

**MEETING OF THE WEST YORKSHIRE COMBINED AUTHORITY
TO BE HELD ON FRIDAY 20 NOVEMBER 2015 (11.00 am)
AT WELLINGTON HOUSE, LEEDS**

A G E N D A

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**
- 3. EXCLUSION OF THE PRESS AND PUBLIC**
- 4. MINUTES OF THE MEETING HELD ON 17 SEPTEMBER 2015**
(pages 4 – 13)

Matters For Decision

- 5. LEEDS CITY REGION GROWTH DEAL DELIVERY AND BUDGET APPROVALS**
(Member lead: Cllr Green, Author: Rob Norreys)
(pages 14 - 22)
- 6. WEST YORKSHIRE AREA BASED REVIEW OF POST-16 EDUCATION**
(Member lead: Cllr Green, Author: Rob Norreys)
(pages 23 – 25)
- 7. LEEDS CITY REGION STRATEGIC LAND AND ASSETS BOARD**
(Member lead: Cllr Green, Author: Rob Norreys)
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8. ORGANISATIONAL DEVELOPMENT
(Member lead: Cllr Box, Author: Angela Taylor)
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9. APPOINTMENT OF MANAGING DIRECTOR
(Member lead: Cllr Box, Author: Angela Taylor)
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For Information

**10. MINUTES OF THE MEETING OF THE WEST YORKSHIRE & YORK
INVESTMENT COMMITTEE HELD ON 6 OCTOBER 2015**
(pages 35 - 38)

Signed:

A handwritten signature in blue ink, appearing to read 'AS Lytle', is written over a light blue rectangular highlight.

Head of Paid Service WYCA

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

- (a) Files containing documentation relating to items to be discussed at the meeting may be inspected by contacting the named officer as detailed 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:	12 November 2015

ITEM 4

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY 17 SEPTEMBER 2015 AT WELLINGTON HOUSE, LEEDS**

Present:	CLlr Peter Box (Chair)	-	Wakefield MDC
	CLlr Barry Collins	-	Calderdale MBC
	CLlr David Green	-	City of Bradford MBC
	CLlr Peter McBride	-	Kirklees MC
	CLlr Judith Blake	-	Leeds City Council
	CLlr Chris Steward	-	City of York Council
	CLlr Jeanette Sunderland	-	Liberal Democrat Representative (City of Bradford MBC)
	CLlr Andrew Carter	-	Conservative Representative (Leeds City Council)
	CLlr Stephen Baines	-	Conservative Representative (Calderdale MBC)
	Roger Marsh	-	Leeds City Region LEP
In attendance:	CLlr Keith Wakefield	-	Chair of WYCA Transport Committee
	Adrian Lythgo	-	WYCA
	Angela Taylor	-	WYCA
	Nick Winney	-	WYCA
	Angela Shearon	-	WYCA

34. Apologies for Absence

Apologies for absence were received from Councillors Keith Aspden, David Sheard and Tim Swift.

35. Declarations of Disclosable Pecuniary Interests

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

36. Exclusion of the Press and Public

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

37. Minutes of the Meeting held on 23 July 2015

Councillor Sunderland requested that the minutes be amended as follows:-

Minute 27 (Leeds City Region Growth Deal Delivery Update)

Members requested that a further column be included in the dashboard to show the RAG rating of community benefits.

Minute 31 (Budgets for LEP Projects and Programmes)

That minute (ii) be amended to refer to 'community interest bodies' not 'authorities'.

Resolved: That, subject to the amendments detailed above, the minutes of the meeting of the WYCA held on 23 July 2015 be approved and signed by the Chair.

38. Leeds City Region Growth Deal Delivery and Budget Allocation Process

The Authority considered a report which provided an update on the delivery of the Growth Deal and the West Yorkshire plus Transport Fund (WY+TF) and on the position concerning the reallocation of Growth Deal expenditure in 2015/16.

Growth Deal Delivery and Expenditure Re-allocation 2015/16

Members were given an update on delivery of the Growth Deal and the West Yorkshire plus Transport Fund and noted the significant delivery to date on projects such as the Wakefield Eastern Relief Road, the Business Growth Programme and capital investment in further education colleges. It was reported that developments on two of the Growth Deal projects (Biovale and York Central flood alleviation) had put planned investment in 2015/16 at risk.

As discussed at the July meeting, due to delays and changes to projects originally identified, there was a sum of £4.2m to be re-allocated within the current year and the Authority agreed to reallocate £3.9m to new projects. Members' attention was drawn to the fact that if further Growth Deal funding was to be re-allocated within the current financial year in time for spend on any new projects by the end of March, decisions on the remaining £300,000 and the planned expenditure on Biovale and York Central would need to be taken quickly. The Investment Committee would be looking in detail at the progress of all Growth Deal projects, together with options to re-allocate funding and recommendations would be brought to the next meeting of the Authority.

Growth Deal Expenditure Allocation 2016/17

It was reported that the City Region had been given a provisional Growth Fund allocation of £127.7m for 2016/17. It was a matter for the LEP and the Authority to decide how the money would be allocated to specific projects and programmes, although it was acknowledged that some of the funding was already committed as a result of decisions on multi-annual projects already taken. The Investment Committee would be considering in detail each of the projects and programmes highlighted in green in Appendix 2 of the submitted report over the course of its next few meetings and would be bringing forward recommendations to the Authority on whether, and in what form, the projects should proceed, although given the pressures on the housing and regeneration allocation, the Investment Committee had recommended that first consideration be given to projects related to the City Regions' strategic development priorities.

Members stressed the need for absolute certainty on which schemes were in a position to move forward to ensure that the available funding was spent, particularly as there was no facility to carry-over any unspent allocation.

Resolved:

- (i) That the progress to date in delivering the Leeds City Region Growth Deal and other projects be welcomed.
- (ii) That a report be prepared for the next meeting outlining the latest position in respect of the Growth Deal budget for 2015/16 and presenting recommendations for budget re-allocation if required.
- (iii) That the outline of Growth Fund spending for 2016/17 detailed in Appendix 1 of the submitted report form the basis for next year's Growth Deal programme.
- (iv) That priority be given to the consideration of housing & regeneration projects due to commence in 2016/17 and subsequent years that come from the LEP's major strategic development priorities, as defined in the Strategic Economic Plan. Projects of lower strategic priority should only be considered once the major priority projects have been assessed and funds remain to be allocated.

39. West Yorkshire 'Plus' Transport Fund – Rail Package (Parking) Programme – Tranche 1 (Gateway 1)

The Authority considered a report on the progression through the Gateway process of the Rail Package (Parking) Programme – Tranche 1 (Gateway 1).

It was reported that as part of the West Yorkshire plus Transport Fund, a package of car park extensions at rail stations had been identified to enhance connectivity to, from and within West Yorkshire.

Members were informed that, in the interests of delivery, the programme had been split into two tranches with Tranche 1 consisting of four stations (Fitzwilliam, Horsforth, Mytholmroyd and South Elmsall) where there were no anticipated land ownership barriers. It was possible to commence construction of Tranche 1 during the 2015/16 financial year and approval was sought from the Authority to progress through Gateway 1 to Gateway 2.

It was reported that the remaining sites in Tranche 2 were subject to land acquisition issues. It was anticipated that those sites would be progressed for delivery within the first 3 years of the Fund being established subject to land ownership issues being resolved.

Councillor Baines asked whether the access road to Mytholmroyd station would be upgraded at the same time as the extension work took place on the car park and confirmation was given that this would be done.

Resolved:

- (i) That progression of the Rail Package (Parking) Programme – Tranche 1 through Gateway 1 be endorsed.
- (ii) That the allocation of £137,000, to be funded through Local Growth Deal Funding, to allow the preparation of detailed design, and the development of a full detailed business case for the Tranche 1 station car park extensions be approved.

40. Planning Review

The Authority considered a report which presented the findings of the Planning Review conducted by Leeds City Region Planning Portfolios Board.

At its meeting in September 2014, the Authority had requested that a review be carried out to explore and develop options on the potential roles of the WYCA and Leeds City Region LEP in adding value to the Duty to Cooperate, planning processes and strategic planning. The WYCA, LEP and local planning authorities had previously demonstrated a commitment to work collaboratively on planning issues through adoption of a Statement of Cooperation which had been supported by Government.

The Planning Review had now been completed and a full set of draft recommendations were set out in the submitted report and had been discussed and agreed with Leeds City Region Authorities in advance of the meeting. Key recommendations included:-

- WYCA to provide formal consultation responses at publication draft stage in the preparation of local development plans;

- In addition to ongoing comments on detailed transport matters, WYCA to also comment on planning applications from a strategic perspective, on an exception basis;
- WYCA to implement resource-sharing activity relating to minerals and waste;
- The potential for further joint working opportunities should be explored;
- Introduction of a spatial element to the SEP.

Members welcomed the review and in particular the potential arising from it to strengthen joint working arrangements and shared resources on planning matters, including identifying potential cost savings and efficiencies at a time of diminishing resources within local planning authorities. However, comment was made that, in implementing the recommendations of the review, it was important to ensure that the WYCA was involved at the appropriate level and not become involved in minor planning issues.

Resolved:

- (i) That the recommendations of the LCR Planning Portfolios Board in relation to enhanced strategic planning and enhanced supporting roles for WYCA be approved.
- (ii) That the Leeds City Region Statement of Cooperation be updated with the agreed recommendations
- (iii) That a report be prepared for a future meeting of the WYCA on progress in implementing the recommendations.
- (iv) That any proposals for further enhanced roles, taking into account any devolution proposals by the Combined Authority/LEP, be brought back to the WYCA for consideration and decision.

41. Governance and Audit Committee Recommendations

The Committee considered a report on decisions recommended by the Governance and Audit Committee at its meeting held on 28 July 2015.

The following were recommended to the Authority for consideration and formal approval:-

- **Internal Audit Quality Assurance and Improvement Programme (QAIP)**

The QAIP sets out the way in which Internal Audit will ensure it has robust assessment processes in place.

- **Review of internal control and of the effectiveness of internal audit**

The Governance & Audit Committee had considered the statutory annual review of internal control arrangements and the effectiveness of internal audit alongside the Internal Audit Annual Report for 2014/15 which provided an opinion that the frameworks were 'operating adequately'.

- **Approval of Annual Accounts 2014/15**

The Governance & Audit Committee had considered the first set of Annual Accounts of the Authority; there were no material issues arising during the audit that required any changes to the figures and a "clean" audit opinion was expected to be issued.

Resolved:

- (i) That the Internal Audit Quality Assurance and Improvement Programme be approved.
- (ii) That the conclusions of the review of internal control and the effectiveness of internal audit be confirmed.
- (iii) That the annual accounts for the WYCA for 2014/15 and the treasury management statement be approved.

42. Request to Change Overview and Scrutiny Committee Standing Orders

The Combined Authority considered a request from the Overview and Scrutiny Committee to amend Standing Orders in relation to call-in arrangements.

At its meeting on 23 July, the Overview & Scrutiny Committee considered the arrangements in place in the Scrutiny Standing Orders to enable them to call-in decisions of the Combined Authority and Transport Committee. It was felt that the time permitted to register a decision to call-in, given the need to co-ordinate such a decision across members from more than one District Council, was insufficient.

The Committee requested that the Authority give consideration to extending the 3 days required for registering a call-in to 5 working days.

Resolved: That the timescale for registering a call-in be extended from 3 to 5 working days.

43. Sustainable Urban Development Strategy

The Authority considered a report on progress made to date on developing the Sustainable Urban Development strategy for West Yorkshire & York.

It was reported that, at its meeting in July, the Authority agreed to act as the 'Intermediate Body' to oversee the Sustainable Urban Development (SUD) Strategy for West Yorkshire & York thereby allowing some devolved control over how a proportion (£17m) of the existing 2014-20 allocation of EU funding would be spent. Devolution of the entire European Structural and Investment Funds (ESIF) budget was one of the City Region's 'devolution asks' in current negotiations with Government.

Since the July meeting of the Authority, work to develop the SUD strategy document, which would guide how the funding would be allocated, had continued. The strategy, which would be in line with the existing Strategic Economic Plan and the ESIF strategy, was on course to be submitted by the Government's deadline of 25 September.

Members welcomed the opportunity to be able to determine where some of the existing funding allocation would be spent. Concerns were, however, shared about the long standing and ongoing debate about access to European funding and the ongoing delays in approving the start of the programme, which has affected cities across the UK.

Resolved: That the LEP Director oversees the submission of the SUD strategy to government, in consultation with the Chair of the Investment Committee.

44. Leeds City Region Strategic Economic Plan Revision

The Authority considered a report on the decision of the LEP Board to revise the Leeds City Region Strategic Economic Plan (SEP).

It was reported that the SEP, published in March 2014, had been created in response to a request from government for each LEP to produce a SEP that served as both a statement of its economic strategy and a bidding document for an allocation of the £12bn Local Growth Fund. The LCR SEP was regarded as one of the best 3 in the country and had been the basis of the six year £627m Growth Deal settlement received to date along with the additional award of £420m to support the West Yorkshire plus Transport Fund from 2021-35.

Members were informed that although there was no requirement from government for any LEP to update or revise their Plan, it had been agreed by the LEP Board that an update would be valuable particularly as the political and policy context had moved on with the emergence of the Northern Powerhouse, Transport for the North and devolution negotiations with government, together with fast moving economic changes. It was considered to be important to update the SEP to ensure that the City Region's policies were based on the most reliable and up-to-date evidence.

Members considered the outline timetable for revision of the SEP which would include a period of public consultation with an anticipated publication date of a revised Plan by March 2016. In parallel with the revision of the SEP, the Authority is

also developing a revised Single Transport Plan for West Yorkshire and efforts would be made to ensure that consultations for the SEP and the Single Transport Plan were co-ordinated and complementary.

Members were keen to ensure that there was a mechanism in place for them and members of the Authority's committees to comment on, and feedback into, the revised SEP.

Resolved:

- (i) That the decision of the LEP Board to revise the Leeds City Region Strategic Economic Plan be endorsed.
- (ii) That a revised draft of the SEP be brought back to the Combined Authority at a future date for comment/feedback.

45. Transport for the North

The Authority considered a report which provided an update on Transport for the North (TfN).

As Members were aware, work had been ongoing with other transport authorities across the north of England on development of Transport for the North. Following publication of the report 'The Northern Powerhouse: One Agenda, One Economy, One North' in March 2015, work had been progressing to develop a more detailed strategy for publication in spring 2016.

It was reported that TfN were focussing on the long term transformational changes to connectivity. Members were provided with updates on the various work streams including new east-west road and rail links, options for a more integrated Leeds station, and the development and early implementation of integrated and smart ticketing across the North. The work stream priorities for 2015/16 were set out in Appendix A to the submitted report. Members welcomed the vital work on inter-region connectivity and stressed the importance of integrated, smart ticketing.

The need to continue to make the case for electrification of the TransPennine route was recognised and members were informed that Cllrs Wakefield, Box and Green had written jointly to the Secretary of State seeking a meeting to set out the strong case for lifting the pause.

Members noted that work was in progress to establish Transport for the North on a statutory footing; an interim Chief Executive and Chair for TfN were being recruited and it was planned to start recruiting full time permanent staff. Options would be developed for a permanent base for TfN, potentially through a bidding process and, building on Rail North's location in Leeds, there would be an opportunity to make a case for the permanent base to be in the Leeds City Region. Furthermore, a

submission was being made to the government's Comprehensive Spending Review seeking a substantial future budget for TfN development costs.

Councillor Box informed the Committee of the need for northern authorities to work collectively as a 'Council for the North' and that WYCA would lead on this. It was suggested that a conference of these councils be held in Leeds, led by WYCA, and that Transport for the North could be at the heart of this.

With reference to Rail North, members were informed that arrangements were in place for staff to relocate to Wellington House in November and that David Hoggarth had been appointed as Rail North Director.

Resolved:

- (i) That progress on Transport for the North be noted.
- (ii) That the opportunities for WYCA to shape the work to ensure that it benefits the whole city region and to make the case for hosting the new organisation be noted.
- (iii) That David Hoggarth be congratulated on his appointment as Director of Rail North.

46. WYCA Medium Term Financial Strategy

The Authority considered a report on the development of the medium term financial strategy and a number of additions to the agreed budget following the award of further funding to the Leeds City Region Enterprise Partnership.

It was reported that the Finance Working Group had been overseeing a programme of work to ensure that in integrating the functions of the former West Yorkshire Integrated Transport Authority with the economic activities of the Leeds City Region Enterprise Partnership, the combined budgets were put to best use and met the needs of the enhanced and enlarged West Yorkshire Combined Authority.

Members were given an update on the work which had been carried out to date by the Group in reviewing the transport budgets with work in progress on the reserves strategy, treasury management policy and consequences of reducing spend. This had begun to shape a medium term financial strategy for the next 3 years which would need to reflect the funding required to support increased activities including devolution, rail, Growth Deal delivery and the West Yorkshire plus Transport Fund. Members noted that the use of reserves may be required to manage the increase in the short term but longer term savings would be needed if the funding received from the District Councils was not increased further than that required for the Transport Fund. Members acknowledged that the Group were looking at the reserves strategy and would in due course welcome further clarity on the level and use of reserves as well as clarity on changes in staffing levels.

A summary of the planned expenditure and funding for the next 3 years for the revenue and capital budgets was attached at Appendix A to the submitted report. It was reported that the LEP had successfully secured further funding for the following projects which required formal approval of the Authority:-

- Enterprise Adviser Continuation
- West Yorkshire and York Broadband Programme
- Central Heating Fund
- Apprenticeship Grant for Employers (AGE)

Resolved:

- (i) That the work to date on the development of the medium term financial strategy be noted.
- (ii) That the following budgets be approved:
 - (a) £150,000 for the Enterprise Adviser Continuation Phase 1;
 - (b) £7,252,733 for the West Yorkshire Broadband Phase 2;
 - (c) £2,300,000 for the Central Heating Fund;
 - (d) An increase in the Apprenticeship Grant for Employers to take it to £2,392,500, to be funded as set out in the submitted report.

47. Minutes of the meetings of the Transport Committee held on 12 June 2015 and 31 July 2015

Resolved: That the minutes of the meetings of the Transport Committee held on 12 June 2015 and 31 July 2015 be noted.

48. Minutes of the meeting of the West Yorkshire & York Investment Committee held on 6 July 2015

Resolved: That the minutes of the meeting of the West Yorkshire & York Investment Committee held on 6 July 2015 be noted.

Originator: Rob Norreys,
Head of Economic Strategy,
WYCA



ITEM 5

Report to: Combined Authority

Date: 20 November 2015

Subject: Leeds City Region Growth Deal Delivery and Budget Approvals

1. Purpose

1.1 To update the Authority on the status of the Growth Deal budget for 2015/16.

1.2 To ask the Authority to approve Growth Deal funding packages for several programmes and projects scheduled to commence delivery in 2016/17.

2. Growth Deal, 2015/16 – progress

2.1 The City Region has secured the largest Growth Deal of any area to date, and has been making substantial progress in delivering a range of schemes. Progress to date includes:

- building on the £29m in grants awarded through our Business Growth Programme to 420 companies prior to the start of this financial year, a further 110 companies have been awarded grants since April 2015, and the Programme is on track to spend its full £8m allocation for this financial year;
- three of the four skills capital project contracts are signed (ShIPLEY, Kirklees and Calderdale Colleges), while agreement on the fourth (Leeds City College) is expected quickly. Work on ShIPLEY College has already been completed and is well underway at Kirklees;
- housing and regeneration projects are progressing towards the planned spend level for this year, with the contract signed for the Halifax Town Centre scheme and contracts close to completion for Leeds Brownfield Sites, Leeds Red Hall, Barnsley Town Centre and Kirklees Housing Sites. Bradford Council has begun work on the One City Park site ahead of contract completion;
- contractors have been on site for seven months at Wakefield Eastern Relief Road, the first major scheme from the West Yorkshire plus Transport Fund to reach this stage. A substantial amount of development work is taking place on other projects to prepare the pipeline for delivery over the coming few years.

- 2.2 It is inevitable that there have also been substantial challenges facing the LEP and the Combined Authority in starting to deliver a major and diverse capital programme such as our Growth Deal. In a number of areas, unexpected changes and delays mean that some planned Growth Deal expenditure will not go ahead as planned this year. For example:
- investment in the BioVale and York Central schemes will now take place in 2016/17 (subject to approval of revised business cases), but the changes to these schemes came too late in this financial year to allow replacement projects to be approved;
 - there have been protracted contract negotiations regarding the skills capital scheme at Leeds City College. While these are now settled, this means it will not now be possible to invest the entire £7m on this project within the financial year, as originally planned;
 - a sub-contractor engaged in the Aire Valley Park & Ride scheme went into liquidation, resulting in a short delay to that project. A replacement has now been appointed and work will re-commence shortly;
 - it was originally envisaged that the entire project to build the Wakefield Eastern Relief Road would be completed in 2015/16, but while the work is well underway, it will continue into 2016/17.
- 2.3 The Investment Committee has examined progress in delivering the City Region's £68m Growth Deal allocation for 2015/16 in some detail at its recent meetings. The Committee has ensured that, as required by government, all possible efforts have been made to identify replacement investments where original plans have been delayed or amended.
- 2.4 Following questions from many LEPs across the country, government has now provided clarification about the nature of the financial flexibility available to the LEP and the Combined Authority once we have made best endeavours to find replacement Growth Deal projects, as described above. It has been confirmed that:
- it is permissible for part of the Growth Deal allocation in any one year to be spent on other capital projects for which the Combined Authority is responsible, provided that an equivalent sum can be made available in the following year for the Growth Deal;
 - it is the responsibility of the Director of Resources, working with the WYCA auditors, to agree on eligible capital spending: government is concerned principally to verify that the allocated sums have been spent on capital projects;
 - however, it remains the responsibility of the LEP and Combined Authority to deliver on the target outputs for 2021 agreed with government in relation to job creation and house building – we need therefore always to have regard to these targets in managing our capital budgets.
- 2.5 In practical terms, this means that the Authority will be able to manage its overall capital resources to ensure that we meet the government target to invest £68m in the current financial year. Every attempt will be made to maximise investment in the Growth Deal projects planned for this year, but – to the extent that this target is not

achievable – we will be able to re-allocate remaining Growth Deal funds to other investments by the Combined Authority in the knowledge that the equivalent sum will be available to add to Growth Deal resources in 2016/17. The Investment Committee has been considering the tactical measures that can be utilised to ensure expenditure is achieved. A full revenue and capital expenditure and funding profile for this year and next will be included with the budget papers that will be considered by the Authority in February.

3. Funding recommendations: Leeds City Region Growth Deal, 2016/17

3.1 In preparation for delivery of the City Region’s Growth Deal programme for 2016/17, the Investment Committee has considered the following funding proposals for the coming year:

- an Access to Capital Grants Programme under pillar 1 of the Strategic Economic Plan (‘supporting growing businesses’);
- ‘skills capital’ proposals from the following applicants: Bradford College, Selby College, Shipley College and Wakefield College;
- two programmes under pillar 3 of the Strategic Economic Plan (‘building a resource smart City Region’): the Resource Efficiency Fund and the Energy Accelerator; and
- the next stage of the work on the Aire Valley Park and Ride scheme, as part of the West Yorkshire plus Transport Fund.

3.2 Each of the proposals summarised below has been considered by the Investment Committee, which recommends that the Combined Authority approve all of the funding packages described.

3.3 Should the Authority accept these recommendations, this will mean that it will have approved £76.5m of Growth Deal investments (excluding Transport Fund projects) that will by 2021:

- create 5,800 new jobs
- build 800 new homes
- construct 58,000m² of new commercial floorspace
- lever an additional £350m of private investment

Access to Capital Grants Programme

3.4 The Access to Capital Grants Programme was one of the schemes approved by government as part of our ‘Growth Deal 2’ award in January 2015. It sits under our strategic pillar of ‘supporting growing businesses’, under which we aim to enable vibrant private sector growth. The four ‘strategic pillars’ of the Strategic Economic Plan are the key policy themes agreed by the LEP and the Combined Authority.

3.5 Access to Capital Grants is an innovative finance programme that will offer greater flexibility in the range, scale and scope of grants provided by the LEP across the City Region. It will provide:

- grants of up to £10,000 to accelerate the growth of new-start and early stage businesses with growth potential; and
 - capital investment of £10-100,000 for innovation and supply chain opportunities, with a particular focus on 're-shoring' projects.
- 3.6 The overall cost of the project is £15.7m from 2016/17 to 2020/21, all of which would be from the Growth Deal. However, it will lever private sector investment of at least £60m by making grants at an intervention rate of 10 or 20% of each individual project cost. By 2021, the programme aims to achieve the following outputs and outcomes:
- provide grants to 590 businesses in total, including 320 new-start/early-stage businesses;
 - engage with 1,300 businesses;
 - create/safeguard 1,500 jobs (with a further 240 beyond 2021);
 - create 160 new businesses.
- 3.7 **Skills Capital, Round 2 projects for 2016/17.** The Skills Capital programme has a total Growth Deal funding allocation of £79m to enhance the further education estate across the City Region, and thereby help to meet our strategic targets for skills provision. Four projects in Round 1, for schemes to commence in 2015/16, have been awarded grants totalling £17m, and these schemes are currently underway.
- 3.8 Following appraisal by the LEP's Skills Capital Appraisal Panel, the Investment Committee has now considered a further four projects from Round 2 of the skills capital programme. These schemes are scheduled to commence in 2016/17, and the proposals below total £4.57m of potential Growth Deal funding. At this stage funding beyond 2015/16 is indicative and will only be confirmed as part of the Comprehensive Spending Review later this month. However, it is critical that schemes continue to be developed and progressed to enable us to move on to delivery once funding is approved.

Wakefield College

- 3.9 The project will deliver a new three storey Advanced Skills and Innovation Centre (ASIC) in place of an existing single storey building standing on the Wakefield College City Centre campus. ASIC will facilitate delivery of learning and training in higher level qualifications in construction, health and life sciences, advanced manufacturing and engineering, digital and creative technologies (including computer coding) and specialist management and professional training (including logistics and marketing); and also by providing space and support for business incubation.
- 3.10 The College requests a grant award of £3,327,133 from the Growth Deal, to be matched by a College co-investment of the same sum, for a total project cost of £6,654,266.

Selby College

- 3.11 The project will deliver a 493m² extension to the Aspiration Building at Selby College and the refurbishment of a further 535m² of workshop space to respond to the confirmed growth in demand for engineering and construction skills locally, regionally and nationally and to offer training tailored to employer needs.
- 3.12 The College requests a grant award of £693,748 from the Growth Deal, to be matched by a College co-investment of the same sum, with a total project cost of £1,387,495.

ShIPLEY College

- 3.13 The project will improve the condition of 2,000m² of space in an existing learning facility - the College's Salt Building – by August 2017. This work is essential since the Salt Building is Grade 2* listed and is one of four buildings that make up Shipley College in the UNESCO World Heritage site of Saltaire. The project will also upgrade the IT infrastructure across the College.
- 3.14 The College requests a grant award of £300,000 from the Growth Deal, to be matched by a College co-investment of the same sum, with a total project cost of £600,000.

Bradford College

- 3.15 The Advanced Technology Centre (ATC), completed in 2015, provides an environment and resource where individuals and businesses can access up-to-date and leading edge technologies. The Centre targets businesses involved in advanced manufacturing, health and life sciences, food and drink and creative and digital businesses.
- 3.16 This project will equip the ATC with the latest technology and equipment to improve the technology available in the dental laboratories, and thereby enable the College to address a gap in technology-based provision for the fast-changing dental care sector.
- 3.17 The College requests a grant award of £250,000 from the Growth Deal, to be matched by a College co-investment of the same sum, with a total project cost of £500,000.

Pillar 3 projects for 2016/17

- 3.18 'Building a resource smart City Region' is one of the four strategic pillars of the Strategic Economic Plan, setting out our ambition to become a lean, resource efficient economy underpinned by a 21st century energy infrastructure. The programmes summarised below were agreed in the first allocation of Growth Deal funding, and will both, if approved, make a contribution towards this ambition.

Resource Efficiency Fund

3.19 The aim of the Resource Efficiency Fund is to provide business support to SMEs in the Leeds City Region to help identify, fund and implement resource efficiency improvements. There are three key activities of the REF programme:

- to provide SMEs with a free technical and commercial assessment of resource efficiency issues and opportunities within the business;
- to provide SMEs with between 1 and 3.5 additional days of business support to include advice on addressing recommendations, access to finance, grant applications and procurement;
- to provide SMEs with grants of up to £10,000 to implement agreed resource efficiency measures identified in a technical assessment.

The Fund will be delivered through the existing Growth Service provided by the LEP.

3.20 The overall cost of the project is £2.68m, of which £720,000 would be from the Growth Deal. It is proposed that over the three years from 2016/17 to 2018/19 the project will support over 320 businesses, with approximately 130 of these progressing to receive a grant for resource efficiency measures. The project is estimated to deliver a net economic benefit of £3.7m between 2016 and 2021 (as measured by cost savings to SMEs plus the monetised value of CO₂ reductions). The project also offers the potential for job safeguarding and creation as a result of improved profitability and re-investment of savings by SMEs.

3.21 The programme aims to lever private sector investment of at least £810,000, and is applying for £1,145,000 of support from the City Region's European Structural and Investment Fund (ESIF) Programme. The successful delivery of the REF is largely dependent on a successful application to ESIF, a risk that has been factored into the wording of the Investment Committee's recommendation.

Energy Accelerator

3.22 The Energy Accelerator has been designed to act as a catalyst for energy efficiency and renewable energy projects that have stalled during project development due to a lack of capacity and expertise. The main role of the Energy Accelerator will be to provide technical, legal and commercial expertise to investment opportunities – seeing them through to the point where all the necessary funding is secured and capital expenditure commences.

3.23 The types of projects that the Energy Accelerator may assist to come to fruition include projects that reduce or generate energy in the built environment, such as:

- district heat network schemes;
- community-owned renewable energy plants;
- street lighting;
- low-carbon transport fuels.

Support will be provided to projects from all sectors, including local authorities, further and higher education facilities, social housing organisations, emergency services providers, community groups and businesses.

- 3.24 The overall public sector cost of the project is £6.04m, of which £640,000 would be from the Growth Deal. If successful, the programme will also lead to potential private sector investment of over £200m. It is further estimated that the project could reduce carbon emissions by approximately 380,000t of CO₂ and create over 800 temporary construction jobs.
- 3.25 The Energy Accelerator is seeking additional funding of £5.4m from the European Investment Bank's 'ELENA' programme. The successful delivery of the programme is dependent on a successful application to ELENA, a risk that has been factored into the wording of the Investment Committee's recommendation.

Aire Valley Park and Ride: Gateway 2 Approval

- 3.26 Developing a park and ride strategy is an essential component of managing traffic and travel in Leeds, through reducing congestion on the strategic road network, improving journey times and increasing access to employment. The proposed Aire Valley Park and Ride will deliver a 1,000 space Park and Ride site located at Temple Green in the Aire Valley, within the City Region's Enterprise Zone. The site is adjacent to the A63 Pontefract Lane (East Leeds Link Road).
- 3.27 Following 'Gateway 1' approval being given by WYCA in May 2014, Leeds City Council Executive Board approved the purchase of the site subject to planning and site remediation. The site remediation is now underway with a programmed completion date of March 2016. Following completion of the remediation and highway infrastructure works, inspections and certification, the site will be transferred to Leeds City Council and construction of the Park and Ride site can commence, to be completed in autumn 2016.
- 3.28 Leeds City Council has made a submission to progress the scheme through 'Gateway 2'. This has been subject to a peer review which reached the following conclusions:
- the total forecast outturn cost of the scheme is £9.48m (excluding optimism bias);
 - the scheme delivers very high value for money using standard evaluation methods (a Benefit Cost Ratio of 4.3:1);
 - the scheme is forecast to deliver a Gross Value Added (GVA) increase per annum of circa £46m by 2026 giving a GVA/£ of 4.85;
 - there is greater cost certainty following tendering for the bus service;
 - there is a risk that forecast patronage is not achieved, but the experience from Elland Road Park and Ride is that forecasts have been exceeded.
- 3.29 Approval is sought from the Authority to progress through 'Gateway 2'. This includes approval for expenditure of up to £2.823m (including allowance for risk) to fund the land purchase cost (the value of which has been the subject of an independent

valuation) and to undertake the necessary procurement. Approval to proceed to construction would be sought at Gateway 3.

4. Financial Implications

- 4.1 Acceptance of the recommendations in this report regarding proposals for 2016/17 would represent spending from the City Region's existing Growth Deal allocation, and would not represent a commitment to any additional expenditure by the Combined Authority. It should be noted that until the Comprehensive Spending Review is announced later this month, the funding for 2016/17 is only indicative and contracts for these projects will not be finalised until the funding is confirmed.

5. Legal Implications

- 5.1 The necessary contract documentation for any schemes approved will be drawn up by WYCA legal officers, with appropriate external legal support.

6. Staffing Implications

- 6.1 Appropriate staffing arrangements are in place to ensure that the projects recommended for funding can be managed or delivered effectively and efficiently.

7. Consultees

- 7.1 The West Yorkshire & York Investment Committee, the LEP Skills Capital Appraisal Panel and the LEP Green Economy Panel have been consulted in the preparation of this report.

8. Recommendations

- 8.1 That, subject to completion of the appropriate due diligence and confirmation of funding following the Comprehensive Spending Review, the Authority approves grant funding as follows:
- 8.1.1 £15.7m from 2016/17 to 2020/21 to support the Access to Capital Grants programme;
 - 8.1.2 £3.327m in 2016/17 to support the proposal from Wakefield College;
 - 8.1.3 £693,748 in 2016/17 to support the proposal from Selby College;
 - 8.1.4 £300,000 in 2016/17 to support the proposal from Shipley College;
 - 8.1.5 £250,000 in 2016/17 to support the proposal from Bradford College;
 - 8.1.6 £720,000 from 2016/17 to 2018/19 to support the Resource Efficiency Fund; and

8.1.7 £640,000 in 2016/17 to 2018/19 to support the Energy Accelerator.

8.2 That, should the applications for further EU funding for the Resource Efficiency Fund and Energy Accelerator projects not be successful, the Investment Committee re-examine the relevant business case(s).

8.3 The Authority approves the progression of the Aire Valley Park and Ride project through Gateway 2 and approves expenditure of up to £2.823m from Growth Deal transport funding.

9. Background Documents

9.1 West Yorkshire Combined Authority, 12 March 2015 – Item 8, Leeds City Region Assurance Framework.

9.2 West Yorkshire Combined Authority, 17 September 2015 – Item 5, Leeds City Region Growth Deal Delivery and Budget Allocation Process.

Originator: Rob Norreys
LEP Director & Head of Economic
Strategy



ITEM 6

Report to: Combined Authority

Date: 20 November 2015

Subject: West Yorkshire Area Based Review of Post-16 Education

1. Purpose

1.1 To provide the Combined Authority with an update on the recently announced Area Based Reviews of post-16 Education.

2. Background

2.1 On 29 September 2015, a letter was issued to Local Authorities, the Leeds City Region Enterprise Partnership and FE / Sixth Form Colleges announcing that an Area Based Review of post 16 Education in West Yorkshire would begin in November 2015. The objective of the review is to support the restructuring of the post-16 education and training sector by ensuring that we have strong and resilient education institutions that meet the needs of young people, businesses and communities, now and in the future.

2.2 The following FE and Sixth form colleges have been informed that they will be in scope of the review:

- Bradford College
- Calderdale College
- Kirklees College
- Leeds City College
- Leeds College of Building
- Shipley College
- Wakefield College
- Greenhead College
- Huddersfield New College

- New College Pontefract
- Notre Dame Catholic SFC

2.3 Schools sixth forms and free schools are not within scope of the review although they form part of the important context for the review.

2.4 The review will make recommendations to drive up productivity and ensure the financial resilience of the post-16 Education sector.

3. West Yorkshire Area Based Review

3.1 A steering group for the West Yorkshire review is being established composed of chairs and principals of the Colleges, representatives from all 5 Local Authorities, the LEP, the Regional Schools Commissioner, Further Education Commissioner and Sixth Form Colleges Commissioner, the funding agencies and the Department for Business, Innovation and Skills.

3.2 The steering group will be chaired by Cllr David Green, Leader of Bradford Council, in his capacity as Deputy Chair of the LEP's Employment and Skills Panel and Chair of the Investment Committee of the Combined Authority.

3.3 The following steering group dates have been set by BIS and communicated with all 11 institutions in scope and steering group members:

- Meeting 1: Monday 16th November 2015
- Meeting 2: Thursday 10th December 2015
- Meeting 3: Wednesday 13th January 2016
- Meeting 4: Monday 4th February 2016
- Meeting 5: Tuesday 15th March 2016

3.4 Cllr Green has met the FE Commissioner, David Collins, and has set out that the review should be grounded on the priorities set out in the Leeds City Region Strategic Economic Plan and the Skills Plan, and should aim for alignment with the LEP Skills Capital programme.

3.5 The FE Commissioner, David Collins, has been invited to attend a future meeting of the West Yorkshire Leaders.

4. Financial Implications

4.1 None as a direct result of this report, however it should be noted that the WYCA does invest a significant element of the Local Growth Fund in its Skills Capital programme, which funds FE college estate. Both Cllr Green and the LEP Chair are represented on the Investment Committee, Combined Authority and Area Review Steering Group, thus enabling a clear line of sight across both processes.

5. Legal Implications

5.1 None as a result of this report.

6. Staffing Implications

6.1 None as a result of this report.

7. Consultees

7.1 West Yorkshire Leaders have been consulted on the leadership, timing and geographical scope of the review.

8. Recommendations

8.1 To consider and discuss the context and potential implications of the review.

9. Background Documents

9.1 BIS guidance on Area Reviews https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/459845/BIS-15-526-reviewing-post-16-education-and-training-institutions-guidance-on-area-reviews.pdf

Originator: Rob Norreys
LEP Director & Head of Economic
Strategy



ITEM 7

Report to: Combined Authority

Date: 20 November 2015

Subject: Leeds City Region Strategic Land and Assets Board

1. Purpose

- 1.1 To consider the key principles informing the Terms of Reference for a Leeds City Region Strategic Land and Assets Board (CRSLAB), with a view to establishing the CRSLAB and holding its first meeting in February 2016.

2. Information

- 2.1 As part of the previous pre-Election Deal agreed with the former Coalition Government in March 2015, it was agreed to establish a Joint Leeds City Region Assets Board with the Homes and Communities Agency (HCA) to consider surplus public sector land, initially from Government departments, HCA, NHS Trusts etc; with a view to considering the inclusion of local land and assets in due course. This Board would build on and replace the existing Leeds City Region (LCR) HCA Board which is an advisory sub-board of the Leeds City Region Enterprise Partnership (LEP) and the former LCR Leaders Board, advising on housing and regeneration policy and investment within the city region.
- 2.2 This reports sets out the key principles relating to the proposed role and responsibilities of the CRSLAB, which have been recommended by the existing LCR HCA Board.

3. Purpose, Roles and Responsibilities

- 3.1 The CRSLAB would assume the role of the current LCR HCA Board and provide the strategic forum at the city region level to jointly consider and make recommendations on the use, reuse and disposal of public sector land and assets, including rationalisation of the public estate. The aim would be to maximise

economic value whilst seeking to maximise the delivery of the LCR Strategic Economic Plan objectives and targets; particularly housing and economic growth.

- 3.2 In the first instance, the CRSLAB will focus on mapping and considering national land and assets with the relevant respective land holders. These include Network Rail, Highways England, NHS Trusts, Homes and Communities Agency and Government Departments such as the Ministry of Justice and Ministry of Defence.
- 3.3 Work is already ongoing with local authorities across the city region to map local land and assets through the One Public Estate initiative, with some districts at a more advanced stage than others. Once this work is more advanced across the city region authorities, it will be considered by the CRSLAB to ensure a complete picture of the public land and assets estate. It is not proposed that the CRSLAB should have a remit in asset management.
- 3.4 Subsidiarity will be the key principle for all parties bringing their land and assets into the discussions. Individual land and asset owners will continue to have the final decision on the use, reuse or disposal of their land or other assets.
- 3.5 A key aim of the CRSLAB will be to identify suitable public sector land for development, but in particular to maximise the number of sites that can be utilised for the development of new homes by 2030 and support economic regeneration and growth. Consideration of public land and assets would take account of the wider strategic overview of priorities and investment decisions. The aim would be to support delivery of the Strategic Economic Plan and Growth Deal objective to accelerate housing delivery from circa 7,000 pa currently to 10,000 pa by 2021 and over 10,000 pa to 2030.
- 3.6 The recently completed city region Brownfield Land Register has over 1,200 sites, half of which have planning permission. This will provide a strong basis upon which to develop wider project pipeline proposals beyond just public sector land, enabling potential alignment of investments. Strategic pipeline development work is progressing in liaison with the HCA, local authorities, and the private sector, particularly in relation to development barriers, in order to better identify bespoke solutions and target limited collective resources more effectively.
- 3.7 It will be critical for the CRSLAB to ensure there is a clear strategy for disposal of all developable land in the city region, particularly brownfield sites, in the context of delivering the SEP ambitions.
- 3.8 The CRSLAB roles would include making proposals to the WYCA Investment Committee for the strategic acquisition of land or other assets, where a solid strategic business case has been provided. In this respect, it is proposed that agreement is sought from all parties to the Board at the outset for there to be a right of first refusal for WYCA/LEP to purchase any public sector land in the LCR area that is being considered for disposal. This would ensure that where a site is critical to wider strategic growth, WYCA/LEP would have first choice to acquire the site.

3.9 Asset management would continue to be more suitably taken forward under the local remit of the One Public Estate activities.

4. Governance

4.1 The CRSLAB would be an advisory panel, and not a formal committee of the WYCA. As such the CRSLAB would replace and build on the existing LCR HCA Board arrangements, expanding its remit to also cover consideration of strategic land and assets. In order to enable the alignment of investment and funding, the CRSLAB would also continue the role of developing the housing and regeneration pipeline for future development & investment by the WYCA/LEP and HCA, and influencing the investment decisions of the WYCA and the LEP and HCA in housing and regeneration schemes.

4.2 Subject to any wider review of governance that may be undertaken within WYCA/LEP to respond to the requirements of any future Devolution Deal, it is proposed that the CRSLAB could report through the WYCA Investment Committee on land and assets and investment, which has overall responsibility for investment decisions related to the LCR SEP and Growth Deal. This will also help ensure that wider investment issues are properly taken into account and investments are aligned. Policy and strategy would continue to be reported to WYCA/LEP and city region Partnership Committee.

5. Membership

5.1 The current membership of the LCR HCA Board is six local authority Members, the Executive Director of the HCA, a LEP Board representative, and the city region Chief Executive Lead for housing and regeneration. The recommendation is that in order to keep the CRSLAB to a manageable size with the necessary broad range of skills within the membership, the current arrangements with the addition of Network Rail would form an appropriate core membership. The HCA is able to represent Government Departments, Highways England and Health Services. However, other partners would be invited to attend when their land and assets are being considered by the CRSLAB.

6. Chair and Deputy Chair

6.1 It is proposed that the Chair of the CRSLAB would remain a local authority Member to ensure a strong link into the WYCA and the LEP, with the HCA providing the Deputy Chair Role.

7. Frequency of Meetings

7.1 Meetings are proposed to be held quarterly in the first instance with the inaugural meeting in February 2016. Special Meetings may be held in between scheduled meetings should the need arise.

8. Executive Arrangements

- 8.1 The WYCA/LEP would provide the Executive support function for the CRSLAB in liaison with the HCA, to ensure a strong alignment with the related work of WYCA/LEP on project pipeline development. Reports to, and the implementation of, the recommendations of the Board will draw on all available resources from the WYCA/LEP and HCA teams, as appropriate, in liaison with partner local authorities and national bodies.
- 8.2 The engagement of national bodies, Government Departments, and local authorities will be key to ensuring that both the city region Land and Assets Register, incorporating the city region Brownfield Land Register is comprehensive and remains up-to-date. WYCA/LEP will continue to work closely with city region authorities to enable the appropriate sharing of data.
- 8.3 The HCA will lead on providing existing data on central government land, including assets suitable for development held by NHS Trusts, and the facilitation of participating Government Departments and national bodies.
- 8.4 The WYCA/LEP will lead on the liaison with local authorities and on providing existing data on land and assets owned by WYCA and the local authorities, including through the One Public Estate work.
- 8.5 As part of the new arrangements, WYCA with the HCA would continue to undertake due diligence of a number of sites identifying and addressing barriers to development and working with other public bodies to ensure coordination and disposal of sites.
- 8.6 The CRSLAB would provide city region strategic policy advice on housing and regeneration and would ensure that the necessary capacity is in place to accelerate the delivery of homes and drive economic growth across the Leeds City Region.

9. Key Risks and Issues

- 9.1 Given the scale of the opportunity, there is a need for buy-in from all public bodies with developable land in the city region. HCA/DCLG will be critical in bringing Government Departments and national bodies to the table. Although the HCA has undertaken some work already on mapping nationally held public sector land and assets, this will need to be updated and brought together with the local One Public Estate mapping information in due course.
- 9.2 However, much further work is needed to complete and bring together the One Public Estate work on local land and assets across the city region geography, which could delay full integration of all public sector land and assets into the strategic conversations. However, this could be mitigated through phasing as the information in different areas becomes available rather than waiting for the 'complete picture' to emerge.

9.3 Initial work has commenced with the completion of the LCR Brownfield Land Register and the ongoing WYCA/LEP/HCA work on the project pipeline, which is focussed on the key Strategic Priority Areas set out in the Strategic Economic Plan. However, it will be important that the CRSLAB is able to implement actions to package sites and/or direct resources to address barriers to development once identified. This includes the 'right of first refusal' on land acquisition, and also will rely on partners implementing the CRSLAB's strategic recommendations and sufficient funding and resources being available and aligned to deliver.

10. Financial Implications

10.1 The funding arrangements for the Executive support for the CRSLAB will be provided through the existing core LEP/WYCA budget. Some additional resources will be required within the Executive to support the operation and activity of the Board and partner liaison.

11. Legal Implications

11.1. None as a result of this report.

12. Staffing Implications

12.1 Officer support for implementation of recommendations of the CRSLAB would be provided by the WYCA and funded through the existing core LEP budget held by WYCA, with additional HCA staff engaged in supporting implementation of the CRSLAB's recommendations. Some additional staffing resources will be required within the Executive to support the operation and additional activities of the Board.

13. Consultees

13.1 The LCR HCA Board considered this report at their meeting on 29 October 2015, and support the recommendations of this report.

14. Recommendations

14.1 Members are requested to:

- (i) note the key issues and principles raised in this report with regards to both establishing a Leeds City Region Strategic Land and Assets Board and to inform its Terms of Reference;
- (ii) note the proposals for the City Region Strategic Land and Assets Board to replace the existing LCR HCA Board, and to hold its first meeting in February 2016;
- (iii) delegate authority to the Head of Economic Strategy in liaison with the West Yorkshire and York Investment Committee Chair to finalise and agree

the Terms of Reference for the City Region Strategic Land and Assets Board in liaison with the Homes and Communities Agency, and to report the Terms of Reference back to WYCA in due course; and

- (iv) Support the operation and activities of the City Region Strategic Land and Assets Board being reported back to future meetings of WYCA, on a periodic basis.

15. Background Documents

15.1 None.

Originator: Angela Taylor
Director, Resources



ITEM 8

Report to: Combined Authority

Date: 20 November 2015

Subject: Organisational Development

1. Purpose

1.1 To approve the arrangements for the Leeds City Region Enterprise Partnership Loans.

2. Information

2.1 In 2011, the Government announced the Growing Places Fund (GPF) to help deliver the key infrastructure needed to promote economic growth, create jobs and build houses in England. It was distributed to Local Enterprise Partnerships (LEPs) for allocation. Leeds City Region Enterprise Partnership (the LEP) gained £35.5m and launched its loan fund in 2012.

2.2 LEPs were asked to nominate a lead local authority to act as the accountable body and manage the Fund, leaving the LEP able to take a strategic role in deciding how to best direct funds. For the Leeds City Region LEP, the lead local authority was Leeds City Council (LCC). Now that WYCA has taken over the role of accountable body for funding received post 1 April 2015 the arrangements for managing these loans needs to be considered. It is proposed that existing loans will continue to be managed by LCC but that the West Yorkshire Combined Authority take on the role of the accountable body and to continue to operate this LEP Loan fund.

2.3 There have been three rounds of LEP loan funding and the prompt repayment of some loans, together with interest, means that this revolving fund is already providing significant on-going and long-term benefits to the Leeds City Region economy.

2.4 Loans of between £500k and £1m are offered to businesses to invest in capital projects. Companies can apply for larger loans from the city region Revolving Investment Fund (RIF) and may also be eligible for a LEP grant of (currently) up to

£500k. This means that funds can be used by a company to acquire or upgrade physical assets such as property, industrial buildings or equipment. Loans can support infrastructure projects that will help to accelerate economic growth, deliver new jobs, remove barriers to development and use resources more efficiently. The fund is open to all businesses and organisations of any size based in or looking to invest in the city region.

- 2.5 The LEP loan fund can only be used to provide loans where there is no possibility of private finance being used. Inevitably this means taking on projects with a significant degree of risk attached to them. The risks might relate to ground conditions such as contamination or result from the LEP loan being ranked below other (senior) debt, or from having poor security. When the fund was established the LEP Board was advised that similar funds had managed to recycle around 80% of the initial funding. The assessment of risk is part of the project appraisal and wherever possible, there is risk mitigation and security taken, however Members need to be aware that there is potential for projects to fail.

3. Financial Implications

- 3.1 As set out in the report.

4. Legal Implications

- 4.1 Appropriate contractual arrangements are entered into for all loans.

5. Staffing Implications

- 5.1 None arising directly from this report.

6. Consultees

- 6.1 The Head of Economic Strategy and LEP Director has been consulted in preparing this report.

7. Recommendations

- 7.1 That West Yorkshire Combined Authority becomes the accountable body for new loans made from the LEP Loan Fund and monitors the existing loans previously made on behalf of the LEP by Leeds City Council.

Originator: Angela Taylor
Director, Resources



ITEM 9

Report to: Combined Authority

Date: 20 November 2015

Subject: Appointment of Managing Director

1. Purpose

- 1.1 To inform the Authority of the recommendation of the Recruitment Panel regarding the post of Managing Director for WYCA.

2. Information

- 2.1. The WYCA appointed a Recruitment Panel to undertake the process of advertising, shortlisting and interviewing applicants in order to make a recommendation for an appointment to the post of Managing Director. At the time of writing the Panel has identified a preferred candidate and an offer has been made, subject to final approval from this meeting. The Chair will provide a verbal update to the meeting.

3. Financial Implications

- 3.1 The salary costs of the post of Managing Director are included in the budget.

4. Legal Implications

- 4.1 Appropriate recruitment processes have been followed.

5. Staffing Implications

- 5.1 As set out in the report. The creation of the post of Managing Director has been previously agreed by this Committee.

7. Recommendations

- 7.1 That the recommendation of the Recruitment Panel be approved.

ITEM 10

MINUTES OF THE MEETING OF THE WEST YORKSHIRE & YORK INVESTMENT COMMITTEE HELD ON TUESDAY 6 OCTOBER 2015 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 CC
	Cllr Denise Jeffery	-	Wakefield MDC
	Cllr Ian Gillies	-	City of York Council
In attendance:	Rob Norreys	-	WYCA
	Angela Taylor	-	WYCA
	Sue Cooke	-	WYCA
	Nigel Guy	-	WYCA
	Ruth Chaplin	-	WYCA
Observers:	Cllr Eric Firth	-	WYCA
	I Durham	-	ShIPLEY College
	D Hardy	-	Selby College
	L Ridgley	-	Selby College
	M Gent	-	Selby College

14. Apologies for Absence

Apologies for absence were received from Roger Marsh.

15. Declarations of Disclosable Pecuniary Interests

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

16. Minutes of the Meeting held on 8 September 2015

Resolved - That the minutes of the West Yorkshire and York Investment Committee held on 8 September 2015 be approved and signed by the Chair.

17. Growth Deal Projects for 2016/17 – Funding Appraisals

The Committee considered a report which sought approval to progress the following projects that could begin delivery in 2016/17:

- Access to Capital Grants Programme
- Wakefield College – Advanced Skills & Innovation Centre
- Selby College – the Aspiration Building Extension Project
- Shipley College – Salt Building Refurbishment and IT Upgrade
- Bradford College – Advanced Technology Centre

Members discussed the summary business cases for each of the above-mentioned projects which were attached to the submitted report. They endorsed the recommendations for the funding agreements for Selby College, Shipley College and Bradford College to be considered by the WYCA at their meeting to be held on 20 November 2015. In respect of the Wakefield College project, the Committee asked that further information in respect of the costings and the nature of the offer be provided by the College and that the Head of Economic Strategy be delegated authority to approve it in consultation with the Chair. Subject to that approval, the information would be presented to the WYCA.

With regard to the Access to Capital Grants Programme, members discussed the need to ensure it was marketed and promoted widely, particularly with regard to support for new start-up businesses, throughout the City Region. It was considered important that other forms of communication as well as social media be investigated and it was suggested that district councillors and other appropriate organisations be included in the circulation. A progress report outlining the marketing plan should be prepared for the meeting scheduled for 20 January 2015 and, once the programme had commenced, quarterly reports on its success would be provided.

It was noted that all funding agreements would be subject to successful completion of due diligence and agreements of contracts and to the availability of Local Growth Funds.

The Committee recommended that, where possible, all the projects use local labour and supply chains and encourage the use of apprenticeships in the construction. They also recommended that any underspend on the projects be split in line with the contributions made by the different parties.

Resolved –

- (a) That the recommendations for a grant funding package of £15.7m for the Access to Capital Grants Programme, to commence from 2016/17 as set out in the submitted report, be endorsed.
- (b) That the recommendations for a grant funding package of up to £3.5m for Wakefield College, to commence from 2016/17 as set out in the submitted report be endorsed, subject to additional information being provided in respect of the

clarity and review of the costings and confirmation that any underspends would revert to the WYCA. Approval of the additional information to be delegated to the Head of Economic Strategy in consultation with the Chair.

- (c) That the recommendations for a grant funding package of £693,000 for Selby College, to commence from 2016/17 as set out in the submitted report, be endorsed.
- (d) That the recommendations for a grant funding package of £300,000 for Shipley College, to commence from 2016/17 as set out in the submitted report, be endorsed.
- (e) That the recommendations for a grant funding package of £250,000 for Bradford College, to commence from 2016/17 as set out in the submitted report, be endorsed.
- (f) That it be noted that all funding agreements are subject to successful completion of due diligence and agreements of contracts and to the confirmation of Local Growth Funds.
- (g) That the WYCA be asked to endorse that, where possible and recognising EU procurement regulations, that all projects use local labour and supply chains and the use of apprenticeships be encouraged.
- (h) That the WYCA be asked to endorse that any reductions in expected costs be split in line with the contributions made by the different parties.
- (i) That a progress report on the marketing strategy for the Access to Capital Grants Programme be prepared for the meeting to be held on 20 January 2016.
- (j) That quarterly progress reports be prepared for the Committee once the Access to Capital Grants Programme has commenced.

18. Leeds City Region Growth Deal Delivery & Budget Allocation Process

The Committee considered a report which provided an update on the status of the Growth Deal budget for 2015/16 and on the position concerning the reallocation of Growth Deal expenditure.

It was reported that the status of the majority of Growth Deal projects was satisfactory. There were however two projects, where the planned 2015/16 Growth Deal investment would no longer take place this year:

- **BioVale Project**

It was reported that a revised business plan would be considered in the New Year.

- **York Central**

Members were advised that the Environment Agency had brought forward its own investment in flood alleviation on the site and the Growth Deal investment was no longer required. City of York Council will bring forward proposals for potential alternative investments for 2016/17 in due course.

The Committee discussed the need to reallocate expenditure and a further detailed report on the status of all Growth Deal project and programme expenditure for 2015/16 would be provided at the next meeting.

It was reported that an initial review of the spending profile of the West Yorkshire plus Transport Fund had been carried out and members discussed the need to ensure that the funding streams already in place were used to the best effect. It was reported that discussions held with the Treasury in respect of the Devolution asks had included a longer term view of funding. However, it was suggested that WYCA be asked to consider whether the continuing discussions with Treasury should include the request for more flexibility to be given now in respect of funding being carried over at the end of the financial year.

Resolved –

- (a) That a detailed report on the status of all Growth Deal project and programme expenditure for 2015/16 be prepared for the next meeting, to include the most appropriate options for maximising the funding and responding to the requirement to utilise growth deal funding by 31 March 2016.
- (b) That a report on these matters then be provided to the November meeting of the WYCA, including the request for flexibility regarding year end expenditure to be put to Treasury ahead of implementing this through a devolution deal.