No. Three named councillors must lodge a written notice of their wish to call in.

		the Committee member representing the third largest group on the Council.			5 non-Executive elected members, one of whom shall be a nominated signatory.		
How many days after a decision has been called in must the Committee convene to scrutinise the decision?	A meeting will take place within 7 clear days of the request being received.	The meeting takes place “where practicable” not more than 10 days after the receipt of the call in notice.	A meeting will take place within 7 clear working days of the call in request being received.	Two weeks from the end of the call-in period and then in exceptional circumstances the period can be extended with the agreement of the Council’s Director of Resources/AD Legal.	A meeting will take place within 7 clear working days of the call in request being received.	When a call in is received the Chief Executive suspends the decision, notifies relevant portfolio holders and corporate directors. A meeting is arranged within 10 working days after the receipt of the call in. If it fails to do so, the decision comes into force immediately.	A meeting will take place within 9 Working days. (Calling in meetings are diarised if and when required.)

**MINUTES OF THE MEETING OF THE
TRANSPORT COMMITTEE
HELD ON FRIDAY 11 JULY 2014 IN WELLINGTON HOUSE, LEEDS**

Present: Councillor James Lewis (Chair)

Councillors R Billheimer, Y Crewe, E Firth, A Hussain, M Johnson, D Kirton, G Lowe, M Lyons, R Poulsen, L Smaje, D Sutherland, T Swift, E Taylor and M Ward

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

21. Welcome

The Chair welcomed Councillors Abid Hussain, Michael Johnson, Rebecca Poulsen, and Martyn Ward to their first meeting. He also welcomed back Councillors David Kirton and Eileen Taylor who had previously been members of the West Yorkshire Integrated Transport Authority (WYITA).

22. Opening Remarks

Tour de France

The Chair commented on the success of the previous weekend's Tour de France event held across Yorkshire. He thanked all those who had been involved in the preparation including those seconded to the TDFHub2014 and also members of staff who had worked over the weekend providing an invaluable information service at different locations throughout West Yorkshire.

The Committee endorsed the Chair's remarks.

Local Sustainable Transport Fund

The Chair advised the Committee of the successful LSTF bid in securing £2.8m which would be spent on the jobcentre plus partnership, further work on smart ticketing and extending the go:cycling and go:walking projects.

23. Apologies for Absence

Apologies for absence were received from Councillors A Carter, A Pinnock and P McBride (Kirklees).

24. Declarations of Disclosable Pecuniary Interests

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

25. Minutes of the Meeting of the Transport Committee held on 13 June 2014

Resolved: That the minutes of the Transport Committee held on 13 June 2014 be approved and signed by the Chair.

26. Rail Franchise Consultation

The Committee considered a report on a consultation document which had been produced by the Department for Transport Rail Executive and Rail North relating to the refranchising of the TransPennine (TP) and Northern rail franchises.

It was reported that the consultation exercise provided a major opportunity for the WYCA to shape the franchises and provide direct inputs into the process by highlighting the importance of rail operations for the future economic growth of the Leeds City Region and the North, as well as the prioritisation for the development of rail schemes provided through these franchises.

The Committee commented that the WYCA response should make it clear that any new franchises must support the economic and environmental ambitions and objectives of the Combined Authority and the wider City Region as set out in the Strategic Economic Plan (SEP). The Committee made the following comments that should be considered when preparing the consultation response:

- To address capacity issues, particularly overcrowding on peak services into the major towns and cities.
- Improved integration across all transport modes.
- Improved accessibility, social inclusion and modal integration.
- Fully integrated smart ticketing to address issues such as cross boundary journeys.
- Significant investment in rolling stock and infrastructure.
- Affordable fares.
- HS2.
- Calder Valley Line.
- Better means of collecting revenue fares to avoid fare evasion.

- Recognise the importance of East-West connectivity and not just North-South and the need to focus on local integration across the North of England and within West Yorkshire.

Resolved: That the comments made by the Transport Committee be considered as part of the WYCA's response to the rail franchise consultation.

27. Rail North Governance

The Committee considered a report which provided an update on plans for the devolution of rail services in the North of England and outlined the proposed governance arrangements to establish Rail North together with a new partnership with the Department for Transport (DfT).

It was reported that an outline governance structure for Rail North to manage the new franchise had now been developed. This was primarily aimed at promoting and improving rail services in the North, overseeing the long term Rail Strategy and campaigning for devolution of responsibility for the Northern and TransPennine franchises.

The key features of the new governance arrangements included:

- An Association of Local Transport Authorities known as the Association of Rail North Partner Authorities (ARNPA), with a member from each of the 30 LTAs in the North, and governed by a Leaders' committee.
- Rail North Limited a Special Purpose Vehicle being a company limited by guarantee, whose Directors were appointed by geographical sub-groups determined by ARNPA.
- A Joint Venture body or partnership established under arrangements between Department for Transport and Rail North Limited.

The proposed governance arrangements were attached at Appendix 1 of the submitted report.

Councillor Smaje emphasised that the proposed governance structure should be politically balanced.

Resolved: That the WYCA be recommended to enter into the proposed Rail North governance arrangements as outlined in the submitted report.

28. Petition – Pontefract Rail Services

The Committee considered a report on a petition received in relation to a campaign for improved rail services for Pontefract, Knottingley, Featherstone and Streethouse.

It was reported that the petition contained over 300 signatures supporting improved rail services to enable better access for work, education and leisure opportunities.

The petition focussed on the need for:

- Improved frequency of rail services between Knottingley, Pontefract and Leeds.
- Lack of direct services between Leeds and Featherstone/Streethouse.
- Improved quality of rolling stock and improvement in peak capacity.

The Committee commented that the petition highlighted a number of issues that affected many parts of the rail network across West Yorkshire and that the petitioners' key concerns should be incorporated into the WYCA's response to the Northern and TransPennine Express franchise consultation.

Resolved:

- (a) That the key messages of the petition be incorporated into the WYCA response to the Northern and TransPennine Express franchise consultation.
- (b) That the petitioners be thanked.

29. Local Transport Plan Approvals

The Committee considered a report which sought funding approval for previously approved programmes and schemes and new opportunities for utilising external funding as follows:

- Local Transport Plan Integrated Transport, Highway Maintenance, Cycle City Ambition Grant and West Yorkshire 'Plus' Transport Fund for Quarter 2.
- Huddersfield Rail Station Gates.

Integrated Transport Block and Highways Maintenance Block Quarter 1 2014/15 Allocations

It was noted that the proposed Integrated Transport Block and Highways Maintenance Block (Quarter 1) allocations for 2014/15 were outlined in Table 1 of the submitted report.

Comment was made that further work had been undertaken to provide a more detailed programme for the IP2 Delivery Plan which had resulted in the need to make a number of minor changes that would carry through to the quarterly payments. The proposed changes that were reflected in the revised quarterly payments were attached at Appendix 1 of the submitted report.

Highway Maintenance Block Funding

Details of the Highways Maintenance Block funding distributed between the District Councils was attached at Appendix 2 of the submitted report.

Cycle City Ambition Grant

It was reported that the funding allocated to partners in accordance with the forecast spend at the start of each quarter was detailed in Appendix 3 of the submitted report.

West Yorkshire Plus Transport Fund

It was reported that Table 1 in Appendix 4 of the submitted report detailed the proposed payments to progress the West Yorkshire plus Transport Fund early win schemes.

Members noted that a review of the Fund would be required following the funding announcement made by the DfT as part of the settlement of the Strategic Economic Plan (SEP) bid to the Local Growth Fund.

Huddersfield Rail Station Gates

It was reported that following discussions with the DfT and the train operators, approval was now being sought towards the ITSO smart enabling of Huddersfield Rail Station gates. Comment was made that following advice received from the DfT, the funding would be made up from a combination of Section 56 grant funding and through a revenue grant payment.

Members noted that discussions regarding smart enabling of the gates at Wakefield Westgate Rail Station were ongoing.

Transport Hubs Implementation Plan 2 Programme

Members were advised that the proposed expenditure on the IP2 Transport Hubs Programme had been deferred pending the review of the impact of the SEP announcement on the Local Transport Plan being undertaken.

Resolved:

- (a) That the quarterly payments as set out in Table 1 of the submitted report be approved.
- (b) That the expenditure of £189,135 to fund the works to Huddersfield Rail Station Gates, to be funded by DfT Grant (£153,135) and Better Bus Area Fund (£36,000), be approved.

30. Travel Choices – Accessibility and Equality Initiatives

The Committee considered a report which provided details of the approach taken in recent years to understand accessibility issues relating to public transport in West Yorkshire, and to establish improvements.

Members noted the report which outlined the WYCA's approach to equality and accountability in terms of engagement and understanding the needs of passengers.

In welcoming the report, members highlighted the success of the Safer Places Scheme at bus stations in Bradford, Calderdale, Kirklees and Leeds.

Resolved: That the value of the activities outlined in the submitted report and the proposed liaison with a wide range of representative groups be endorsed.

31. Petition – Service X15

The Committee considered a report in respect of a petition which had been received regarding service X15 and the response that had been made.

Members were advised that following the withdrawal of Service X15 a petition had been received from the residents of Daisyfield Grange, Rossefield Manor requesting the reinstatement of a direct service along Stanningley Road to Pudsey. Representations had now been received from First, who operate Service 15, had indicated that their decision to withdraw the service was due to low passenger numbers and the availability of alternative services.

Resolved: That no further action be taken and the petitioners be thanked.

32. Strategic Economic Plan – Transport Funding Announcements

The Committee considered a report which provided details of the funding announced on 7 July 2014 as part of the settlement of the Strategic Economic Plan (SEP) bid to the Local Growth Fund.

In welcoming the successful bid, the Transport Committee noted that the Leeds City Region had secured the largest settlement in the country of £573m for the Growth Deal period from 2015-21. This settlement included £180m for the West Yorkshire plus Transport Fund (WY+TF) and a further £420m to be provided between 2020/21 and 2034/35 for the Transport Fund (£30m per year). Therefore, together with the £183m Major Scheme Funding previously secured through the City Deal process and local contributions, this would produce a £1bn Transport Fund.

Resolved: That the report be noted.

ITEM 18

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE & YORK INVESTMENT COMMITTEE
HELD ON WEDNESDAY 16 JULY 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 Peter McBride	-	Kirklees MC
	Cllr Richard Lewis	-	Leeds City Council
	Cllr Denise Jeffery	-	Wakefield MDC
	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
	Patrick Bowes	-	Leeds City Region
	Jeff English	-	WYCA
	Ruth Chaplin	-	WYCA

Observers: Councillors Eric Firth and James Lewis

11. Election of Chair and Deputy Chair

Councillor D Green was proposed and seconded for the position of Chair.

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

Resolved –

- (i) That Councillor Green be appointed to the position of Chair of the Committee.
- (ii) That Councillor Alexander be appointed to the position of Deputy Chair of the Committee.

12. Apologies for Absence

There were no apologies for absence.

13. Declarations of Disclosable Pecuniary Interests

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

14. Exclusion of the Press and Public

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

15. Minutes of the Meeting held on 15 May 2014

Resolved: That the minutes of the West Yorkshire and York Investment Committee held on 15 May 2014 be approved and signed by the Chair.

16. West Yorkshire Plus Transport Fund and Carbon Emissions

The Committee considered a report which provided an update on progress with securing outcomes from the West Yorkshire Plus Transport Fund (WYTF) and also sought the Committee's endorsement for the development of a 'Sustainability Plan' and an on-going series of case studies.

Sustainability Plan Proposals

It was noted that the Green Economy Panel had recommended the proposals for the development of a Sustainability Plan to explore opportunities for embedding sustainable design and attracting match funding. Members emphasised the importance of considering 'cost neutral' opportunities.

Case Studies

The Transport Portfolio Advisory Group had proposed a 'case study' approach which would help inform the development of the Sustainability Action Plan. Together with the West Yorkshire Flood Relief Partnership they had endorsed the following projects which covered a range of different infrastructure types, partners and opportunities:

- Wakefield Eastern Relief Road
- Aire Valley Park and Ride
- Cooper Bridge junction improvement

The Committee was advised that the incorporation of enhancements in the Transport Fund projects was dependent on additional funding being secured and demonstrating added value. Additional funding to deliver improved sustainable outcomes would be sought from appropriate funding sources, specifically including the European Structural Investment Fund.

Resolved –

- (i) That the preparation of a Sustainability Plan, to be developed by the Combined Authority in conjunction with the Green Economy Panel, be endorsed.
- (ii) That the selection of the three named case studies to develop an understanding of how integrated solutions could be defined, costed and benefits assessed, with the intention to roll out this approach to other Transport Fund projects be endorsed.
- (iii) That the potential for European funding to deliver the enhancements identified in the Sustainability Plan and case studies be noted.

17. West Yorkshire Plus Transport Fund and Local Employment

The Committee considered a report which provided an update on work to maximise the benefits of the West Yorkshire Plus Transport Fund for local residents and supply chains through a new approach to procurement. The report also set out the next steps to maximise the benefits for local supply chains, skills, training and apprenticeships for local residents.

It was reported that the Government Treasury Office (HMT) would be publishing an 'Infrastructure Procurement Route Map' in July 2014. It was expected that the Route Map would focus on how delivery risks associated with major investment programmes could be managed, how efficiencies could be achieved and how added value could be secured through addressing the areas of complexity, capability and alignment for success at the outset of a major programme of investment.

Members noted the initial set of findings from work undertaken to consider how benefits could be secured which were outlined in the submitted report and were advised that a review of the key issues raised in the Government's Infrastructure Procurement Route Map would be carried out once it had been published.

In respect of procurement, it was suggested that a 'Meet the Buyer' event should be held to encourage local companies to be involved in the procurement and supply chain process. Members stressed the need to identify any skills shortages and, where necessary, introduce training programmes and ensure that people were aware of where employment opportunities existed. Comment was made that it was important to also focus on high skilled jobs outside the area in order to further maximise the economic benefits for the city region and it was suggested that this should be considered by the Employment and Skills Board.

It was reported that a presentation had been given by the Joseph Rowntree Foundation to the Employment & Skills Board on work being undertaken to facilitate economic growth and further information would be provided at the next meeting.

Resolved –

- (i) That the potential for the Transport Fund delivery programme to make a significant impact on local employment and supply chains be noted.
- (ii) That the proposed approach to maximising impacts on local employment, skills, training and the supply chain be endorsed.
- (iii) That a report be prepared for a future meeting setting out progress and the implications from the Infrastructure Procurement Route Map and the proposed long term approach to procurement.
- (iv) That a 'Meet the Buyer' event be arranged to encourage local companies to be involved in the procurement and supply chain process.
- (v) That a report be prepared on the work being undertaken by the Joseph Rowntree Foundation.

18. West Yorkshire Plus Transport Fund Progress Report

The Committee considered a report which provided an update on progress with developing projects and programmes within the West Yorkshire Plus Transport Fund Portfolio. The report also provided information on the balance of expenditure between internal and external resources in progressing the Transport Fund to date and advised the Committee of the requirement to update the Assurance Framework which is the process by which major transport investments are appraised to ensure they offer value for money.

Members noted the progress with the set of 'early win' Transport Fund projects and activities which were being overseen by the Transport Portfolio Advisory Group. A copy of the 'Portfolio Dashboard' which listed the schemes being progressed using capital money set aside from the levy in 2012/13 and 2013/14, was attached to the submitted report. It was noted that York Council had allocated funding to specifically develop those schemes in York. Members asked that the regeneration schemes also be mapped onto an appropriate dashboard for consideration at future meetings.

The Committee noted the further information which had been previously requested in respect of the balance of using external and internal advice to progress with the development of schemes. It was reported that the Districts had now allocated specific internal resources to work on the transport fund early win priorities and, in view of the recent Growth Deal announcement, it was considered appropriate to review the split between future internal and external resources and the potential to expand internal capacity and capability. The Committee noted that the Assurance Framework would also be reviewed in view of the announcement and this would include future staffing requirements. It was proposed that this be considered by the WYCA at a future meeting.

It was reported that the Local Growth Fund settlement provided flexibility on programme delivery but stressed the need to ensure that economic investment opportunities including new housing developments were aligned with transport infrastructure schemes. Councillor Alexander advised the Committee of the Milton Keynes tariff model and members suggested that all options and good practice amongst other local authorities should also be explored.

Resolved –

- (i) That progress with developing the ‘early win’ projects be noted.
- (ii) That the regeneration schemes be mapped onto an appropriate dashboard for consideration at future meetings.
- (iii) That the Assurance Framework related to the DfT major schemes allocation and staffing requirements be reviewed in light of the recently announced Growth Deal.
- (iv) That all options and areas of good practice in programme delivery amongst other local authorities be explored.

19. LTP Feasibility and LTP Monitoring/Evaluation Evidence

The Committee considered a report which sought endorsement to recommend to the Transport Committee to allocate LTP funding to support LTP Feasibility Studies and LTP Monitoring and Evaluation Evidence Data sets.

It was reported that the Interim 2nd Implementation Plan (IP2) for 2014-17 included provision of £167,000 per year (£500,000 for 3 years 2014/15-2016/17) to support the LTP for feasibility and monitoring and evaluation work.

In respect of LTP Feasibility Studies, it was noted that the £67,000 per year allocation was included for District/WYCA partners to undertake feasibility and study work to determine whether a proposed scheme should progress to future development within the SEP or LTP. A further £100,000 per year was allocated to maintain the transport evidence sets across West Yorkshire. The work was necessary to provide essential evidence to justify the case for investment and to inform the selection of future schemes and programmes within the SEP and LTP.

Resolved –

- (i) That the allocation of £500,000 of capital funding to support the work on LTP Feasibility Studies and LTP Monitoring and Evaluation Evidence data sets for 2014/15 – 2016/17 as detailed in Section 2 of the submitted report be endorsed.
- (ii) That approval for the expenditure be sought from the WYCA or Transport Committee.

20. LCR Green Deal and Eco Scheme

The Committee considered a report which provided an update on the process to procure a private sector partner to deliver a Green Deal and Energy Company Obligation (ECO) Scheme across the Combined Authority and Leeds City Region area. The report also sought the support for the WYCA to enter into the strategic Framework Contract with the preferred provider once the procurement process was complete and subject to appropriate legal advice and acceptable risk.

Members noted that the Green Deal was one of the Government's flagship initiatives to tackle fuel poverty. The scheme would operate by providing energy efficiency and other works at no upfront cost to the householder with those works being financed through a loan to be paid back via the householder's fuel bill.

The Committee noted the scale of the challenge in reducing fuel poverty, economic opportunities and project delivery risks which were detailed in the submitted report. It was noted that many 'easy win' schemes had been completed. However it was stressed that any new contract needs to ensure that the areas in greatest need are targeted in the programme. It was considered that by entering into a collective eight year contract arrangement, local authorities' procurement costs will be significantly reduced and the best deal for residents and businesses across the city region will be secured.

Also a key part of the contract will be to ensure local job creation is maximised with local contractors and suppliers benefitting from the opportunities that a long term major contract can provide.

Members were advised of the procurement process and the subsequent contractual arrangements including the strategic Framework Contract which would be required, subject to the proposals being approved by the WYCA.

Resolved –

- (i) That the economic benefits to the Authority's area of the Leeds City Region Green Deal & Eco Scheme proposals be noted.
- (ii) That the WYCA be recommended to enter into arrangements with the City Region authorities and, in particular, with Leeds City Council as to the appraisal of the bidders' tenders and the operation of the framework once awarded.
- (iii) That the WYCA be recommended to enter into a contract with the successful bidder as the Framework Manager.

21. Superfast Broadband Extension Programme

The Committee considered a report which provided an update on the preparatory

work in preparing for a Superfast Broadband Extension Programme for 2015-17 to cover West Yorkshire and York.

It was reported that following liaison with the Chair of the Investment Committee and the West Yorkshire and York Broadband Project Board Chairs, a further submission was sent to Government by the end of June 2014 deadline. The key points of the submission had reflected the Combined Authority's continued commitment to developing a superfast broadband programme. However this would be subject to further work being undertaken and the need to prioritise locations, particularly in deprived areas which had not been part of the current commercial and other roll-out programmes. It was recognised that Superfast Broadband was a significant part of the Local Growth Deal and there were many areas which had been identified which still did not have access to an adequate connection. Comment was made that suppliers should share networks to avoid disruption caused by cabling works and it was suggested that this be followed up with the industry.

Members were updated on the further work needed to identify areas across West Yorkshire and York which the public sector could invest in, in accordance with State Aid rules and the Open Market Review (OMR) which had been undertaken. It was reported that the Government have been made aware of the issues relating to the lack of responses from the industry and they were seeking to intervene on behalf of the Authority. It was noted that the State Aid Exemption for the broadband programmes was due to expire in June 2015. Members commented that it was important that an extension be negotiated by the Government for the programmes, but programme preparations should proceed on the basis that an extension is not secured as if not successful any future programme would need to be in contract by June 2015. A Ministerial report incorporating the Super Connected Cities (SCC) issues had been considered by the Prime Minister and confirmation of the results from further consideration of the issues is awaited.

The Committee discussed the proposed timescales for preparing the extension programme which were detailed in the submitted report. It was anticipated that the WYCA would consider proposals on the appropriate procurement option(s) in September 2014 and the Investment Committee could consider any further detailed points and actions required at their meeting in October 2014. It was suggested that the two main infrastructure providers be invited to a future meeting to outline their position in respect of providing broadband infrastructure.

Resolved –

- (i) That the further submission to Government in June 2014 be noted.
- (ii) That progress, particularly in respect of the outstanding concerns and activity being undertaken to address them, be noted.
- (iii) That the proposed timetable as set out in paragraph 2.8 of the submitted report be endorsed for consideration by the Combined Authority at the meeting to be held on 24 July 2014.

- (iv) That the proposal to submit procurement options and costings be endorsed for consideration by the Combined Authority at the meeting to be held on 18 September 2014
- (v) That the two main suppliers be invited to a future meeting to outline their position in respect of providing broadband infrastructure.

22. Leeds City Region Strategic Economic Plan - Update

The Committee considered a report which provided an update on the latest position in relation to discussions with Government over a 'growth deal' for Leeds City Region.

The Committee was advised that the Government had announced the Growth Deals for all LEPs on 7 July 2014 and a copy of the Deal was attached to the submitted report.

In welcoming the successful bid, members noted that the Leeds City Region had secured the largest settlement in the country of £573m for the Growth Deal period from 2015-21. This settlement included £180m for the West Yorkshire plus Transport Fund (WY+TF) and a further £420m to be provided between 2020/21 and 2034/35 for the Transport Fund (£30m per year). Therefore, together with the £183m Major Scheme Funding previously secured through the City Deal process and local contributions, this would produce a £1bn Transport Fund.

Members welcomed the results of the Growth Deal and thanked all those involved in developing the SEP.

Resolved – That the update in respect of the Leeds City Region Growth Deal be noted.

23. Single Appraisal Framework

The Committee considered a report and presentation which provided an update on progress in piloting the emerging LCR Single Appraisal Framework (SAF) on projects and programmes and outlined the next steps in developing the SAF.

It was reported that following the last meeting, six projects had been identified to initially test the emerging SAF appraisal approach. These provided a broad range of types of projects in locations across the city region, including a major scheme that had already been completed. The appraisal testing of the projects had now been completed and Members noted the key issues and outcomes from the testing. It was proposed that a further test should be carried out and it was considered that this should be a more conventional multi-modal transport scheme.

Members noted that a SAF workshop had been arranged for officers from local authority partners and other public sector organisations. The workshop would focus

on reporting on the initial testing phase and discussing the expectations on project managers and sponsors to enable their projects to be considered through the SAF. It was noted that potential sponsors would be provided with a checklist and FAQ document.

It was proposed that following the testing phase, comments from the Committee and the wider workshop would inform revisions to the SAF appraisal criteria and approach. Members stressed that the language used in the SAF should be easy to understand and asked for a copy of the matrix appraisal documentation for scoring each of the schemes to be circulated prior to the next meeting. A report on the final proposals would be prepared for the next meeting of the Committee to be held on 1 October 2014.

Resolved –

- (i) That progress with the development of the LCR Single Appraisal Framework proposals be noted, including that when finalised and in place, the SAF will form the single appraisal mechanism informing WYCA and LCR LEP decisions on all investment projects and programmes.
- (ii) That the outputs and issues raised from the initial testing phase of the SAF appraisals be noted.
- (iii) That the proposed reporting of SAF outputs to the Committee be noted.
- (iv) That a copy of the appraisal documentation used for scoring the schemes be circulated to members prior to the next meeting.
- (v) That a report on the revised proposals for the SAF be prepared for the next meeting of the Committee to be held on 1 October 2014.

ITEM 19

MINUTES OF THE MEETING OF THE OVERVIEW & SCRUTINY COMMITTEE HELD ON MONDAY 21 JULY 2014 IN WELLINGTON HOUSE, LEEDS

Present:	Cllr Stephen Baines (Chair)	-	Calderdale MBC
	Cllr Ferman Ali	-	Calderdale MBC
	Cllr Keith Aspden	-	City of York Council
	Cllr James Baker	-	Calderdale MBC
	Cllr Pauleen Grahame	-	Leeds City Council
	Cllr Kim Groves	-	Leeds City Council
	Cllr Julie Gunnell	-	City of York Council
	Cllr Ron Halliday	-	Wakefield MDC
	Cllr Peter Harrand	-	Leeds City Council
	Cllr Hassan Khan	-	City of Bradford MC
	Cllr Albert Manifield	-	Wakefield MDC
	Cllr Betty Rhodes	-	Wakefield MDC
	Cllr Michelle Swallow	-	City of Bradford MC
	Cllr Graham Turner	-	Kirklees MC

In attendance:

Angela Taylor	-	WYCA
Nick Winney	-	WYCA
David Burrell	-	WYCA
Ruth Chaplin	-	WYCA

1. Appointment of Deputy Chair

Councillors James Baker and Pauleen Grahame were proposed and seconded for the position of Deputy Chair. A vote was taken as follows:

James Baker:	6 votes
Pauleen Grahame:	5 votes

Resolved: That Councillor James Baker be appointed to the position of Deputy Chair of the Committee.

2. Apologies for Absence

Apologies for absence from Councillors Barbara Boyce, Simon Cooke, Andrew Cooper, Hassan Khan and Andrew Palfreeman were noted.

3. Declarations of Disclosable Pecuniary Interests

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

4. Exclusion of the Press and Public

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

5. Forward Work Programme

The Committee considered a report on the proposed work programme for the Committee for 2014/15.

It was noted that in addition to scrutinising decisions there were a number of significant areas of activity which the Committee may wish to consider in more detail and a proposed forward plan of work was set out in the submitted report. In noting the work programme members suggested that the Committee also consider the following:

- Cycle City Connect – Leeds-Bradford Cycle Superhighway
- Green economy and development work
- Single Appraisal Framework (SAF)
- Bus Strategy
- HS2

The Committee was advised that the programme could be amended and supplemented by further items as they were identified during the year. Additional meetings could also be arranged on an ad hoc basis.

In respect of the proposals to consider Rail North at the next meeting, Councillor Harrand suggested that as Transport for Greater Manchester (TfGM) had been established as a Combined Authority for some time and, because of their involvement with Rail North, it might be worthwhile observing a meeting of their Scrutiny Committee. Members would be provided with further information regarding this suggestion.

The Committee agreed that future meetings continue to be held in Leeds. It was however suggested that if an item for consideration related to a particular Authority, the meeting could then be held in that district.

Members discussed the Committee's terms of reference and Scrutiny standing orders which provided information on arrangements for meetings and the call-in of

decisions. Copies of these were attached at Appendices A and B to the submitted report.

Terms of Reference

With regard to paragraph 1 of the terms of reference, it was suggested that this be amended to read: “To review, *oversee* or scrutinise”.

Standing Orders

Members discussed the calling-in procedure for the Committee. It was considered that the timescales for calling-in were too stringent and did not provide sufficient time for 5 members from 2 Authorities to notify the WYCA of their request.

In respect of paragraph 13.3.2 of the Standing Orders, it was requested that the length of time for registering a call- in following decisions made by the WYCA or Transport Committee be extended to 5 *working* days instead of 3 days.

In respect of paragraph 13.5.1, It was requested that this be amended to: “..... within 7 clear *working* days”.

It was noted that the proposed amendments would need to be approved by the WYCA.

Resolved –

- (i) That the additions to the forward programme of work be approved.
- (ii) That members be provided with further information in respect of the proposed visit to Transport for Greater Manchester.
- (iii) That a report be prepared for consideration by the WYCA in respect of the proposed amendments to the Overview and Scrutiny Committee’s terms of reference and standing orders.

6. Introduction to the WYCA

The Committee considered a report and were given a presentation on the activities and funding arrangements of the West Yorkshire Combined Authority (WYCA) in order to inform the areas of work which the Committee may wish to consider.

It was noted that the WYCA had been established to bring together transport and economic investment and new governance and committee arrangements had been put in place to ensure effective decision making could be made. The WYCA had adopted the Local Enterprise Partnership’s (LEP) Strategic Economic Plan (SEP) and work was being undertaken to ensure that the new organisation’s activities were aligned with the key objectives in the SEP. Members were advised that a review of current capital plans and resourcing would be needed following the successful outcome of the Local Growth Fund bid. In noting the successful Strategic Economic Plan (SEP) bid, members commented on

the need to identify skills sets including the connection with schools, colleges and universities with a view to promoting apprenticeship and training schemes.

The Committee noted that for the current year the former WYITA had put in place capital and revenue budgets to deliver the Transport Business Plan 2014/15 which was attached at Appendix A. The Plan and associated budgets were endorsed by the WYCA in May 2014 and further details on the revenue and capital budgets were outlined in the submitted report. Members were advised that budgets associated with City Region/SEP/LEP activities were currently not within the WYCA's remit but would be moved across and form part of the budget negotiations for 2015/16.

Members requested further information in respect of the relationship between third sector involvement, the SEP and EU funding.

The Committee thanked Angela Taylor for her very informative presentation.

Resolved –

- (i) That the activities of the WYCA be noted.
- (ii) That a briefing note in respect of third sector, the SEP and EU funding be prepared for members.

ITEM 20

**MINUTES OF THE MEETING OF THE
GOVERNANCE & AUDIT COMMITTEE
HELD ON TUESDAY 29 JULY 2014 IN WELLINGTON HOUSE, LEEDS**

Present: Councillor H Richards (Chair)

Councillors S Baines, G Burton, R Downes and G Hussain

In attendance: A Lince (Deloitte)

12. Appointment of Chair

Prior to a vote being taken, Councillor Ryk Downes expressed his disappointment that the position of Chair would not be a Liberal Democrat nomination.

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

Resolved - That Councillor Richards be appointed Chair.

13. Apologies for Absence

Apologies for absence were received from Councillors L Smith (Bradford), R Light (Kirklees) and N McIlveen (York).

14. Declarations of Disclosable Pecuniary Interests

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

15. Minutes

Resolved - That the minutes of the meeting held on 30 April 2014 be approved

16. External Audit Arrangements

The Committee considered a report on the appointment of External Auditors.

It was reported that whilst Deloitte had been confirmed as the Authority's Auditors for 2014/15, the Audit Commission had recently undertaken a procurement process which would result in the appointment of new auditors for a number of local

authorities from 2015/16 onwards. In this regard the Audit Commission had proposed the appointment of Mazars LLP from April 2015.

In response to a question raised by Councillor Hussain, members were advised that a review of the appropriate level of fees for 2014/15 was being undertaken by the Audit Commission. It was pointed out that the WYCA had previously made representations that it would expect a reduction in the level of fees in recognition of becoming a single organisation.

Resolved - That the external appointment made by the Audit Commission be noted.

17. Internal Audit Progress Report

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

It was reported that the following 6 areas of work had been reviewed since the last meeting and these were detailed in the submitted report along with the Audit Opinion.

<u>Review</u>	<u>Opinion</u>
LTP Capital Programme Management	Well Controlled
Expenses	Controlled
NGT Project Risk Management	Well Controlled
LSSE Project Risk Management	Well Controlled
Human Resources –VfM Performance Indicators	Controlled
Petty Cash	Well Controlled

Care North Plus – Grant Certification

It was reported that an audit of expenditure in respect of Carbon Responsible Transport Strategies for the North Sea area (CARE NORTH PLUS) activities was performed for the claim period from 8 April 2013 to 31 May 2014.

Members were advised that the Internal Audit Manager was able to certify that €29,414 was eligible to be claimed in that period.

Resolved - That the report be noted.

18. Quality Assurance and Improvement Programme 2014

The Committee considered a report on the Quality Assurance and Improvement Programme 2014 for Internal Audit.

It was reported that the Public Sector Internal Audit Standards (PSIAS) required the formal documenting of a Quality Assurance and Improvement Programme (QAIP). The QAIP covered all aspects of the Internal Audit activity during the assessment of the efficiency

and effectiveness of Internal Audit and identified opportunities for improvement through both internal and external assessments.

A copy of the QAIP for the West Yorkshire Combined Authority was attached at Appendix A to the submitted report. Members were advised that the QAIP would be reported to the Governance and Audit Committee on an annual basis.

Resolved - That the West Yorkshire Combined Authority's Internal Audit Quality Assurance and Improvement Programme 2014 be noted and recommended to the WYCA for approval.

19. Annual Internal Audit Report and Opinion

The Committee considered the Annual Report of the Internal Audit Manager which detailed work which had been undertaken during 2013/14 for the West Yorkshire Integrated Transport Authority and West Yorkshire Passenger Transport Executive.

It was noted that the Public Sector Internal Audit Standard, PSIAS 2450 required the Chief Audit Executive to provide an annual report to support the Annual Governance Statement.

The Committee was informed that from the work undertaken during the year, Internal Audit had reached the opinion that the key systems were operating adequately and that there were no outstanding significant issues.

Resolved - That the Annual Internal Audit Report and Opinion be noted.

20. Review of Internal Control and Effectiveness of Internal Audit

The Committee considered a report on the effectiveness of the Internal Audit function as required under the Accounts and Audit (England) Regulations 2011.

It was reported that there was a requirement for the Authority to review the effectiveness of its Internal Audit function at least once a year and that the findings of the review must be considered as part of the system of internal control.

The Committee was advised that the Director of Resources had undertaken a review of Internal Audit, using the Public Sector Internal Audit Standards (PSIAS) checklist and the information in the Internal Audit Annual Report. The overall conclusion was that the Internal Audit function complied with the necessary standards and had worked to an adequate standard during the year.

Comment was raised that there were some minor instances of non-compliance with the PSIAS. Those areas would be addressed as the new governance arrangements of the Combined Authority were developed during 2014/15.

Resolved - That the outcome of the review of internal control and the effectiveness of the Internal Audit be agreed and recommended to the WYCA for approval.

21. Internal Controls and Financial Monitoring

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

Internal Controls

It was reported that since the last meeting there had been no significant changes to the arrangements for internal controls within the Combined Authority. Comment was made that in addition, regular governance meetings continued to be held with Leeds City Council to consider and review the transactions relating to investments and treasury management being carried out jointly with Leeds City Council.

Financial Monitoring – Revenue Budget

It was reported that expenditure was in line with the budget agreed by the former WYITA in February 2014 and re-endorsed by the Combined Authority in April 2014. Members noted a number of minor increases in concessionary travel reimbursement which had been offset by savings in tendered services.

Financial Monitoring – Capital Budget

It was reported that the Capital Programme was being reviewed following the successful outcome of the Local Growth Fund Bid. Members were advised that good progress was being made on schemes in the current financial year and that future years' plans would be updated as part of the work in progressing the Single Transport Plan.

Risk Management

It was reported that the Risk Register, which set out the detailed arrangements for risk management in the organisation, had been updated to reflect the new Combined Authority.

Members noted that no significant changes to risks had been identified since the last meeting.

Resolved - That the report be noted.

22. Approval of Annual Accounts for 2013/14

The Committee considered a report on the annual accounts for 2013/14 for the West Yorkshire Passenger Transport Executive and the West Yorkshire Integrated Transport Authority.

It was reported that the Annual Accounts had now been produced and Deloitte had completed its audit work. The report provided members with the information required to consider the Accounts prior to recommending them for approval by the Combined Authority at its meeting in September 2014.

Members also considered the external auditor's ISA 260 report which set out details of the audit work and conclusions and they were given the opportunity to ask questions of Deloitte. In this respect, Mr Lince from Deloitte advised the Committee that an unmodified Audit Opinion and an unqualified opinion on the VfM conclusion would be given on both sets of accounts and that no changes would be required.

Resolved –

- (i) That the revenue and capital grants to the WYPTE as set out in the report be recommended for approval.
- (ii) That the Treasury Management policy and the methods of capital funding as set out in Appendix 3 of the submitted report be recommended for approval.
- (iii) That Deloitte's final reports be noted.
- (iv) That the annual accounts for the WYITA and WYPTE for the year ended 31 March 2014 be recommended for approval to the WYCA.