

**MEETING OF THE WEST YORKSHIRE COMBINED AUTHORITY
TO BE HELD ON THURSDAY 31 MARCH 2016 (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 4 FEBRUARY 2016** (pages 5 - 16)

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Matters For Decision

- 5. IMPLICATIONS OF GOVERNMENT'S 2016 BUDGET**
(Member lead: Cllr Box, Author: Rob Norreys)
(pages 17 - 19)
- 6. GROWTH DEAL APPROVALS**
(Member lead: Cllr Green/Roger Marsh, Author: Ian Gray)
(pages 20 - 25)
- 7. REFRESH OF THE LEEDS CITY REGION STRATEGIC ECONOMIC PLAN**
(Member lead: Roger Marsh, Author: Rob Norreys)
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- 8. LAND AND ASSETS BOARD TERMS OF REFERENCE**
(Member lead: Cllr Green, Author: Rob Norreys)
(pages 100 - 105)

- 9. **STRATEGIC PLANNING UPDATE**
(Member lead: Cllr Green, Author: Rob Norreys)
(pages 106 - 174)
- 10. **WYCA PLANNING CONSULTATIONS**
(Member lead: Cllr Green, Author: Rob Norreys)
(pages 175 - 184)
- 11. **TRANSPORT PRIORITIES AND TRANSPORT FOR THE NORTH (TfN)**
(Member lead: Cllr Wakefield, Author: John Henkel)
(pages 185 - 189)
- 12. **MINIMUM STANDARDS CHARTER FOR CONSTRUCTION INDUSTRY EMPLOYEES**
(Member lead: Cllr Box, Author: Angela Taylor)
(pages 190 - 192)
- 13. **ORGANISATIONAL ARRANGEMENTS**
(Member lead: Cllr Box, Author: Angela Taylor)
(pages 193 - 208)

Matters For Discussion

- 14. **FEEDBACK FROM COMBINED AUTHORITY SPOKESPERSONS REPRESENTING THE WYCA ON EXTERNAL BODIES (Verbal Update)**
 - 25 February 2016 – TfN Partnership Board (Cllr Wakefield)
 - 25 February 2016 – Rail North Board (Cllr Wakefield)

For Information

- 15. (a) **MINUTES OF THE MEETING OF THE GOVERNANCE & AUDIT COMMITTEE HELD ON 9 FEBRUARY 2016** (Draft to be approved at the next meeting of the Committee on 19 April)
(pages 209 - 216)

(b) MINUTES OF THE MEETING OF THE OVERVIEW & SCRUTINY COMMITTEE HELD ON 16 FEBRUARY 2016 (Draft to be approved at the next meeting of the Committee on 23 March)
(pages 217 - 222)

(c) MINUTES OF THE MEETING OF THE TRANSPORT COMMITTEE HELD ON 26 FEBRUARY 2016 (Draft to be approved at the next meeting of the Committee on 15 April)
(pages 223 - 231)

Signed:



WYCA Managing Director

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:	23 March 2016

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

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

59. Apologies for Absence

There were no apologies for absence.

60. Declarations of Disclosable Pecuniary Interests

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

61. Exclusion of the Press and Public

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

62. Minutes of the Meeting held on 20 November 2015

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

63. Business Flood Recovery Fund

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

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

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

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

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

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

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

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

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

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

Resolved –

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

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

64. Growth Deal Approvals

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

Leeds City Centre

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

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

Glasshoughton Southern Link Road

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

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

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

Rail Station Car Parks

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

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

A629 Halifax to Huddersfield Phase 1b

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

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

Halifax to Huddersfield A629 Phase 2

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

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

Revised Budgets

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

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

Resolved:

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

65. Business Plan and Budget 2016/17

The Authority considered a report:

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

Business Plan 2016/17

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

Revenue Budget 2016/17

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

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

Capital Programme 2015/16 and 2016/17

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

Treasury Management

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

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

Resolved –

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

66. Officer Arrangements – Officer Delegation Scheme

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

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

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

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

Resolved:

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

67. Rail North and Transport for the North

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

Rail North

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

Transport for the North

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

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

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

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

68. Strategic Economic Plan Refresh

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

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

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

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

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

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

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

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

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

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

Resolved: That feedback provided by Councillor Wakefield be noted.

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

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

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

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

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

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

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

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

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

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

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

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

ITEM 5

Report to: West Yorkshire Combined Authority

Date: 31 March 2016

Subject: Implications of Government's 2016 Budget

1. Purpose

- 1.1 The government's 2016 Budget was delivered by the Chancellor on 16 April. This report outlines the principal implications related to Combined Authority powers – focusing on business rates, flooding and transport.

2 Information

- 2.1 The Budget saw the Chancellor downgrade growth forecasts for the remainder of this Parliament and restated the government's commitment "*to rebalance the economy by building the Northern Powerhouse and the government's devolution revolution*". Progress has included:
- unemployment in the North falling by a third since 2010 and the median earnings of full-time employees grew faster in all regions of the North than they did in London;
 - employment growing faster in the North than the South in 2015 and by the end of 2015, the employment rate in the North was at its highest on record, at 72.2%;
 - over half a million more businesses outside London and the South East compared to 2010, including nearly 160,000 more businesses in the North.

Business rates

- 2.2 Business rates are a vital source of funding for local public infrastructure and services. The Chancellor announced cuts for all business rate payers to help their competitiveness, with most of the short-term benefit for small businesses and significant long-term benefits for large businesses.
- 2.3 The government commits that "*local government will be compensated for the loss of income as a result of the business rates measures, and the impact considered as part*

of the government's consultation on the implementation of 100% business rate retention in summer 2016". However, this does necessarily mean the level of compensation will account for the full loss of business rate income and there is no detail yet about how this compensation will work.

- 2.4 The overall cost of business rate changes will see £6.7bn less for local infrastructure and services by 2020/21 (offset by whatever compensation government decides). Further, there will be an ongoing loss of annual revenue of around £2bn which will "grow significantly" as the new inflation indexation takes effect. City regions with elected mayors will have the ability, with the support of business, to levy a business rate premium to fund investment in local infrastructure. Pilots for 100% business rates retention will take place in Greater Manchester, the Liverpool City Region and London.

Flooding

- 2.5 A further £130m committed to repairing roads and bridges damaged by Storms Desmond and Eva in West Yorkshire¹, North Yorkshire, Cumbria, Northumberland, Greater Manchester and Durham. This is on top of £49m previously announced.
- 2.6 Government is adding a further £700m by 2020 to its flood defence capital programme (previously £2.3bn) and increasing maintenance spending by £40m. The capital programme will include £150m invested in flood defence schemes in Leeds, Cumbria, Calder Valley and York, which will aim to better protect 7,400 properties.
- 2.7 Funding for new defenses will be paid for by an increase in the standard rate of Insurance Premium Tax from 9.5% to 10%.
- 2.8 The government will provide funding to support delivery of the final phase of the Leeds Flood Alleviation Scheme in later years subject to business case approval.

Transport

- 2.9 The Chancellor committed support to the Northern Transport Strategy, developed by Transport for the North (TfN), and shaped by constituent local authorities and combined authorities. This included commitments to develop particular schemes using part of the £300m² pot announced in November's Spending Review:
- High Speed 3 between Leeds and Manchester, committing to reduce journey times to around 30 minutes, in line with the recommendation by the National Infrastructure Commission. £60 million will be provided to develop plans for both the Leeds-Manchester route by 2017 and to improve transport connections between cities of the North;
 - Accelerating the upgrade of the M62 to a four-lane smart motorway. The government will provide an extra £161 million on top of the existing road programme to bring forward by 2 years upgrades, including work between Brighouse and Rochdale (junctions 20-25);
 - A share of £4m for improvements to Leeds Station to capitalise on the benefits of HS2.

¹ This will cover, for example, Linton Bridge in Leeds, Scout Road in Calderdale and the A646 near Mytholmroyd.

² The announcements made by the Chancellor amount to around £219m. This means there may be room for further announcements.

- 2.10 Previously announced critical road projects will be brought forward by two years, including Lofthouse junction and capacity enhancements to the M1 at junctions 35a-39 (Rotherham to Wakefield).
- 2.11 The Budget announces funding to improve local roads with £15m allocated from the Pothole Action Fund to repair around 277,000 potholes during 2016-17.
- 2.12 Continuation of the fuel duty freeze (in place since 2010) provides a saving for motorists but continues a trend of making public transport relatively less attractive in relation to private car travel. This has significant implications for congestion and air quality in our city centres.
- 2.13 There is likely to be further work on partnerships between the Homes and Communities Agency, Network Rail and local authorities to bring forward land around stations for housing, commercial development and regeneration.

Miscellaneous

- 2.14 £500k will fund Welcome to Yorkshire to undertake an international marketing campaign for the Tour de Yorkshire 2016 and bids have been invited from northern cities and towns to host the Great Exhibition of the North in 2018.
- 2.15 The government will consult later this year on the priorities and delivery models for the Shale Wealth Fund, and how it can be deployed in local communities and the North as a whole.

3. Financial implications

- 3.1. There are no direct financial implications of this report. However, some policy announcements (particularly on business rates) may potentially have significant implications for local authority and combined authority finances.

4. Legal Implications

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

5. Staffing Implications

- 5.1. None arising directly from this report.

6. Consultees

- 6.1. The Directors have provided input to this report.

7. Recommendations

- 7.1. That the Combined Authority notes the headline implications from Government's 2016 budgets and determines any priorities for further work.

Originator: Ian Gray
Director of Programme and
Delivery



ITEM 6

Report to: Combined Authority

Date: 31 March 2016

Subject: Growth Deal Approvals

1. Purpose

- 1.1. To approve the gateway stages for Growth Deal schemes as outlined in the report.
- 1.2. To provide an update on projects within the Skills Capital, Resource Efficiency, Housing and Regeneration and the West Yorkshire Plus Transport Fund programmes within the Growth Deal.

2. Skills Capital Programme 16/17 – Leeds College of Building

- 2.1. This project will enable the College to consolidate its estate to operate from two sites in Leeds to provide world class education and training facilities for students and the construction industry to meet the growing needs and skills gaps in the industry.
- 2.2. The project will deliver 5,200m² of new build for Phase 2 of the Hunslet Campus and refurbish and reconfigure 2,500m² of the North St campus.
- 2.3. The total project costs are £14m. The College is requesting that WYCA make available the total amount to enable the College to deliver the project. This will provide the College with £11.9m grant and a £2.1m cash flow (loan) facility. The College will repay the £2.1m cash flow at the end of the project, with a significant element coming from the disposal of their Millwright St campus which has a current valuation of £1.25m.
- 2.4. The project has been considered by the Investment Committee and the College has addressed the conditions imposed by it at its meeting on 3rd November 2015.

3. Resource Efficiency (Pillar 3)

- 3.1. The Leeds District Heat Network has submitted both outline and full business cases which have been appraised. The project involves the construction of a new 6.4 kilometre District Heating Network (DHN) to connect the Recycling and Energy Recovery Facility (RERF) in the Aire Valley to customers across the City. This project will make a significant contribution to Leeds City Council's (LCC) ambition to achieve a 40% reduction in carbon dioxide between 2005 and 2020.
- 3.2. LCC is seeking funding of £7 million to directly invest in the project which consists of the district heating pipes, an energy centre needed to convert steam from the RERF to hot water, the contractor's design and survey costs and the Council's external legal and technical advisory fees.
- 3.3. The appraisal of this project has been independently undertaken. This project was considered by the Investment Committee and it was noted that although the project did not make a significant contribution to the Growth Fund employment targets, other important benefits such as tackling fuel poverty and carbon savings contributed to city region ambitions.
- 3.4. The financing of the project was discussed and it was recognised that there were a number of options to consider, including budget consideration for both this project and the developing pipeline of other District Heat Networks. Further detailed work is required on the project finances to reach a solution that both supports the Leeds District Heat Network and fits with the 'loans first' principle. It is proposed that the WYCA Director of Programme Delivery and Director of Resources secure an appropriate financial package and budget for this project with the outcome of these discussions to be shared with the Investment Committee before a final proposal is recommended.

4. Housing and Regeneration (Pillar 4) Programme, 2016/17 to 2020/21

- 4.1. A number of individual housing and regeneration projects have already been approved for the 2015/16 Growth Deal and are currently being delivered. Loan agreements are now in place for six projects and over £4.8m has been drawn down, accelerating the progress of these projects. It is anticipated that the remaining loan agreement will be concluded and a further £0.4m drawn down by the date of this meeting.
- 4.2. The Investment Committee has considered a potential 2016-17 Housing and Regeneration Programme, linked to the Strategic Priority Areas. Following the appraisal of the business cases for the proposed projects and the conclusion to the SEP revision, a more developed programme will be presented to the Investment Committee and then brought to a future meeting of the Combined Authority.

5. West Yorkshire Plus Transport Fund Gateway Approvals

York Central Access and Station Masterplan Gateway 1

- 5.1. The scheme will deliver a highly sustainable new central business district which will provide modern commercial floor space currently lacking in the city centre. This will enable existing businesses to grow and encourage companies to relocate to York and the Leeds City Region. It will also deliver significant new homes, revitalise the National Railway Museum and act as a catalyst for growth in both York and the wider City Region.
- 5.2. It also delivers significant transport benefits. Specifically, the scheme will deliver the following:
- Provide new highway infrastructure to unlock both the York Central “teardrop” and land to the east of York station for redevelopment.
 - Rationalise the highway network to the east and west sides of York Station.
 - Provide a fully compliant access to the western side of the station.
- 5.3. York City Council has made a submission to progress the scheme through Gateway 1 (GW1) and is seeking £2.1m to progress to the next stage. The following Business Case conclusions have been reached:
- The scheme has strong strategic and management cases;
 - Prior to Gateway 2 (GW2) submission, a number of technical details associated with the Economic Case will need to be resolved
 - Financial and Commercial Case is sufficiently developed to proceed
- 5.4. The scheme has an estimated cost of £45m, of which funding is sought from the Transport Fund of £33m with City of York Council and the Homes and Communities Agency providing the remaining £12m.
- 5.5. To date all work undertaken on York projects has been funded from York’s own budget. As with all Transport Fund Projects a funding agreement will need to be put in place. This will include provision to recover any payment made to York in connection with the project should York not become contributing partners to the WY+TF.

Revised Budgets

M62 Junction 24a

- 5.6. During the initial scoping phase of the WY+TF, Highways England (HE) expressed interest in the scheme concept and potential benefits that it may offer to the Strategic Road Network in terms of congestion relief on the mainline motorway and at junctions 24 and 25. However, due to the scheme not being included in the

Roads Investment Strategy or Highways England Delivery Plan, they could not fund any initial feasibility work proposed.

- 5.7. There has been a significant amount of feasibility work undertaken to date and a preferred option has been identified. Following a presentation to the HE Yorkshire, Humber and North East Regional Programme Board (RPB), the Board concluded that greater assurance on the potential scheme impacts and benefits was required.
- 5.8. The scope for this extended feasibility study has been discussed and agreed by officers from HE, Kirklees and Calderdale districts and the Combined Authority and will cover elements to include economic, social and wider impacts, and a better understanding of the role of J24a in supporting the growth development in local authority areas.
- 5.9. The mandate requests an additional allocation of £70,000 from the WY+TF to undertake an extended feasibility study with works to be completed by end of Q1 16/17.

South East Bradford Link Road

- 5.10. The South East Bradford Link Road (SEBLR) scheme was approved by WYCA as one of the schemes forming part of the WY+TF and earmarked for delivery on site post 2021. Due to the scale of the proposed scheme, long lead in periods and early interventions are necessary to ensure the project is at delivery stage as programmed.
- 5.11. The original SEBLR project alignment was proposed following initial prioritisation work to the first cross-boundary scheme extending from across both the Bradford and Leeds administrative district boundaries.
- 5.12. However, in the intervening period both Bradford and Leeds Council have progressed development and local plans, identifying sites within the area of impact of the bypass for both residential and commercial opportunities.
- 5.13. The original modelling assessment was based on assumed, rather than the current emerging development potential for this scheme so further work is required on this to re-evaluate the economic benefits of both the original scheme and other potential routes. This will allow for scope clarification of the project prior to commencing work on the preparation of a Gateway 1.
- 5.14. On this basis, a mandate for pre-feasibility work stream delivery has been developed with a cost allocation of £91,000.

A629 Phase 2

- 5.15. Calderdale Council has submitted a GW1 for Phase 2 of the A629 project with a request for funding of £2,316,000. The Business Case underwent a Peer Review Evaluation on 15th December 2015. The outcome of this Peer Review was reported

to the Investment Committee on 20th January 2016 along with approval for an initial allocation of funding of £700,000.

- 5.16. As reported on 20th January, at the time of the initial Peer Review Evaluation, concerns were raised as to the approach of modelling and the subsequent outputs identified within the Economic Case. Key additional tasks were agreed for the Promoting Authority to undertake to provide the Peer Review Panel with assurances and resolution for the outstanding issues. Upon the satisfactory completion of these tasks, the retained funding of £1,616,000 would be released.
- 5.17. This additional work has now been complete, and has been reviewed by the Peer Review Panel and discussed with the Panel Chair. This further evaluation has confirmed that the areas of concern have now been addressed and recommendation is made for the remaining funding £1,616,000 to be approved.

6. Legal Implications

- 6.1. The payment of any funding received through the Local Growth Deal to any partner will be subject to a funding agreement being in place between WYCA and the partner in question. Appropriate legal advice will be sought to draw up the necessary contracts on each scheme.

7. Staffing Implications

- 7.1. A combination of WYCA and District partner programme management resources are identified within the programme. The ability to secure external specialist resource is contained within the programme as well so that the resources are or will be in place in order to manage the delivery of any of the projects that may be recommended for funding from this paper.

8. Consultees

- 8.1. The Director of Resources and Director of Programme Delivery have been consulted in the preparation of this report.

9. Recommendations

- 9.1. That, subject to completion of the appropriate due diligence and legal documentation the Authority approves grant funding of £14m to support the proposal from the Leeds College of building, of which £2.1m will be repaid upon completion of the project.
- 9.2. That the benefits of the Leeds District Heat Network are recognised and that the final decision on an appropriate funding mechanism for the £7m sought be delegated to the WYCA Director of Programme Delivery, in consultation with the Chair of the Investment Committee.

- 9.3. That the Authority approves the progression of York Central Access and Station Masterplan through GW1 and release of £2.1m to cover the costs of developing the scheme from GW1 through to GW2.
- 9.4. That the Authority approves the requested expenditure of £70,000 to progress the feasibility work to progress the M62 Junction 24a project to GW1.
- 9.5. That the Authority approves the pre-mandate expenditure of £91,000 for pre-feasibility work to commence on South East Bradford Link Road.
- 9.6. That the Authority approves the progression of the A629 Phase 2 through GW1 and the release of the remaining funding of £1,616,000 to cover the costs of developing the scheme from GW1 through to GW2.

10. Background Documents

- West Yorkshire and York Investment Committee, 20 January 2016 – Item 7, Future Growth Deal Projects and Funding Appraisals.
- West Yorkshire and York Investment Committee, 20 January 2016 – Item 8, West Yorkshire Plus Transport Fund.

ITEM 7

Report to: Combined Authority

Date: 31 March 2016

Subject: Refresh of the Leeds City Region Strategic Economic Plan

1. Purpose

1.1 To ask the Authority to endorse the final draft of the refreshed Leeds City Region Strategic Economic Plan, subject to any comments members wish to make.

2. Background

2.1 At the request of the Chancellor, the Leeds City Region Strategic Economic Plan (SEP) was completed in March 2014. The first SEP was both a statement of local economic ambition and policy, and also a competitive bid document for a share of the government's £12bn Local Growth Fund, allocated to LEP areas to support economic growth. The SEP was assessed as one of the three best in the country, and has been instrumental in the largest award of 'Growth Deal' funding to any area in England for the period from 2015-21.

2.2 In July 2015, the LEP Board decided to undertake a 'light-touch' refresh of the City Region's Strategic Economic Plan, a decision supported by the Combined Authority at its meeting in September 2015. The Board felt it represented good practice to undertake a review two years on, in order to re-assess the strategy in light of our experience of project delivery to date and in respect of economic and political developments over that period. The work is not in response to a request from government, and the refreshed SEP is not a bid document.

3. Progress to date

3.1 Work commenced in the autumn, and has included:

- an update and review of the economic evidence base underpinning the strategy;
- economic modelling both of the impact of LEP investments to date and of the expected economic impact of investments that we know will happen over the next decade – specifically the Growth Deal, Transport Fund and European

Structural & Investment Funds (ESIF) allocations awarded to date, as well as the development of the City Region's Enterprise Zones;

- an extensive programme of consultation and engagement, which has included the following:
 - an external stakeholder event with the public and private sectors in December, and a business breakfast in March;
 - open public consultation on the draft SEP during February, via the website, with notification sent to over 30,000 contacts and thousands more reached via Twitter;
 - numerous face-to-face meetings with business people, local authority partners and other stakeholders from across the City Region.

4. Amendments resulting from the consultation

- 4.1 A first draft of the SEP was presented to the LEP Board on 26 January and the Combined Authority on 4 February. Following those meetings, a slightly amended version became the basis of the public consultation described in 3.1 above. The comments gathered from meetings, the online survey and social media have been used to inform the revised version of the SEP presented to this meeting.
- 4.2 The outcome of the consultation and any substantial changes made in response are summarised in the paragraphs below. A full report on the consultation process and our responses will be made available to members in due course.
- 4.3 **The vision.** The sentiments of the proposed vision for the Leeds City Region economy, as set out in the consultation draft, were supported strongly by most respondents, but some felt the precise wording could be improved. Accordingly, an amended version is now proposed: ***to be a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life.***
- 4.4 **Good growth.** Our aspiration is that nobody will be left behind in the transformation of the City Region economy. The SEP is driven by a resolute focus on 'good growth' – where a radical uplift in growth, productivity and business success goes hand in hand with quality jobs that connect all people and places to opportunity and improved quality of life. The principle was supported strongly in all aspects of the consultation.
- 4.5 **The policy priorities.** To achieve the vision and ambitious growth targets, delivery by the LEP and WYCA will continue to be based on the four inter-connected strategic investment priorities set out in the first SEP, as below:
- Priority 1: **Growing Businesses**
 - Priority 2: **Skilled People, Better Jobs**
 - Priority 3: **Clean Energy & Environmental Resilience**
 - Priority 4: **Infrastructure for Growth**

Each of these priorities received strong support in all aspects of the consultation.

- 4.6 **Other comments and amendments.** Alongside the strong support for the main aspects of the strategy, many helpful comments and suggestions have been received from the wide range of partners, businesses, individuals and other stakeholders who responded to the consultation. Among the main changes in the draft presented to the Combined Authority at this meeting are:
- a stronger narrative that places the City Region at the heart of the Northern Powerhouse initiative;
 - a new section emphasising the vital role of different places within the City Region and their key assets, and stronger references to the value of the visitor economy and quality of place;
 - a stronger emphasis on innovation as a core element of good growth in all aspects of the Plan, alongside a clearer statement of the vital role of universities in the economy more widely;
 - a clearer statement of the role of digitalisation, both as a driver of growth across all sectors of the economy, and in particular of the potential in our own City Region to build on existing specialisations in digital health and data storage, protection and analysis;
 - the addition of the employment zone at Leeds Bradford International Airport to the list of Spatial Priority Areas.
- 4.7 Members are also asked to note the additional analysis that has been carried out in relation to the economic impact of our investments and the **level of ambition** expressed in the SEP. If the City Region is successful in the delivery of our current 'Growth Deal plus' package of investment (that is, adding the impact of ESIF and enterprise zones to that of the Growth Deal and the West Yorkshire plus Transport Fund), this will create an 36,000 additional net jobs over the next twenty years, on top of the growth that is predicted to happen without these projects. This will equate to an additional £3.7 billion of economic output each year. Longer term, our aspiration as part of the Northern Powerhouse is to achieve even higher levels of growth and job creation, moving to upwards of 50,000 additional new jobs by 2040.
- 4.8 This refreshed version of the Strategic Economic Plan (SEP) is intentionally high-level. It recognises that transformational change cannot be delivered by WYCA and the LEP alone and therefore acts as the framework for engagement with others in the City Region and beyond – working across the private, public and third sectors – to coalesce action around a shared intent for good growth.
- 4.9 Within the LEP and WYCA, it sets the economic policy framework for a series of more specific delivery plans that detail what will be delivered, by whom, by when and with what funding in each policy area. These include the forthcoming Transport and Skills Plans that are currently in development. Additionally, the changes in the new SEP will be reflected in amendments to the criteria used by WYCA and the LEP to appraise new investments. It is also intended that there will be further regular updates to the strategy, recognising that economic circumstances will continue to change, and that the City Region should continue to learn from experience if we are to retain our reputation as one of the most effective in the country.

- 4.10 Members are asked to discuss the latest version of the SEP (the Executive Summary is attached at **Appendix A** and the main document at **Appendix B**) and to endorse it as the overarching economic strategy of the Combined Authority, subject to any amendments members wish to suggest. The draft SEP and any amendments from this meeting will be taken to the LEP Board meeting on 6 April for approval.
- 4.11 It is intended that the full document will then be put into a designed format for publication, alongside a separate summary document that will incorporate much more graphical content. Minor changes to the text may take place as part of the final proofing process, but there will be no further substantive changes following the LEP Board meeting without the approval of the Combined Authority and the LEP.

5. Further Growth Deal allocations

- 5.1 Just under £8bn from the government's £12bn Local Growth Fund (see 2.1 above) has been allocated to date. In his Budget earlier this month, the Chancellor announced that a further £1.8bn will be allocated to LEPs through a new round of Growth Deals, alongside £2bn to bring forward large housing projects through the Home Building Fund. At the time of writing, it has been announced that bids should be submitted over the summer, with more details of the process to follow.

6. Financial Implications

- 6.1 There are no financial implications arising from this report.

7. Legal Implications

- 7.1 There are no direct legal implications arising from this report.

8. Staffing Implications

- 8.1 There are no staffing implications arising directly from this report. If delivery of the SEP requires further capacity this would be the subject of a further report.

9. Consultees

- 9.1 The draft SEP attached to these papers is the outcome of the consultation process described in Section 3 above.

10. Recommendations

- 10.1 That the Combined Authority endorses the draft Strategic Economic Plan, subject to discussion and any amendments the Authority wishes to make.

11. Background Documents

- 11.1 West Yorkshire Combined Authority, 4 February 2016 – Item 10, Revision of the Leeds City Region Strategic Economic Plan.

LEEDS CITY REGION STRATEGIC ECONOMIC PLAN 2

EXECUTIVE SUMMARY

**DRAFT FINAL VERSION FOR
WEST YORKSHIRE COMBINED AUTHORITY (31 March 2016)
AND LEP BOARD (5 April 2016)**

23 March 2016

DRAFT

THE VISION FOR TRANSFORMATIONAL CHANGE IN THE LEEDS CITY REGION

1. Leeds City Region: a strong economy with an ambitious plan to fulfil its potential

The Leeds City Region economy is the biggest outside London, worth £62.4bn, generating 5% of England's output. We have three million residents, a workforce of 1.9m and 119,000 businesses. Our economy continues to show clear signs of recovery from recession. Today, in 2016, there are 15% more businesses in the City Region than there were in 2011, alongside 100,000 more jobs in the private sector – a 10% increase on 2011 and a rate of growth that is faster than the UK average. These businesses include globally significant capacity and capability in financial and professional services, health and digital technologies, low carbon industries and manufacturing, with growth in the latter bucking the national trend.

We have nine higher education institutions, one of the largest concentrations in Europe, and 14 further education colleges. As well as the pipeline of talent this generates, these institutions make critical contributions to innovation, enterprise and international profile; and are helping us achieve our ambition for all of our young people to be in the education, employment or training they need to fulfil their potential. Our diverse network of towns and cities, each with distinctive assets and opportunities, sit in some of the most beautiful landscape in the country; and will be increasingly well connected through delivery of the £1bn West Yorkshire plus Transport Fund and forthcoming rail franchise improvements for example, as well as through HS2 and Northern Powerhouse Rail in the long term. These assets position the Leeds City Region at the heart of the North and form the foundation from which we will build to unlock the City Region's exceptional potential.

This will not be without its challenges. Whilst our economy is improving, it is not doing so fast enough to significantly close long standing gaps with national averages in many areas. These include performance on levels of employment and productivity and their key drivers of skills, investment, innovation and enterprise. The result is an economy that is working below its potential in securing the growth, jobs and prosperity needed to deliver quality of life for all of our businesses, people and places. Too many of our people feel the impact of this on their everyday life, for example with lower incomes and poorer outcomes on health, educational attainment and overall quality of life, and living in some of the highest levels of deprivation in the country. A legacy of under-investment in the transport network and stalled investment in housing and regeneration in some parts of the City Region has also resulted in physical infrastructure that has not kept pace with economic and population growth and will hamper future economic growth if unaddressed.

This Strategic Economic Plan provides the ambitious, integrated and long term plan needed to enable the City Region to build on progress to date and set the course for the businesses, people and places of the City Region to fulfil their exceptional potential. The interconnected priorities and good growth principles of this strategy respond to that challenge.

2. Leeds City Region: the strategic vision

The vision for the Leeds City Region is:

“to be a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone”

In achieving this vision, the City Region will unlock its full economic potential and cement its place as an engine for growth in the North and for the nation as a whole. It will become a positive, above average

contributor to the UK economy and deliver upwards of 35,000 additional jobs and £3.7 billion of annual economic output by 2036.

What will our vision of 'good growth' look like in the Leeds City Region?

Our vision for **good growth** is about an ambition for both the right quantity *and* quality of growth that is in everyone's interest. It is about creating a strong, productive and resilient economy where a radical uplift in business competitiveness, productivity and profits go *hand in hand* with access to good jobs that pay higher wages, and where all residents have access to opportunity and enjoy improved quality of life. The value of this is clear - people are better off, the local economy is boosted, the environment is improved and enhanced and government is able to spend less on welfare and public services. This will underpin everything we do and be used as a principle against which we will test and measure success.



Innovation will be key to achieving success. Business as usual will not deliver the transformative outcomes we seek. More of our firms and public institutions will **quickly exploit new ideas, opportunities and technologies to find new** solutions and achieve growth, efficiency and productivity as a result. Similarly, the **character, ideas, abilities and ambitions of our people will drive success**. We will support a culture and values that build on the City Region's traditions and which is inventive, outward looking, collaborative, open to new ideas and laced with grit and determination. Our diverse and polycentric economy, made up of major cities, towns and countryside, gives us the distinctive assets and opportunities we need to do this.

3. Track record, delivering the Growth Deal and achieving our vision: the scale of our ambition

Investment of the relatively limited sums (£125m) available to the LEP from 2011-15 will by 2020 create an additional 3,200 jobs for local people, benefit 4,300 businesses and unlock nearly half a billion pounds of private investment¹. The City Region economy will be around £220m bigger in 2020 as a result. **Investment here produces substantial on the ground results, efficiently delivered.**

Looking ahead over the next 20 years of our vision, our forecasts predict that – in the absence of any local interventions – the City Region economy will continue to grow, but at a rate below the national average. This strategy builds on our track record to enable us to go beyond this baseline rate of progress and to achieve our ambition of greater prosperity and good growth.

The investment we have secured for the next decade includes the £1bn Growth Deal, the €390m European Structural Investment Fund, and two new Enterprise Zones. These funds, together with the additional public and private investment that will be levered in, will **generate 35,700 additional jobs by 2036. That equates to an extra £3.7 billion annual economic output.** If this extra growth is added to that which is expected happen because of national trends, the City Region is on track to become a near £100bn economy in 20 years' time.

¹ Small report of big impact 2011-2015; Leeds City Region Enterprise Partnership, November 2015

We will go still further than this in the long term. As part of the Northern Powerhouse, and with growth magnified by devolution, we would look to achieve even faster rates of growth and job creation, moving to upwards of 50,000 additional new jobs by 2040. In striving to deliver these ambitions and our good growth principles, we will seek the best balance between quantity and quality of growth to ensure benefits for businesses, people and the environment and reduced inequalities. This will mean the City Region will be well on its way to the aspiration of **becoming a 'net contributor' to the UK economy** in terms of the tax revenues it raises.

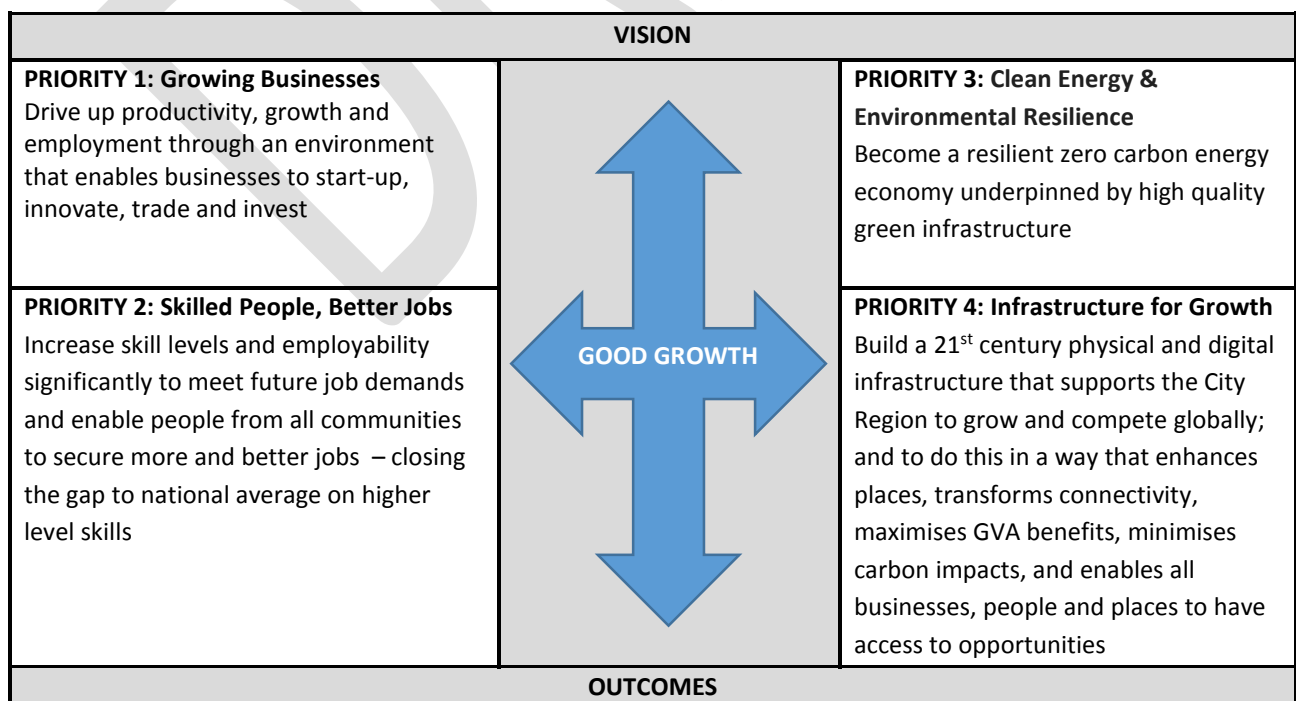
Success will be judged against five headline economic indicators. The goal will be to perform better on all of these measures year by year to benefit people and businesses, *and* to leapfrog the performance of other city regions, hence improving the City Region’s position compared to national averages. They are:

- Growth & Productivity - total economic output (GVA) and output per hour worked
- Employment – employment and economic inactivity rates
- Earnings – median incomes and incomes of the bottom 20% of earners
- Skills - % of the working age population with qualifications at degree level and with five good GCSEs
- Environmental sustainability – CO₂ emissions per capita and fuel poverty levels

We will also track progress against wider, equally important goals that cannot be measured in numbers alone. This includes using available evidence to assess progress in areas such as innovation, exploitation of technology and digital opportunities, quality of life, quality of place, environment and culture. Where data allows, we will also monitor the extent of inequalities within a range of headline indicators with a view to these decreasing over time in line with good growth goals.

4. Strategic priorities

To achieve the vision the SEP will continue to be based on the four inter-connected strategic investment priorities set out in the first SEP published in 2014 as shown in the diagram below.



Headline Initiatives

The Headline Initiatives below represent the vital developments that we wish to see delivered – or well on the way to delivery - over the next ten years. In effect, **they are the large scale ‘game changers’ that will make pivotal inroads into achieving the City Region’s vision.** They span all four priorities of this strategy and will support its good growth principles. They have been identified because they:

- address key issues and opportunities for the City Region economy and its businesses, people and places
- are genuinely major and partnership-based initiatives with big impacts
- are focused on clear action
- combine a foundation in current work and/or assets with an ambition to go further

Headline Initiatives will be delivered through a wide range of partners, including and going well beyond the LEP and WYCA, and utilising local, national and European funding sources. Further analysis on impacts and opportunities will be completed at project/programme level to inform detailed delivery choices and to maximise impact. The set of Headline Initiatives is summarised below, and the table that follows briefly sets out the nature of each initiative, why it is important and the mechanism for its delivery.

The Headline Initiatives, grouped under the four priorities of the strategy are:

Priority 1: Growing Business

- 1) Implement co-ordinated and wide ranging action to **radically increase innovation**
- 2) Become a **global digital centre** – with specialisms in data storage, analytics, digital health and tech skills
- 3) Boost **business growth, productivity, exports and investment** by linking businesses to support and funding, including through the LEP Growth Service, Skills Service and Trade and Investment programme

Priority 2: Skilled People, Better Jobs

- 4) Deliver a **‘more jobs, better jobs’ programme** to widen employment, skills, apprenticeships and progression opportunities, linked to NEET free goals
- 5) Devise and deliver a **programme of action to increase high level skills** and close the gap to UK average

Priority 3: Clean Energy and Environmental Resilience

- 6) Targeted investments and innovation to make the City Region a leading edge centre for **zero carbon energy**

Priority 4: Infrastructure for Growth

- 7) Deliver 30+ West Yorkshire plus Transport Fund schemes and make progress towards a **single ‘metro style’ public transport network**, connected to major national/northern schemes such as HS2 and Northern Powerhouse Rail
- 8) Develop and regenerate integrated **Spatial Priority Areas**, supporting employment, quality environments and the building of 10,000-13,000 new homes per year
- 9) Develop an **integrated flood prevention programme**, incorporating flood defences, green infrastructure and resilient development

Actions for each priority are shown below alongside the outcomes that will help to demonstrate what achievement of good growth will look like.

PRIORITY 1: Growing businesses	PRIORITY 2: Skilled people, better jobs	PRIORITY 3: Clean energy and environmental resilience	PRIORITY 4: Infrastructure for growth
ACTION AREAS			
<ul style="list-style-type: none"> a) Business Growth Hub (LEP Growth Service) b) Innovation c) Access to finance d) Digital e) Supply chain development f) Trade and investment 	<ul style="list-style-type: none"> a) More and better apprenticeships b) Great education, connected to business c) Employability, access to jobs and realising potential d) Building workforce skills and attracting talent e) Addressing skills gaps and shortages 	<ul style="list-style-type: none"> a) New energy generation b) Resource efficient businesses c) Energy efficiency and empowering consumers d) Green infrastructure 	<ul style="list-style-type: none"> a) Integrated Spatial Priority Areas: <ul style="list-style-type: none"> • Urban Growth Centres • Housing Growth Areas • Employment Growth Areas b) Transport infrastructure and services c) Integrated flood prevention d) Digital infrastructure
ACHIEVING GOOD GROWTH			
<ul style="list-style-type: none"> • Greater productivity, innovation, enterprise and best use of technology to improve earnings • Focus on the quality of jobs, skills, progression and business practices • Culture of resource efficiency • Joined up investment to connect disadvantaged communities to economic opportunities • Business access to the widest possible labour pool 	<ul style="list-style-type: none"> • Skills that support people to access jobs and business innovation, productivity and success • People, including those facing challenges and disadvantage, accessing jobs and progressing to achieve higher earnings • Focus on quality jobs to underpin productivity improvements and higher wages 	<ul style="list-style-type: none"> • Enhanced productivity via new energy solutions, ‘smart cities’, technology and collaboration • Targeted home improvements and energy solutions that benefit disadvantaged communities and reduce fuel poverty • Schemes that progress and balance environmental goals and add to quality of place • Transition to low carbon economy • Reduced pollution and improved air quality 	<ul style="list-style-type: none"> • The right scale, location and quality of transport, housing and digital infrastructure to enable access to opportunity for everyone • Infrastructure investment/services aligned to policy on business growth, skills and energy efficiency • Disadvantaged communities able to access jobs in investment schemes • Reduced fuel poverty and better health through improved housing and environments • Future-proofed green and transport infrastructure solutions

6. This Strategic Economic Plan 2016-2036

This Strategic Economic Plan (SEP) is **led by the Leeds City Region Enterprise Partnership (LEP) and the West Yorkshire Combined Authority (WYCA), working with and on behalf of partners across the City Region.** It is an ambitious plan that builds on progress to date and sets the course for the businesses, people and places of the City Region to fulfil their exceptional potential. It recognises that transformational change cannot be delivered by WYCA and the LEP alone and therefore acts as the framework for engagement with others in the City Region and beyond – working across the private, public and third sectors – to coalesce action around a shared intent for good growth.

It has been produced through engagement with many stakeholders, including businesses and their representative organisations, local authorities, universities and colleges and community organisations. It is this partnership that will drive delivery of the strategy to achieve the transformational change we seek. It will be **implemented through a set of interconnected Delivery Plans** covering the detail of what will be delivered by who and when in key policy areas, and ensure that strategy leads to action and tangible results.

DRAFT

LEEDS CITY REGION STRATEGIC ECONOMIC PLAN 2

**DRAFT FINAL VERSION FOR
WEST YORKSHIRE COMBINED AUTHORITY (31 March 2016)
AND LEP BOARD (5 April 2016)**

23 March 2016

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FOREWORD – to be added in designed up version after Board approval

EXECUTIVE SUMMARY – to be added at front of document and available as a stand-alone version

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ANNEX

1. Growth Forecasts, Risks and Responses

1. THE VISION FOR TRANSFORMATIONAL CHANGE IN THE LEEDS CITY REGION

1.1 This Strategic Economic Plan 2016-2036

This Strategic Economic Plan (SEP) is **led by the Leeds City Region Enterprise Partnership (LEP) and the West Yorkshire Combined Authority (WYCA), working with and on behalf of partners across the City Region**. It is an ambitious plan that builds on progress to date and sets the course for the City Region to fulfil its exceptional potential.

The SEP has been produced through engagement with many stakeholders, including businesses and their representative organisations, local authorities, universities and colleges and community organisations. We have also connected with neighbouring areas and their economic plans, linked to our central role in the Northern Powerhouse. This resulting strategy replaces the previous SEP (produced in 2014 at the request of the Chancellor) and will be **implemented through a set of interconnected Delivery Plans**. These will cover the detail of what will be delivered by who and when in key policy areas, and ensure that strategy leads to action and tangible results.

Where ‘we’ is used in the strategy, it refers to the LEP and WYCA, working in partnership with the array of organisations that contribute to the City Region economy. The transformational change we seek cannot be delivered by the LEP and WYCA alone – businesses, public sector, voluntary and community organisations in all parts of the City Region have a role to play, alongside central government. Hence the SEP provides the strategic framework to combine and align action and investment to support good growth in Leeds City Region.

1.2 Leeds City Region: the strategic vision

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

“to be a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone”

In achieving this vision, the City Region will unlock its full economic potential and cement its place as an engine for growth in the North and for the nation as a whole. It will become a positive, above average contributor to the UK economy and deliver upwards of 35,000 additional jobs and £3.7 billion of annual economic output by 2036.

Leeds City Region has a proud economic and cultural history. Its spirit of inventiveness, enterprise and hard work was at the heart of the industrial revolution, whilst its creative talents have led advances in science, engineering, literature and sculpture. This energy and innovation have continued into the modern era, with countless technical advances, such as hip replacements and cash machines, invented here. The Leeds City Region, with an economy bigger than that of nine EU member states, continues to transform. Since 2011 (when the LEP was created), thousands of jobs have been created, thousands of businesses helped to grow, and almost half a billion pounds of private investment unlocked.

We view this as ‘a job well begun’. Indeed, progress has been noted as ‘phenomenally successful’ by the Prime Minister. It demonstrates the ability of all sectors across the Leeds City Region to work together to

tackle collective challenges, and puts us in excellent stead to exploit the many opportunities that lie ahead. The City Region has the assets, drive and capability needed to continue to transform our economy.

Transformation will not be without challenges. Like other places that initially led the industrial revolution, the decline of heavy industry took a weighty toll on many communities. It has left a legacy of pockets of serious deprivation, and an economy that has been less productive than those in London and the south east which have had a different economic history.

The residents and business people of Leeds City Region are, however, nothing if not resilient. Although there is much further to go, with increasing control of the levers needed to drive success, the building blocks for future lasting growth are firmly in place.

What will our vision of ‘good growth’ look like in the Leeds City Region?

Our vision for **good growth** is about an ambition for both the right quantity *and* quality of growth that is in everyone’s interest. It is about creating a strong, productive and resilient economy where a radical uplift in business competitiveness, productivity and profits go *hand in hand* with access to good jobs that pay higher wages, and where all residents have access to opportunity and enjoy improved quality of life. The value of this is clear - people are better off, the local economy is boosted, the environment is improved, society is fairer and government is able to spend less on welfare and public services. This will underpin everything we do and be used as a principle against which we will test and measure success.



So what will this mean for how the components of good growth contribute to our twenty year vision?

For business: Good growth will equate to **heightened productivity** and increasing numbers of businesses that make ‘good growth’ an intrinsic part of their long term corporate strategy and the route to delivering value for shareholders. Their outlook will span both local supply chains and international markets, embodying an open and collaborative culture where innovation and a degree of risk-taking are the norm. They will strive to offer ‘good’ jobs (see below) that, along with investment in the skills they need at all levels, will enable them to attract and retain the talented people they need to grow and to move into higher value product and service markets. This will be challenging in some sectors – like retail, catering and care – but the City Region will work together to help businesses find practical, realistic solutions that help move them along a path towards good growth.

For people: The benefits of growth do not automatically trickle down to all, so we will adopt an **inclusive growth** approach that will proactively prioritise options to extend job and income opportunities to *all* communities. Many more jobs will be ‘good’ jobs defined by decent income, fair terms and appropriate flexibility and security, where effort is recognised and people have the opportunity to learn, contribute, progress and work in a safe and healthy environment. This new norm, coupled with higher productivity, will raise pay and incomes over time, helping to reduce in-work poverty. Graduates and other young people will

not need to leave to find work which befits their skills. More people in good jobs will have benefits for health, just as improved health will widen the labour pool and enhance productivity.

For places: High quality and connected places are intrinsic to good growth. Our distinctive variety of places will offer outstanding quality of life through their unique business, physical and environmental assets, as well as their diversity of culture and heritage. Vibrant, regenerated town and city centres will be people friendly, no longer dominated by the car and with clean air and the highest quality green infrastructure and public realm. This will sit alongside a rural hinterland that plays its full and highly significant role in the City Region economy. There will be enough of the right-sized, high quality, carbon neutral homes in the right places to give residents a choice of where they want to live in safe communities at a price they can afford.

Places will be connected by high quality **transport and wider infrastructure** that serves the needs of businesses and people. Movement between towns and cities will be easy and fast, based on a single 'metro style' public transport system that connects residents to jobs and companies to their markets with ease and reliability. HS2 and a much-improved rail network across the North of England (known as 'Northern Powerhouse Rail'), plus improved access to Leeds-Bradford and Manchester International Airports, will ensure excellent physical links to the rest of the UK and the world. Schools and colleges, green infrastructure, flood prevention and management measures and digital connectivity will likewise be comparable to the best in the world and will give the City Region a global reputation that readily attracts skilled people and investment.

For the environment: We will apply a **low carbon and sustainable** approach in everything we do. As a leader in low carbon, we will exploit new economic opportunities with potentially huge global market opportunities. Our businesses will be highly efficient in their use of energy and resources, allowing them to de-couple growth from carbon emissions and pollution. Poor air quality and fuel poverty will be a thing of the past – homes will be well-insulated, while efficient energy generation, usage and smart networks will ensure everyone is actively in control of their energy consumption. We will not just have maintained and enhanced our already beautiful landscape, but will have found innovative new ways to work with it, for example through investments in new or enhanced natural assets that promote flood alleviation.

The focus on good growth is not just well-intended words. It is embedded in each priority of this strategy, with measures of success in delivering good growth set out clearly to enable us to monitor and evaluate progress. Good growth will permeate all of our delivery plans, and will be embedded in all our decision making, prioritisation and resource allocation. In this way good growth will become part of the way we will do business in the City Region.

Innovation, technology and creativity – part of how we deliver good growth

In a rapidly changing and often unpredictable world, the **ability to quickly exploit new ideas, opportunities and technologies will be critical to economic success** and social progress. Businesses that innovate imaginatively can see phenomenal growth, and achieve big improvements in efficiency and productivity. And those that capitalise on the full potential of new technology and data can gain crucial market advantage. The City Region can and will do more to support such activity. It will link businesses to our excellent universities and colleges to foster R&D, build a high quality pool of talented people and tech skills, and ensure the right data, digital and technology infrastructure is in place.

But innovation is not solely about technology, business or infrastructure. It is also about the creativity, mind sets, ideas and abilities of the City Region's people. We all have the ability to devise new products and services and to do things better. To reap this potential we will harness a creative, confident and ambitious culture where people and businesses in all sectors make best use of ideas and technology and continually innovate and improve. **The character, ideas, abilities and ambitions of people in the City Region will drive success.** We will support a culture that builds on the City Region's traditions and which is inventive, outward looking, collaborative, open to new ideas and laced with grit and determination.

1.3 Track record, delivering the Growth Deal and achieving our vision

The 11 local authorities that comprise Leeds City Region (Barnsley, Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield and York, alongside North Yorkshire County Council) have been working in partnership to improve the economy since 2004. The establishment of the Leeds City Region Enterprise Partnership ('the LEP') in 2011 and the West Yorkshire Combined Authority (WYCA)¹ in 2014 strengthened joint working further, including direct private sector involvement in the partnership. The LEP and WYCA are now working as one to drive economic success.

Since 2011, government has increasingly offered LEPs control over budgets in a number of key aspects of economic development. Investment of the relatively limited sums (£125m) available to the LEP from 2011-15 will by 2020 create an additional 3,200 jobs for local people, benefit 4,300 businesses and unlock nearly half a billion pounds of private investment². The City Region economy will be around £220m bigger in 2020 as a result, with a cumulative £1.4 billion of output added over and above a business as usual scenario. Our performance to date means we now have a track record of highly cost-effective delivery, with every £1 of government investment leveraging in an additional £4 from the private sector, and achieving a cumulative economic impact of over £10. **Investment here produces substantial on the ground results, efficiently delivered.**

Impact has spanned all four priorities of the strategy and will continue to do so in the future. For example:

- The City Region has 15% more businesses than in 2011, a rise that outstrips national performance, and has attracted 31 inward investments, helping to raise foreign investment in Yorkshire by 145%

¹WYCA has economic and transport powers and brings together the five authorities of Bradford, Calderdale, Kirklees, Leeds and Wakefield, working in tandem with City of York Council.

² Small report of big impact 2011-2015; Leeds City Region Enterprise Partnership, November 2015

- Skills programmes have created 2,000 new apprenticeships for young people and enabled 2,700 more young people to enter employment, education or training
- There have been significant reductions in carbon emissions, energy improvements to over 1,000 properties, and major progress on developing an ambitious pipeline of new district heat networks

What, then, is required to move on from this good start and achieve our ambition of good growth and greater prosperity? According to 2014 data, Leeds City Region is a £62.5bn a year economy, the largest city region outside London. However, if our output per person were to match the UK average, billions would be added to our annual economic output. In turn, employment and wages would be higher, more tax would be paid by local businesses and individuals, and benefit payments and other calls on the public purse would be lower, meaning that we would be moving to a position of making a positive, above average contribution to the national exchequer.

The strength of our partnership, the economic ambition expressed in the first SEP, and the ability to deliver in a highly cost effective manner enabled the City Region to secure from government **the largest Growth Deal of any LEP area in the country** in 2014 and 2015. The £1 billion Growth Deal is a major programme of investment to support all our strategic priorities, including the creation of the ‘West Yorkshire plus Transport Fund’ for over 30 new transport schemes that will improve access to jobs and markets for people and businesses in West Yorkshire and York.

The **impact of the funding we have won to date** and the investments that will flow from it will be substantial. The full range of investments to be guided by the LEP and WYCA includes:

- the **Growth Deal** itself, which will lever in similarly large sums of additional investment from both the private and public sectors over the next decade
- investment of around 390 million Euro of **European Structural and Investment Funds (ESIF)**, which will be at least matched by other bodies
- a mixture of public and private investment will ensure the development of our **Enterprise Zones** in the Aire Valley and along the M62 corridor, with the great majority of the investment from the private sector

The successful delivery of this full ‘Growth Deal Plus’ package of public and private investment will **create 35,700 additional net jobs by 2036. That equates to an additional £3.7 billion annual GVA.** If this extra growth is added to that which is expected to happen because of national trends, the City Region is on track to become a near £100bn economy in 20 years’ time.

To put these figures into context, for Leeds City Region to have matched expected UK average growth rates over the next 20 years would have required the creation of around an additional 30,000 net jobs. This would be an ambitious aim in itself, and have demanded much better performance than that of recent decades. The goal of creating nearly 36,000 jobs goes beyond this. In other words, successful delivery of the Growth Deal, the ESIF and our Enterprise Zones will enable us to lift our economic growth path to an annual level that exceeds the rest of the UK, and thereby goes a long way towards the transformation we seek.

However, our **long term ambition** is to go further. As part of the ‘Northern Powerhouse’ of Northern city regions working together, and with growth magnified by devolution that gives us the ability to take more effective decisions locally, we would look to achieve even faster rates of growth and job creation, moving to

upwards of 50,000 additional new jobs by 2040. In striving to deliver these ambitions and our good growth principles, we will seek the best balance between quantity and quality of growth to ensure benefits for businesses, people and the environment and reduced inequalities. Decision making and project appraisal mechanisms will support this approach.

The additional jobs, income and business growth to be created will enable the City Region to be well on the way to its aspiration of **becoming a 'net contributor' to the UK economy** in terms of the tax revenues it raises. Currently the City Region contributes approximately £300 per capita below average in tax revenues compared to the rest of the UK (excluding London³). Creating 35,000 net additional new jobs at UK average wage levels would close this gap and make the City Region an above average contributor to UK PLC. As stated above, the Growth Deal and associated investments are forecast to create this number of jobs.

To enable progress to be tracked annually and in line with the breadth of our vision for good growth, **success will be judged against five headline economic indicators** (see 2.3 for definition and data on these). The goal will be to perform better on all of these measures year by year to benefit people and businesses, *and* to leapfrog the performance of other city regions, hence improving our position compared to national averages. The headline indicators draw on core economic measures and fuller expert analysis on monitoring inclusive growth in Leeds City Region, which we will utilise in full as a supporting data set⁴. They are:

- Growth & Productivity - total economic output (GVA) and output per hour worked
- Employment – employment and economic inactivity rates
- Earnings – median incomes and incomes of the bottom 20% of earners
- Skills - % of the working age population with qualifications at degree level and with five good GCSEs
- Environmental sustainability – CO₂ emissions per capita and fuel poverty levels

In parallel with success on these indicators, we will track progress against wider, equally important goals that cannot be measured in numbers alone. These include using available evidence – combining qualitative factors, wider data sets, and tangible change on the ground that affects people and businesses – to assess progress in areas such as innovation, exploitation of technology and digital opportunities, quality of life, quality of place, environment and culture. Where data allows, we will also monitor the extent of inequalities within a range of headline indicators with a view to these decreasing over time.

1.4 Devolution, the North and the national policy context

There have been important changes in both local governance and in the national approach to devolution since the publication of our first Strategic Economic Plan in 2014. The West Yorkshire Combined Authority (WYCA) was established in April 2014, and works with the LEP as two sides of the same coin. The LEP, which includes political leaders from across the City Region, sets overall economic strategy, while the WYCA provides local democratic accountability and a clear link to the local authorities.

Building on these governance structures, spring 2015 saw the agreement of a first stage Leeds City Region **devolution deal** with the coalition government, giving council and business leaders greater influence over

³ The definition used is based solely on tax raised (not the gap between that and spending). UK figures exclude London given its exceptional nature as a major world city and the way its associated tax base would artificially skew analysis. Figures used in gap reduction calculations are based on baseline forecasts in other parts of the UK.

⁴ C.Beatty et al, A framework of indicators for measuring inclusive growth, CRESR, Sheffield Hallam University, July 2015

long term planning and investment decisions on adult skills, transport, housing and support for small businesses. The deal opened the door to new ways of working locally, e.g. between WYCA and the LEP, as well as with national agencies including UKTI, the Homes and Communities Agency, Highways England and Network Rail. The West Yorkshire Combined Authority therefore now has more scope than previously to influence national planning and investment decisions, so that they are better shaped by, and responsive to, local priorities.

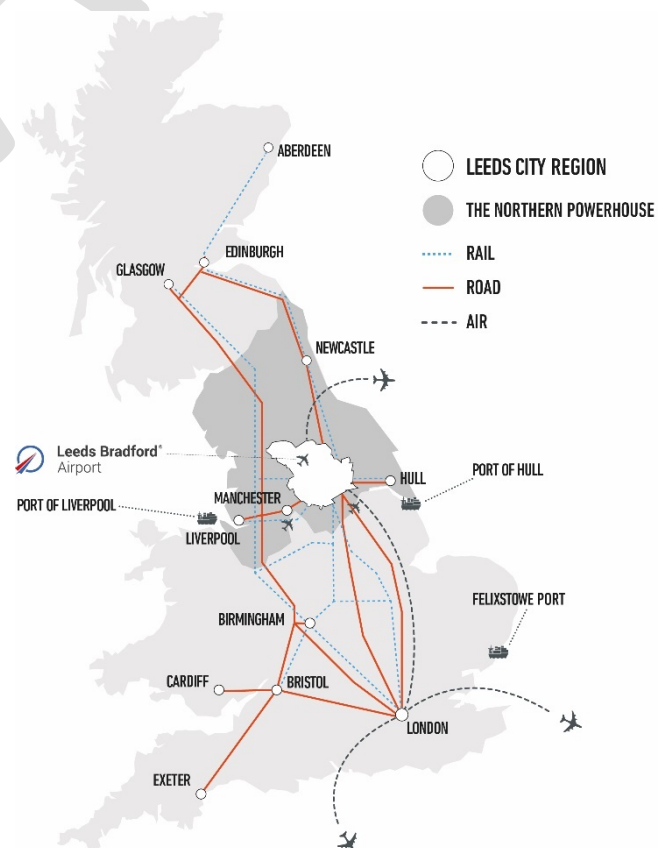
The first stage devolution agreement allows for conversations with government on the further devolution of powers and investment. Following the July 2015 Spending Review, proposals including 27 ‘asks’ were submitted by the Leeds City Region in September 2015 to the Treasury to secure a transformational deal for devolved fiscal budgets, and associated powers or responsibilities over transport, housing, skills and employment, business, energy and flood alleviation and resilience. The ‘asks’ cover the geography of the Leeds City Region, and provide for a directly elected City Region Mayor by May 2017, subject to consultation and consent by the Combined Authority and its member Councils. The agreement of an ambitious deal would serve to accelerate the realisation of the City Region’s economic ambitions and deliver a Northern Powerhouse that competes on a global stage and rebalances the UK economy.

Looking ahead, WYCA and the LEP will, on behalf of the Leeds City Region, continue to work with government to achieve the comprehensive devolution that would provide the powers and resources necessary to achieve the City Region’s ambitions.

Leeds City Region is at the very heart of the ‘Northern Powerhouse’. Geographically we bind the North together; economically we are its biggest contributor of businesses, output and jobs; and politically we are its forefront. Working creatively and in collaboration with all parts of the North, our ambitious, determined, can-do spirit will drive its revitalisation. The result will be a second, globally significant, UK powerhouse economy that complements London and the south east. By unleashing the full, collective economic potential of the North our growth will be more rapid and more sustainable. We will transform the lives of millions, add many thousands of jobs and billions to economic output, and maximise our contribution to UK PLC.

The devolution of power and budgets that we seek will be intrinsic to achieving our vision and that of the Northern Powerhouse, enabling better prioritisation and decision making and more cost-effective action. Additionally, there are fields where businesses, public bodies and the community sector can make progress by working together across the North independently of government.

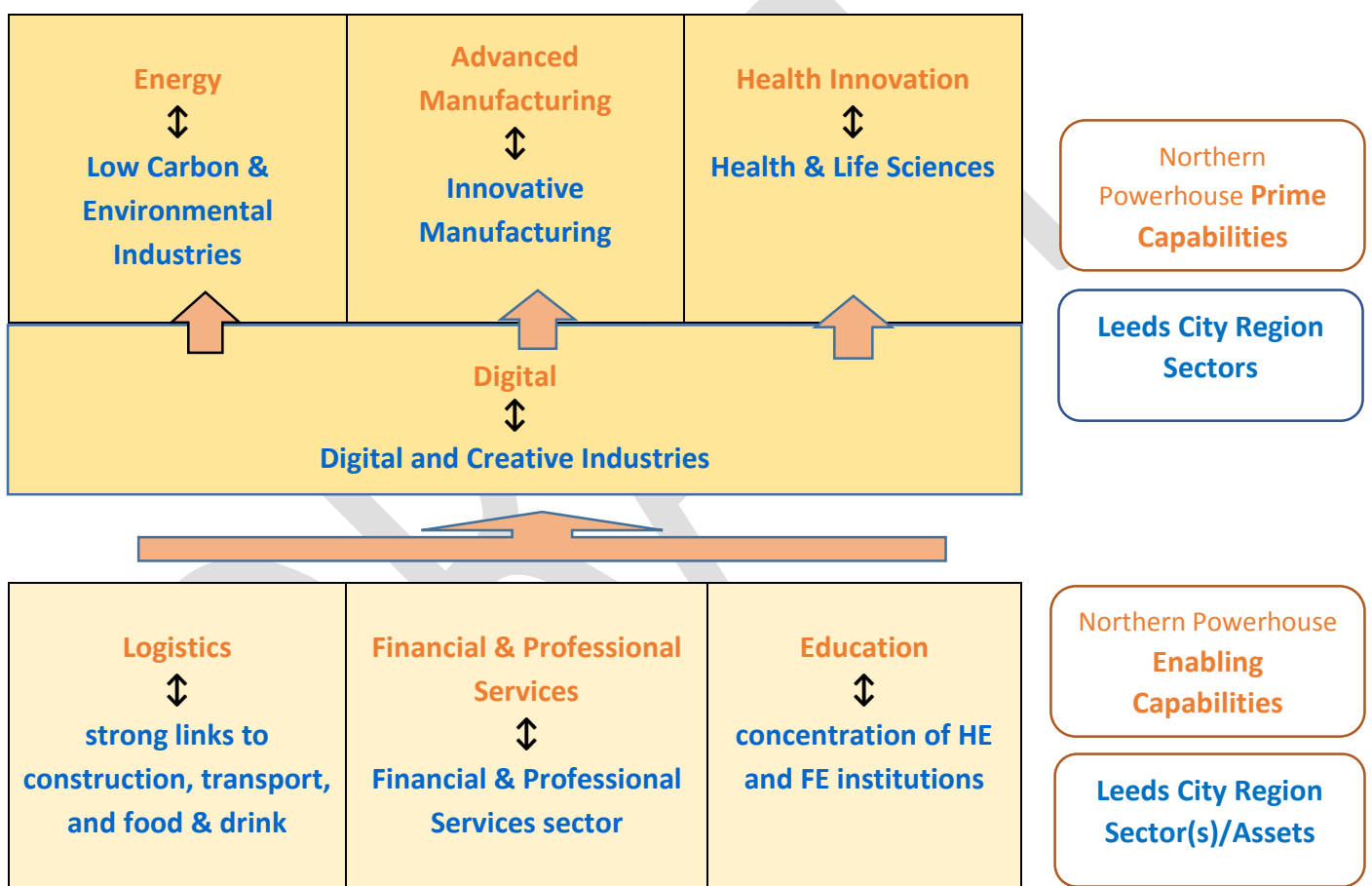
This type of cooperation is already happening – for example, with Rail North and Transport for the North. These initiatives are led by the North and have already brought far greater local control over new rail franchises as well as wider influence on transport proposals. Ultimately



they will result in local control over substantial transport budgets for the North. But pan-northern collaboration is not just happening on transport. There are also important aspects of innovation, access to finance, supply chains and skills in which dialogue and action is underway because it makes sense to consider approaches at a larger geographic scale.

Our strategy for the Leeds City Region economy is aligned strongly with that for the rest of the North. The recent Northern Powerhouse Independent Economic Review sets out four pan-Northern ‘prime capabilities’ and three ‘enabling capabilities’ that will drive growth across the North. These key economic sectors are also identified in this document as ones in which the Leeds City Region has pronounced strengths. Figure 1 shows this overlap.

Figure 1: Connection between Leeds City Region Sectors and Northern Powerhouse Capabilities (sectors)



Leeds City Region will work with others across the North, and especially neighbouring Local Enterprise Partnerships and Combined Authorities, to implement our priorities wherever there are advantages in doing so. This will include co-ordination of activity in areas that fall within both Leeds City Region and another LEP area (as in the case of Barnsley, York, Harrogate, Craven and Selby), central roles in Northern transport initiatives, and joint work with big cities such as Manchester and Sheffield in framing our combined offer.

More widely, the priorities in this strategy support the delivery of national priorities and strategies, such as those for productivity and industry, innovation, skills and apprenticeships, transport, housing and infrastructure, energy, flood resilience and natural capital. The supporting economic evidence report (to be published alongside the SEP) further describes policy fit in overview and for each of this strategy’s priorities.

The Digital Agenda: accelerating good growth in the Leeds City Region

The digital revolution is enabling growth across all businesses and sectors, including the public sector. It is one of the greatest sources of disruption that businesses and organisations can apply to drive innovation in the way they work and in the products and services they deliver, with the outcome being higher efficiency, productivity and growth. The City Region economy is well placed to capitalise on this for a number of reasons.

We are home to a **diverse and thriving digital sector whose growth is a priority in its own right**. Mapping carried out in 2015 identified around 8,500 businesses here which self-identify as offering digital or technology related services. These businesses employ around 70,000 people and are operating across areas including IT and data, hardware, health and social care, wifi and connectivity, financial technology, the internet of things and gaming.

Alongside this, the City Region is home to a **network of unique digital assets, capacity and capability and a critical mass of systems, physical infrastructure and skills that are enabling growth across all sectors**. If harnessed, these have the potential to set the City Region apart from other places, not just in the UK but globally. Collaboration platforms such as IX Leeds, one of only three internet exchanges in the UK and the only one outside London; and the Leeds node of the Open Data Institute which is one of 22 nodes across 15 countries, are providing individuals, businesses and public sector organisations with opportunities to collaborate for mutual benefit.

At the heart of this sits data, around which our higher education assets have a key role. The University of Leeds was ranked first for Big Data in the 2013 Witty Review, and is home to the Leeds Institute for Data Analytics, offering space for collaboration, analysis of data, access to academics and students, and high performance computing assets. Part of a national network of ‘catapults’, the Digital Catapult at the University of Bradford works with start-ups, businesses and academics to focus on opportunity around personal, private, licensed and internet of things generated data. **Our ambition is for the Leeds City Region to be a globally recognised centre for the collection, use and protection of big data, helping to drive not just business growth but also improved outcomes for the economy, society and the environment**. We have the potential here to shape for the better the way people receive services from education to public transport and healthcare.

In **digital health** our vision is already crystallising. The City Region is home to a distinct ‘healthcare ecosystem’. This ranges from the research excellence within our universities to world leading innovative companies and a public infrastructure of teaching hospitals, government departments and national bodies. This ecosystem – and the critical mass of knowledge, investment and decision making it brings – gives the City Region competitiveness on a national and international scale. Alongside significant HEI assets such as the Digital Health Enterprise Zone (DHEZ) at the University of Bradford, the City Region is home to the two market leading primary healthcare health IT systems (EMIS and TPP), the largest healthcare data platform in the world (NHS Spine) and the NHS Health and Social Care Information Centre (HSCIC).

The opportunities that can be exploited through a strategic focus on digital, technology and knowledge, as well as innovation, creativity and open mind sets are huge. To maximise them, we will focus on a number of core elements to be set out in a **Digital Delivery Plan**, and linked to the Headline Initiative of becoming a **global digital centre**. In advance of this, initial action areas are set out in every priority of this strategy. These include stimulating business appetite to use, develop and invest in new digital and technology approaches; working with universities in the drive to commercialise new ideas; developing a ‘tech talent’ pipeline that starts with developing young digital and coding talent in schools and FE colleges; and ensuring the right infrastructure is in place to digitally enable our economy.

1.5 Refreshing and Delivering the Strategic Economic Plan

The first Strategic Economic Plan was submitted to government in March 2014, establishing an ambitious programme of investment and delivery. It acted as the basis for securing the country's largest Growth Deal settlement, providing over £1 billion in government investment, and establishing a ground breaking Transport Fund for the City Region to help rectify decades of underinvestment. Two years on much has been achieved; with good progress made on unlocking investment, supporting businesses to grow and creating new jobs. This has happened in the context of what remains a very mixed global economic outlook.

In keeping with our intention to remain at the leading edge of LEP and Combined Authority thinking and delivery, and despite there being no formal requirement from government to do so, we have refreshed the SEP in order to ensure that the strategy continues to serve the City Region and its ambitions. This does not mean starting from scratch. The emphasis is on taking stock as part of a continual process of fine tuning and update, ensuring that we are continually learning and alive to opportunities, and that we are swift and proactive in our response to change.

The Strategic Economic Plan is the long term plan for good growth. It recognises that transformational change cannot be delivered by WYCA and the LEP alone and therefore acts as the framework for engagement with others in the City Region and beyond – working across the private, public and third sectors to coalesce action around a shared intent for good growth.

The strategy is intentionally high-level and retains the flexibility needed to ensure the City Region can respond rapidly to events that have the potential to bring major economic opportunity or harm. Within WYCA and the LEP, **the SEP sets the economic policy framework for a series of interconnected delivery plans** that will detail what will be delivered, by whom, by when and with what funding in specific policy areas. These include plans for Skills and Employment, Digital, Transport, Green Infrastructure, Trade and Investment, and Housing, Regeneration and Infrastructure *[NB. An annex is to be developed prior to final publication setting out the individual delivery plans that form this set, which are existing and which need to be developed, and who leads each].*

Significantly, **the SEP has a clear and mutually reinforcing relationship with the European Structural and Investment Funds (ESIF) Strategy.** The two are wholly aligned, notably on the goal for good growth, and as such the ESIF will be a vital tool in helping to deliver the SEP including at a community level. It is a key route to harnessing the resources and capacity of a broad range of partners, and in so doing, will ensure that impacts are combined and maximised to deliver lasting outcomes for businesses, people and places. For example, whilst not led by the LEP or WYCA, tourism and the visitor economy can benefit the City Region economy (including rural areas). Delivery of action and investment by others, linked to destination planning, will help to implement ESIF priorities.

The strategy also supports and is supported by strategies and plans produced by others such as local authorities. These include specific and often localised detail on economic development, infrastructure (including transport, digital, employment sites, etc.) and employment and skills. Links to local authority area priorities are covered in section 2.1. There are also mutual benefits in making connections with investment in areas including housing, health, planning, inclusion and the environment. These plans, taken as a whole,

will support delivery of the ambition set out in this SEP. Figure 2 demonstrates this relationship between strategy and delivery.

Figure 2: Implementing the Strategic Economic Plan through Delivery Plans



The LEP and WYCA have a core function to perform on behalf of the City Region in relation to the SEP. We will facilitate and enable action, especially by the private sector, and will broker dialogue and action across stakeholders and continue to extend the essential relationships and investment that will underpin success. This will help Leeds City Region to utilise its wealth of knowledge and capacity to design, invest in and deliver programmes that meet the needs of business, people and communities. We will work with partners across sectors to amplify the City Region’s voice and presence and to make the case for investment here, be that by business or government, and will continue to work in partnership with government to go further on devolution. We seek the power needed to shape our economic future because that is the best way to take the decisions needed to build the prosperous and inclusive Leeds City Region economy of the future.

Other partners also have key roles to play, for example businesses will be at the heart of driving growth, the public sector can help to facilitate and enable progress, the voluntary sector are adept at connecting to communities, while universities and the FE sector help create the talented pipeline of people we need to support success.

Concentrated university expertise and talent

Leeds City Region has nine universities and higher education institutions, more than any UK economy outside London. These institutions produce 40,000 graduates per year and are as relevant nationally and internationally as they are locally. 23% of their research is judged to be world leading with a further 42% internationally excellent; and are actively involved in government's Science and Innovation Audits to further identify areas of global research and innovation competitive advantage. LCR institutions can demonstrate excellence across research areas as diverse as regenerative medicines, bio-science, medical technologies, robotics, polymers, advanced textiles, metrology, data analytics and advanced turbo technologies. Their reputation, expertise and the outstanding pool of graduate and post graduate talent they produce makes them a distinctive and globally significant asset. Additionally, the City Region's 14 FE colleges are linked to business and complement our universities in training the workforce of the future and building the technical and wider skills needed by industry.

Besides their importance in advancing innovation and attracting hundreds of thousands of students, universities also support graduate start-ups and internationalisation (e.g. through networks, foreign students and alumni) and play an important role in enhancing and raising the profile of towns and cities. They are vital local anchor institutions that boost skills and labour markets, drive high quality development, attract investment and stimulate enterprise, and employ many thousands of staff in highly skilled, good quality jobs. This adds up to a huge input to local spending and supply chains. Hence universities and FE colleges will be key partners in delivering the SEP, with strong connections to communities and businesses within the City Region and links far beyond it.

Making the most of the contributions of all partners, the SEP is the **framework which will guide investment in support of good growth in the Leeds City Region**. We will direct our decision making and investment in support of this goal, informed by economic intelligence and evidence. We will challenge the status quo, learn and horizon scan across policy domains and continue to apply well-established, robust, transparent and accountable governance arrangements. The LEP and WYCA will lead by example, applying the principles of this strategy to everything we do. This includes refreshing the way we appraise and measure the impact of activity (see section 4) to ensure it is not just the quantity of jobs and growth that is assessed, but also the quality.

The Strategic Economic Plan is structured as follows:

Chapter 1 describes the vision and the role and purpose of this strategy

Chapter 2 details evidence and its implications, including the roles of places

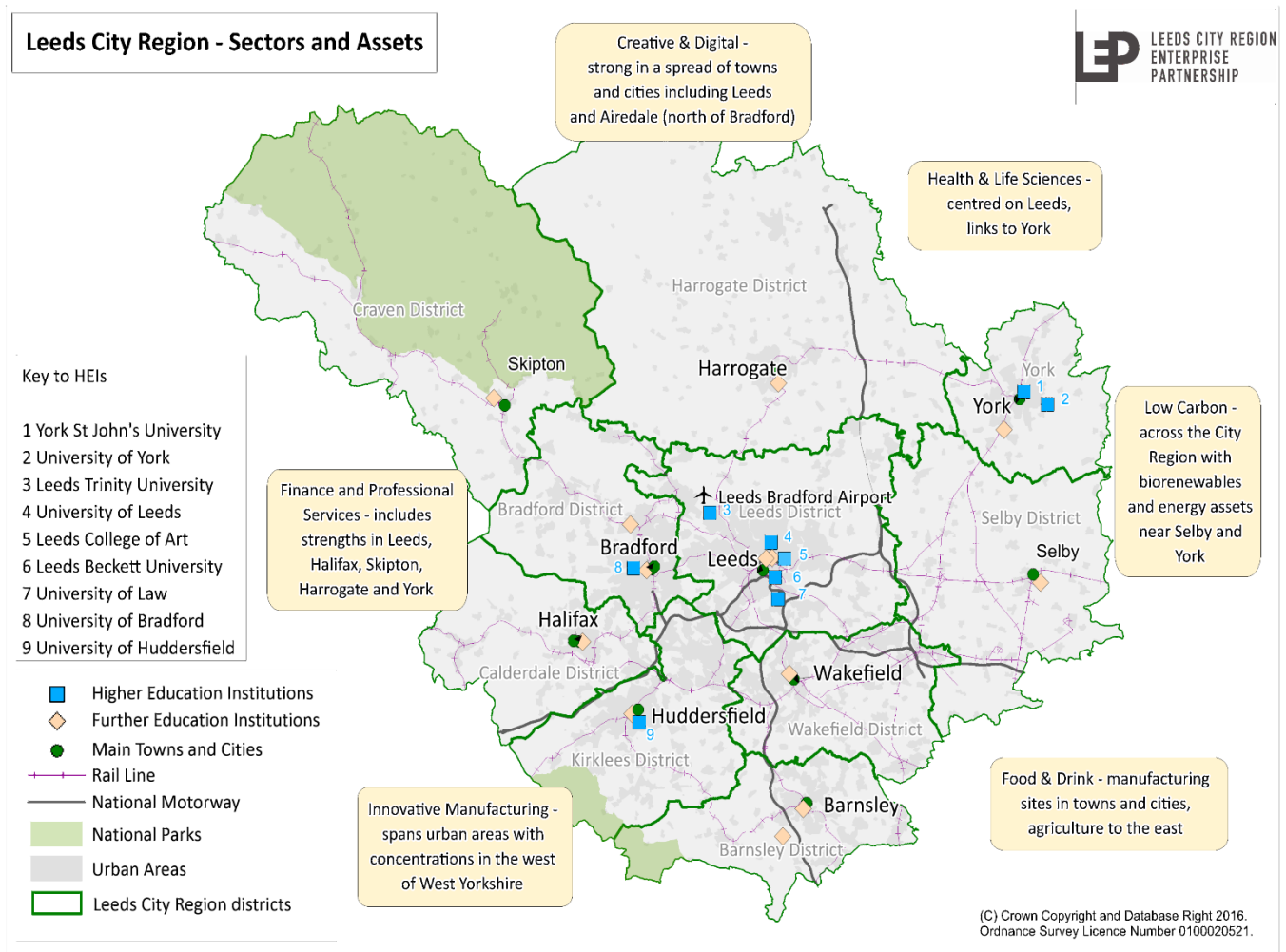
Chapter 3 sets out the strategy in overview, its four strategic priorities and a set of headline initiatives

Chapter 4 describes assurances on delivery and evaluation

2. LEEDS CITY REGION – PLACES, EVIDENCE AND IMPLICATIONS

2.1 Leeds City Region – more than the sum of its parts

The Leeds City Region economy covers a large and diverse geographical area, and yet functions as a coherent economic unit in which the great majority of residents both live and work. The map shows the City Region area, its key sectoral assets, its exceptional concentration of universities, and the principal transport routes.



Leeds City Region Overview: the story of our place

The City Region is a diverse and polycentric economy, made up of major cities, towns and countryside, each with distinctive assets, economic roles and priorities. The opportunity to leverage the assets of each city and town – across urban and rural areas - in order to attract people and investment and to drive growth is huge. When aligned to wider policy objectives, for example on flood mitigation, clean energy, health and wellbeing, and economic inclusion, the impacts are amplified further.

The City Region is equally diverse in relation to the differing levels of economic and social prosperity within its boundaries. Whilst it is home to some of the most prosperous neighbourhoods in the UK, too many neighbourhoods are amongst the poorest and have not benefited from growth. This pattern of growth sees parts of our City Region still working hard to restructure their economies and business base, reinvigorate their population centres and address long standing issues on skills, deprivation and health for example.

What does this distinctiveness look like?

Leeds

Leeds is the core city within the City Region, home to a quarter of its population and a third of jobs. It plays a critical role in driving economic growth and value, for the City Region, the north and the UK. Four universities sit alongside a diverse business base – Leeds is home to the UK's largest number of financial and professional services jobs outside London and also has concentrations of globally significant manufacturing, healthcare and digital technology firms.

Already home to the busiest rail station outside London, Leeds is set to cement its role as a central east-west and north-south transport hub through the arrival of HS2. This is accelerating what is already one of largest regeneration projects and new business locations in Europe: Leeds South Bank, which is emerging as a world-class business location with superior digital infrastructure and scope to accommodate 35,000 new jobs and 4,000 new homes. Growth is increasingly spread beyond the city centre. Sites such as Thorpe Park, White Rose Office Park, Kirkstall Forge and the Aire Valley Enterprise Zone are driving this, as will proposals to allocate 36 hectares of high quality employment land to house 5,500 jobs adjacent to Leeds Bradford International Airport, the UK's fastest growing airport, and also a new major area of employment land at Capitol Park at Tingley. The city has a visitor offer that is underpinning its economic ambitions, spreading across retail, leisure, culture and sport. This will be boosted further through the Leeds Capital of Culture bid in 2023. The city is seeking the redevelopment of Headingley stadium to retain international cricket.

The city is not without its challenges. There is further to go to drive productivity through innovation, investment and skills for example. Furthermore, through its Strong Economy, Compassionate City work, the Council is integrating its approach to economic growth and tackling poverty to build a more resilient economy where everyone in the city can access economic opportunities and contribute to the economy.

Bradford

Bradford is the fifth largest city authority in the UK and has a £9.2 billion economy. Over 525,000 people live in the city and wider district in an attractive mix of urban and rural settings, including Keighley, Ilkley, Shipley and Haworth. With nearly a quarter of the population aged under 16, Bradford is the youngest city in the UK. It is home to a rich and diverse population and has a reputation for enterprise, culture and creativity.

The city's scale, dynamism and international outlook is at the centre of its plans for growth. Bradford is the 'Producer City' at the heart of the North, with above average concentrations of production business and employees across manufacturing, energy and utilities. This sits alongside major company headquarters in retail, finance and advanced engineering and strengths in digital technologies. These are further enhanced through the new Digital Health Enterprise Zone and connections to the academic excellence flowing from the technology led University of Bradford and its world ranked School of Management. Cultural industries assets include the National Media Museum, Saltaire World Heritage site, Bronte Country, the Alhambra theatre and Bradford's status as the world's first UNESCO City of Film.

The major regeneration of Bradford in recent years is continuing with close to £1bn of investment in the pipeline. The City Centre Growth Zone has redefined Bradford's offer, providing for high quality office and residential schemes complemented by new retail and leisure outlets including the Broadway Shopping Centre and the awarding winning City Park open space. This, alongside strategic action to create a vocationally led, business focussed education and skills offer, is helping to create the right conditions for

investment to deliver on the city's growth potential. Better skills, more good jobs and a growing economy are central to the district's plan to improve health, tackle inequality and foster self-reliant and strong communities. Whilst only 10 miles from Leeds, there is scope to much improve transport links between the two cities, enhancing their combined offer and interconnections.

Kirklees

Kirklees is one of the largest local authority areas in England, and includes the main centre of Huddersfield, sizeable towns such as Dewsbury, Cleckheaton and Holmfirth and extensive semi-rural areas such as in the Colne and Holme valleys. It has strong commuting and business connections to Leeds, relationships to neighbouring areas such as Calderdale, Bradford and Wakefield, and important links to Manchester and Sheffield. The Kirklees Economic Strategy takes advantage of this context by positioning the District as the best place to do business in the North of England.

Assets of city regional importance include world leading engineering and textile businesses, cutting edge innovation and creative businesses, east-west transport connections and easy access to Pennine and Peak District landscapes – although improved north-south road connections to Halifax, Bradford and Sheffield are needed. The University of Huddersfield is a major anchor institution, the winner of a recent 'university of the year' award and has pronounced strengths in engineering, metrology and innovation. It is helping to drive the ongoing regeneration of the town centre and to raise the town's international profile, supported by excellent local schools and colleges.

Kirklees priorities include regenerating Huddersfield and North Kirklees and providing much needed space for businesses to grow. In Huddersfield, key mixed use developments include HD One, the Waterfront Quarter and St George's Quarter, whilst there are major employment growth opportunities at Cooper Bridge, Chidswell and through the M62 Enterprise Zone sites at Lindley Moor and Mirfield. In nearby Dewsbury, more transformational economic overhaul is required and ambitious proposals for housing growth seek to kick-start this revival. The North Kirklees Growth Zone is a key asset in this respect. Across the district, the council has aligned its strategies for the economy and for health and wellbeing, and is seeking inclusive growth that benefits quality of life and reduces inequalities – tying into this strategy's good growth goals.

Wakefield

Wakefield district is one of the most accessible places in the UK. Situated at the heart of the UK's transport network it includes the main population centres of Wakefield City, Ossett and Horbury in the north west, the five towns of Normanton, Castleford, Pontefract, Featherstone and Knottingley in the north east; and Hemsworth, South Elmsall, South Kirkby and Upton in the south east. Wakefield's accessibility and the availability of land to accommodate housing and economic growth have put it in a strong position and it now has an annual economic output of almost £6.5bn, making it the fourth largest in the Leeds City Region and the 30th largest economy in the UK.

Wakefield's issues and opportunities are well understood, and its priorities are being driven through a shared district wide Jobs and Growth Plan. The principal economic sectors in Wakefield are motor trades, retail & wholesale, manufacturing and transport & storage, as well as public services (which includes health).

Wakefield has made notable improvements to its employment rate over recent years, which is broadly in line with the wider City Region. Positive steps are being taken to improve its skills position with the recent

delivery of a university centre in the district and a highly successful apprenticeship scheme. Wakefield's challenge is to build and sustain its success – and it is fully committing to and planning for that through the launching of a Good Growth Action plan with stretching but achievable targets. The regeneration of Castleford Waterfront and the Kirkgate area of Wakefield city centre are the next steps in delivering urban transformation.

Calderdale

The district's main town of Halifax enjoys a central location in the north with good connections to centres across West Yorkshire as well as to York, Manchester and Lancashire. These will be strengthened further through the electrification of the Trans-Pennine Calder Valley rail line. It is an important centre for financial services and manufacturing, with strength in smaller businesses in the digital and creative sectors and pioneering green businesses. These sectors are attracted to towns in the Upper Calder Valley like Mytholmroyd, Hebden Bridge and Todmorden, each offering attractive live/work locations. The ability for these and others to recover from 2015 flooding, and to be protected against future catastrophic events are critical. There is scope for further housing growth and for an enhanced education offer through a proposed Vocational Higher Education Institution for Digital Manufacturing.

Calderdale has a thriving visitor economy offer – with cultural assets such as the Piece Hall and Eureka! sitting alongside a superb outdoor adventure, walking and cycling offer. Dean Clough and the Broad Street Plaza demonstrate the successful approach being taken to transforming the district's business and leisure offer, with a £100m partnership programme of investment in place to further transform Halifax. There is much to build on but equally challenges to diversify the business base and build resilience, address skills gaps and deliver the right physical offer to businesses to support enterprise and growth.

York

York is one of Leeds City Region's major assets. It has been voted the place people most want to live in England, has a global reputation for culture and heritage, is home to a world leading and expanding university, and has the highest proportion of people with a degree education in the North. Along with being an in demand location for businesses and people come the challenges of success – a shortage of housing and unaffordable house prices, and a lack of business space. As York's economic strategy makes clear, whilst tourism will continue to play an important role in the City, future growth intentions are centred around high value business, R&D, developing more high quality office space, inward investment and higher waged jobs.

At the heart of the City and its rail gateway, the York Central Enterprise Zone and High Speed Hub is a key opportunity for York and the Leeds City Region, and this will be complemented by other employment and housing development sites. Adding to strengths in the City Region's financial and business services sector and its rail sector, there are excellent opportunities in the agri-tech and bioeconomy sectors, linked to major R&D assets and business growth at Sand Hutton and Heslington East. More widely there is opportunity to better utilise and retain graduate talent, to increase incomes, and to take full advantage of York's position as a key centre in its own right, and one with excellent connections to other centres including Leeds, Harrogate, Bradford, London and Edinburgh.

Barnsley

Located in South Yorkshire, and including semi-rural centres such as Penistone, Barnsley has links to Sheffield as well as to the Leeds City Region. It has had recent success in securing investment and amongst the highest rates of private sector job growth in the UK. This is alongside strong progress made in raising the

overall employment rate and driving down numbers of young people not in education, employment or training. This has been vital in a district that has worked hard to redefine its economic role following the decline of its traditional mining and industrial base.

The district's Jobs and Business Plan 2014-17 sets the framework for continuing this progress and focuses on narrowing the economic performance gap between Barnsley and the regional and national average. Closely aligned to this is a commitment to enabling not just more but also better jobs through a targeted employment and skills strategy. Both seek to maximise opportunities provided by sectors including advanced manufacturing, construction and logistics to drive better outcomes for local people.

Harrogate

The Harrogate district is a £4bn economy enjoying high employment and strong levels of enterprise. Average resident earnings are above average, as are skills, with 46% educated to degree level. The economy is diverse and strong, and vibrant sectors include financial and professional services sector (with strengths in financial payments technology) and digital, creative and life sciences. It is also home to a renowned visitor offer. The Harrogate International Conference Centre is a key part of this, and the leisure offer reaches from the spa town centre itself to the cathedral city of Ripon, and the scenic towns of Knaresborough, Boroughbridge, Pateley Bridge and Masham, towards the Yorkshire Dales and North Yorkshire Moors. The quality of the natural and built environment, together with good education facilities, creates an attractive area to live, work and visit, supported by strong road and rail connections to Leeds and York.

A significant challenge is that average workplace earnings within the district are lower than regional and national rates and for residents who commute elsewhere, in part linked to a high proportion of part time work driven by large numbers of service sector jobs in hospitality, retail and residential care. This is compounded by high house prices and a costly private rental market. There are also challenges around the availability of suitable business premises, peak hour congestion and transport connectivity.

Selby

The district of Selby sits in on the eastern boundary of the Leeds City Region within the county of North Yorkshire. Both the market town of Selby and the wider district are home to many highly skilled and paid employees, many of whom travel each day to Leeds, York and beyond. Its economy is characterised by manufacturing, distribution, construction and energy production; drawing its employees from the district's market towns and villages, as well as neighbours including the East Riding, Wakefield and Doncaster.

Looking ahead, the district has a key role to play in providing space for business growth in the Leeds City Region. Three key sites provide the focus for this, including; 'Sherburn 2', adjacent to Sherburn Enterprise Park, on the border of Leeds and aligned to the growth aspirations set out for the east of the city; the redevelopment of Kellingley Colliery, a possible catalyst for large scale growth around junction 34 of the M62; and Olympia Park, a large mixed use strategic development site at the end of a potential growth corridor along the A19 for the bioscience and agricultural-technology sectors.

Craven

Craven district lies in the north west of the Leeds City Region, within North Yorkshire, and is flanked by Lancashire and Cumbria. The district contains a variety of high quality landscapes, including the Yorkshire Dales National Park and the Forest of Bowland Area of Outstanding Natural Beauty. Like many rural areas,

Craven faces challenges such as an ageing population, high housing costs, and rural isolation – often as a result of poor public transport connectivity and less well developed physical and digital infrastructure.

Skipton, the district's principle town, enjoys low rates of crime, top-class schools, good transport links to Bradford and Leeds, a vibrant retail offer and beautiful surrounding countryside. Although the traditional economy retains a predominantly rural flavour; it has diversified, with notable strengths in financial and professional services and leading firms in the health sector. Challenges include low incomes in more rural and remote parts of the district, in part linked to the extent of the agricultural and tourism sectors. Its extensive upland areas add to its quality of life and attractiveness and also make it an important area for green infrastructure and water management.

Places and Good Growth

We will apply good growth principles by capitalising on our place-based strengths and assets, whilst at the same time working to address disparities in patterns of growth and their detrimental impacts. A one-size-fits-all, or short term, or ad hoc approach will not deliver the local outcomes we seek, and no one body can be responsible for delivering change. As such, and as set out in detail in priority 4 of this strategy, our focus on place will harness a broad partnership of agencies across sectors working to achieve a shared ambition, supported by evidence based identification of need and opportunity and prioritised action.

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Visitor Economy, Culture and Quality of Place

The visitor economy is important to the City Region because of the jobs and income that are supported by the spending of people from outside the area. It thrives because of the many features and attractions that span the urban centres and rural areas of the City Region, attracting business as well as leisure tourism. These include cultural and sporting assets such as the Yorkshire Sculpture Park and The Hepworth in Wakefield, Saltaire World Heritage Site, the National Media Museum in Bradford, Halifax Piece Hall and Headingley Stadium, as well as concentrations of major visitor attractions and assets in town and city centres such as Leeds, York and Harrogate. It also includes:

- diverse and vibrant towns and cities;
- conferencing and exhibition facilities;
- our magnificent natural environment - including much of the Yorkshire Dales national park, part of the Peak District and other areas of outstanding natural beauty; and
- parks, green spaces and wildlife within towns and cities.

The City Region has excelled in attracting major events in recent years, including the Tour de France and Tour de Yorkshire. These have not only supported tourism and hospitality businesses by attracting substantial visitor numbers, but also helped to build the City Region's domestic and international profile. The extent to which it is possible to enhance this profile, along with the quality of place identified above, is a key factor that affects the City Region's ability to attract and retain skilled and talented people, investment and visitors in a highly competitive and mobile global market place.

A wide range of bodies will be involved in further building our visitor economy, cultural and quality of place assets, and in destination planning. This will primarily be the responsibility of those focused on tourism, sport and culture, and spans activity from local level to that which is best co-ordinated and taken forward across Yorkshire.

It is hard to assess precisely the scale of the economic contribution of the visitor economy. In total, there are around 136,000 people employed in 'tourism related industries', with this figure including hotels, bars, restaurants, cultural and sporting facilities, etc. which serve a mixture of visitors and local people.

2.2 Approach to evidence and performance overview

Wide ranging and robust evidence has been used to inform this updated strategy to ensure it is cogent of City Region strengths and challenges and remains focused on the key issues. This has included econometric modelling and forecasts; extensive labour market and skills intelligence; tracking progress on key indicators; and expert inputs and bespoke studies to inform specific areas of activity.

A full economic analysis and evidence report has been produced which underpins this document, including key statistics, a SWOT analysis and fit with national policy. This section summarises the main points from that analysis, highlighting the messages on economic performance that have informed our four strategic priorities (see section 3) and good growth principles. The section also considers long term trends and concludes by showing how key issues in the evidence are followed through in the strategy's priorities and action points.

2.3 Economic performance - evidence and assets

The wider context

The future prospects for the City Region are very closely linked to those of the national and global economies. The UK economy has continued to recover from the 2008-09 recession, although the nature of the recovery has been unusual in comparison to those following most previous downturns. Positively, employment levels have increased rapidly and unemployment has reduced, while inflation is at very low levels. However, wages and productivity have stagnated in this period. The UK as a whole has lower productivity levels than other competitor economies and the North of England has lower levels than nationally.

Major forecasters are suggesting global growth will be dampened in the short term, and that this will contribute to a slowdown in UK GDP growth. We need to be aware that shocks to the economy – positive as well as negative – can occur at any time, since any economic strategy needs to be flexible enough to cope with changing circumstances. Annex 1 looks at a number of different scenarios for the future and some of the strategic options that could be adopted in differing conditions.

a) Businesses, economic output and productivity

Key statistics and messages

- The City Region economy is the largest in England outside London and worth £62.4bn. However, GVA per head of £20,800 in 2014 is just 82% of the comparable figure of £25,400 in England and long term growth rates have typically been below national average, meaning that GVA gaps have widened.
- Productivity – the efficiency with which goods and services are produced – is seen as the most important factor that determines overall living standards. City Region productivity is similar to most core city LEPs in the North and Midlands (at £27 per hour in 2014), but stands at just under 90% of England average. It is rising, but more slowly than average, so the gap against the rest of the UK has also been widening on this vital indicator.
- Research shows that companies that export and innovate do better in terms of job growth and profitability. While the available information for the City Region on these two key aspects of

performance is not as robust as for many other indicators, our companies seem to export less, to introduce fewer new products or processes to market and to spend less on R&D.

- There are 119,000 businesses in Leeds City Region, with rapid growth in this figure over the last two years. However, measured relative to population, the City Region has a below average rate of business start-ups.
- Inward investment is also a driver of growth, bringing not just new jobs and investment but also potentially more modern business methods from which locally-based firms can learn. Foreign direct investment (FDI) into Yorkshire as a whole grew dramatically in 2014, while since its formation in 2014, Leeds City Region's inward investment team has secured over 30 inward investment successes, creating or safeguarding over 700 jobs.
- The latest 'baseline' forecasts for Leeds City Region are for an extra 115,000 full-time equivalent jobs in the next 20 years, and an extra £34bn in annual GVA. These predictions are on a 'policy-off' basis, in that they do not take account of any locally driven policy and investment decisions such as those that will take place as part of our Growth Deal. These predicted rates of growth are below those for the UK as a whole, meaning that in the absence of the policies set out in this SEP, we are likely to see the gap to the UK widen. Our ambitions to grow beyond these levels were set out in section 1.3.
- It is important to note that improving our position relative to other parts of the country will inevitably be a long term process. The City Region clearly needs more innovation, investment and exports; a stronger national and international profile; and to see more high growth companies and successful business starts. Improvements are already evident on some of these indicators, but more progress is needed on all these key drivers and plans to raise performance form a central part of this strategy.

Key Assets for improving performance

The City Region is home to:

- R&D and innovation assets linked to 14 FE colleges and 9 universities, one of the largest concentrations of higher education institutions in Europe. Moreover, 23% of the research in our universities is world-leading and 42% is internationally excellent.
- Distinctive clusters of businesses and research expertise, including:
 - a manufacturing workforce of around 140,000 – more employees than any other LEP area and also above average as a share of all jobs. The City Region is at the heart of the UK's advanced manufacturing and engineering industry, with world leading specialisms and businesses;
 - the UK's largest centre for financial, professional and business services outside London;
 - leading digital companies, particularly in telehealth, data analytics and security, IT and internet of things technology;
 - a strong low carbon sector and energy generation capacity that is critical to the UK and a focus for innovation;
 - high quality life sciences and related industries (particularly biosciences and healthcare/medical technologies);
 - a diverse food & drink sector, spanning supermarket HQs, manufacturers and cutting edge biosciences;
 - clusters of activity in the creative and cultural industries, and distinctive tourism/leisure assets (see 2.1) – capitalised upon through events such as the Tour de France and Tour de Yorkshire; and

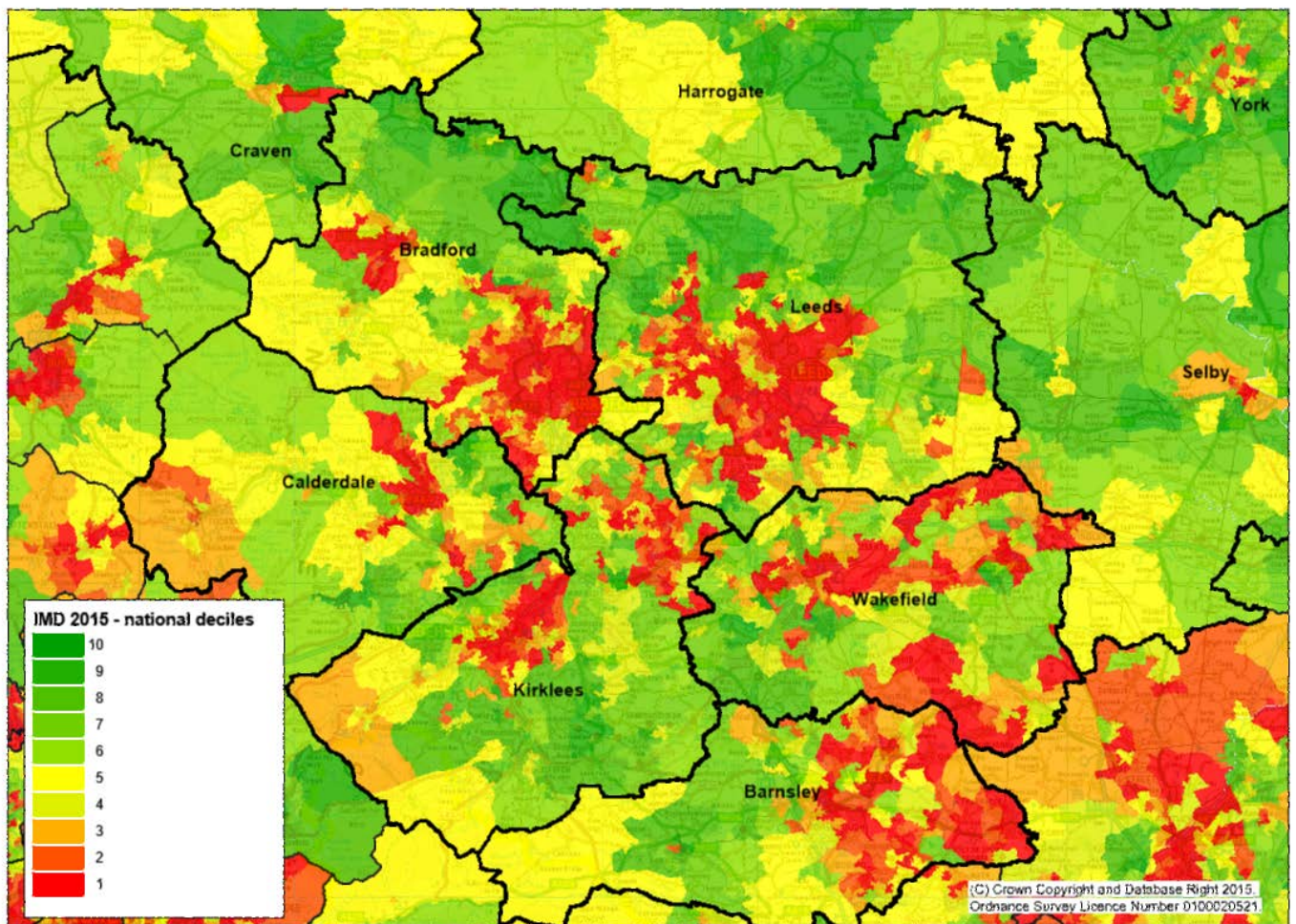
- an attractive location for the logistics industry at the heart of UK rail and motorway networks.

b) People - employment, skills and inclusion

Key statistics and messages

- Employment in the City Region fell much faster than the national average during the recession, but has risen notably in more recent years - there were 27,000 more people in work jobs in September 2015 than in 2008. An employment rate of 72% is just below pre-recessionary peak levels and similar to other city regions. A sharp increase in self-employment has mirrored national trends.
- the unemployment rate has fallen to 6.5%, a little above national average. Both the number of 16-18 year olds who are claiming JobSeekers' Allowance and the total not in employment, education or training (NEET) have fallen sharply. The level of unemployment for young people and adults varies considerably across and within districts.
- Underemployment is a significant issue, with a doubling of the numbers in temporary work and part time work but who would rather be in full-time or permanent jobs, as well as significant numbers (e.g. graduates) in jobs that do not fully utilise their skills.
- Another key feature of the job market is the 'hollowing out' that has happened in recent years, with growth in both higher- and lower-paid jobs, but a loss of jobs in the middle. The City Region has followed this national trend, but has performed less well than average in the growth of better-paid jobs. These trends are examined in more detail in section 2.4.
- City Region earnings on average are between 90-95% of national average, though they vary widely across localities. Moreover, City Region wages have fallen further behind national levels in relative terms over the last decade, especially since the recession.
- The City Region still has much more than its 'fair share' of poverty and deprivation: 17% of local areas in Leeds City Region are in the most deprived 10% in England, two-thirds higher than the national average. Average life expectancy is below the national average and varies widely among localities and social groups. Figure 3 illustrates deprivation across the City Region and the degree of variation that exists, with the least deprived areas in darker shades of green whilst those in red are in the most deprived 20%.

Figure 3: Variation in Deprivation across Leeds City Region (based on Index of Multiple Deprivation 2015)



- Skills levels have continued to improve across the City Region, and are comparable to most core city region LEP areas. However, they have not improved quickly enough to close gaps to the national average – on the contrary, the shortfall in qualification levels has widened.
- Notably, the gap between the proportion of the working age population with higher level skills in the City Region (31%) and the UK (36%) has grown between 2007 and 2014. Because higher level skills are closely associated with innovation and improved productivity, and because demand for them is increasing and expected to outstrip supply, reducing this gap will be vital to future economic growth, incomes and economic resilience.
- There are also gaps in employability skills and mismatches between the supply and demand for skills at sector level, including skills shortages in areas such as engineering, construction and software/coding⁵.

Key Assets for improving performance

- A workforce of 1.9m, the biggest in the North; and the prospect of 600,000 job opportunities over the ten year period up to 2022 (including the need to replace people who retire from the job market)

⁵ Evidenced through The State of the Leeds City Region Labour Market 2015/16, sector specific research and employer input

- Growing numbers with qualifications at all levels; GCSE pass rates that have moved from below to above average in some areas
- Success in reducing NEETs, and good career opportunities through routes such as apprenticeships
- the UK's greatest concentration of universities outside London, with a large student population and a good performance on graduate retention and employment
- High performing colleges, well placed to connect students to business opportunities and careers

c) Place and Infrastructure

Key statistics and messages

- Decades of underinvestment in strategic transport infrastructure have restricted connectivity, both within the City Region and to other parts of the UK and the rest of the world. Transport investment per capita in Yorkshire and Humber is only 45% of that in London, for example. As a result, increasing road usage and rail passenger numbers have meant worsening motorway congestion and train overcrowding. At the same time, bus patronage has been declining.
- House building was hit hard by the recession. Despite some recovery since 2012, demand still exceeds supply, which is raising housing costs and worsening housing affordability, with these difficulties sharpest in Harrogate, Craven and York. An absence of suitable homes, of all sizes, in the right places can easily restrict growth if people are prevented from moving within or into the City Region.
- Major redevelopment and regeneration schemes in towns and cities were also stalled by the recession, and although some areas are now seeing recovery, the market is not sufficiently vibrant to support private sector investment in many parts of the City Region.
- Flooding poses significant risks to 64,000 homes and 31,000 non-residential properties (such as businesses and critical infrastructure) across the City Region. This has been illustrated by repeated flooding episodes in the last decade, including the devastating floods of December 2015.
- 92% of homes and business premises in West Yorkshire and York have access to superfast broadband, with uptake a little below national levels (63% in West Yorkshire compared to 68% in the UK). Only Bradford and Leeds achieve average broadband speeds above the national average of 23.4mbps.

Key Assets for improving performance

- A location at the heart of the UK, and an extensive road and rail network, offering businesses easy access to markets and to labour with competitive costs
- Enterprise Zones in the Aire Valley, along the M62 and in York Central (managed by York, North Yorkshire & East Riding LEP) that will be developed as the location for many thousands of high quality jobs
- The West Yorkshire plus Transport Fund that will deliver significant enhancements to the City Region's road, rail and bus networks over the next decade, alongside the major improvements that are already in the pipeline to invest in the motorway network and to increase rail capacity and speed through the electrification programme and new franchises, and also the long term opportunities presented by HS2 and Northern Powerhouse fast rail
- Continued passenger growth is predicted for Leeds Bradford Airport, alongside a proposed employment zone that would be home to thousands of jobs

- A distinctive mix of urban and rural areas in close proximity, offering a quality of life that is second to none
- a wide range of high quality cultural assets and attractions including three World Heritage Sites, international sporting venues, galleries, theatres, music venues, festivals and conference facilities
- A strong digital infrastructure, ranging from the Super Connected Cities of Bradford, Leeds and York, to Leeds as the home of the only internet exchange outside London, to the Digital Catapult and Digital Health Enterprise Zone in Bradford

d) Environment and Low Carbon

Key statistics and messages

- The City Region is home to 9% of the UK's electricity generating capacity, including Drax power station – England's largest and now fuelled by mixed coal and biomass units.
- The City Region generated 13% of the nation's renewable energy in 2014 (a far higher proportion than our share of the population – approximately 5%)
- Carbon emissions per capita are below those nationally, if falling less quickly. Rates of decline have been fastest in industry and commerce and lowest from transport.
- Many businesses are improving their environmental performance and there is an appetite to do more.
- Public Health England research found that almost 1,400 deaths in Leeds City Region in 2010 could be attributed to air pollution (a similar proportion to the figure for England as a whole).
- An estimated 140,000 households are in fuel poverty, or 11% of the total, close to the national average. However, the rates are well above average in most parts of West Yorkshire.

Key Assets for improving performance

- Major opportunities arising from Drax power station, in particular for the City Region to become one of the foremost UK centres for low carbon energy generation
- A strong low carbon sector (i.e. businesses whose products and services help to reduce carbon emissions) with excellent associated expertise (e.g. in universities) and a track record of innovation and delivery
- A desire among local decision-makers to support and encourage investment in low carbon energy generation and resource efficiency
- Natural capital in urban and rural areas, including wildlife, woodlands and a beautiful natural environment which attracts businesses, investment, skilled employees and tourism

2.3 Why do we need good growth?

The analysis of the Leeds City Region economy shows an area with enormous potential but which faces key challenges on innovation, exporting, skills and connectivity if it is to realise that potential. The 2014 SEP set out the approach to building on these strengths and tackling the weaknesses, an approach which also aimed to promote low carbon growth and resource efficiency.

What was less well recognised, however, was the scale of the challenge in ensuring that the opportunities and benefits of economic recovery were spread across all communities.

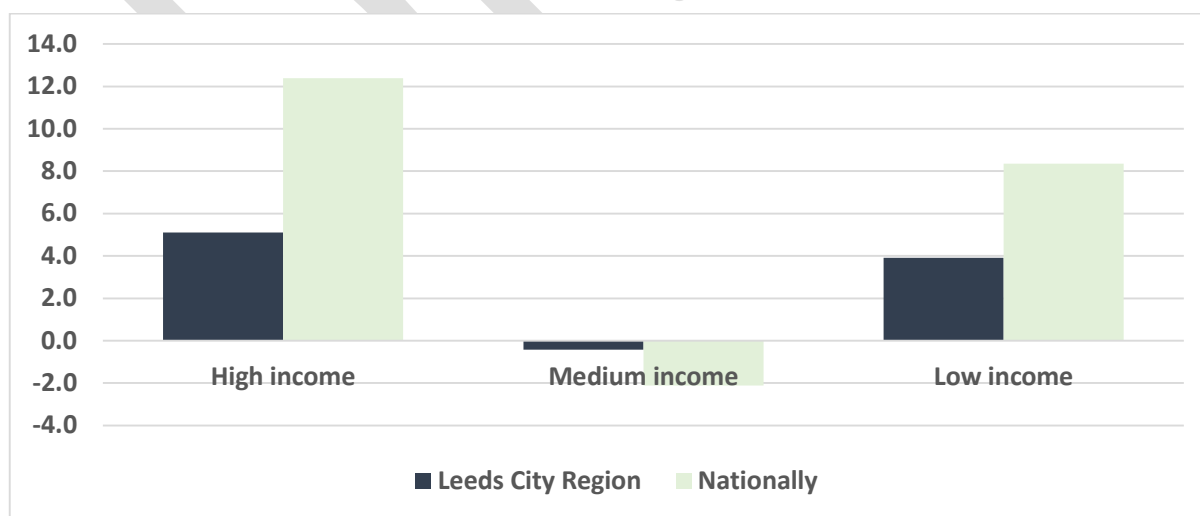
As figure 4 demonstrates, there has been substantial job growth – both locally and nationally. However, growth has been concentrated in economic sectors and occupations that are characterised by high or low incomes, whereas the number of posts offering middle incomes has declined. This pattern of recovery, with a **‘hollowing out’ of the job market**, means that there are fewer middle level jobs in the kind of manufacturing and service companies that have previously been at the heart of the UK economy. The result is a lack of job progression opportunities for many who are either entering the job market for the first time or seeking to improve their skills and earnings. Many others are denied a role in the economy that their education and skills would merit.

A key concern for Leeds City Region is that far fewer high-income jobs have been created in relative terms than in other parts of the country. The mismatch between the type of economy we want to become and current realities is widening, with income inequalities also growing as a result.

Ensuring that the skills are in place to enable many of those who would have been in middle income roles to secure higher level roles instead is a key part of the solution, especially given forecasts for rising demand at this level. However, higher productivity cannot come from an increase in higher level jobs alone. To innovate, compete and deliver benefits across business and society, our economy also needs to create more middle income jobs (e.g. through addressing skills shortages and supporting business growth) and progression routes into them. This will ensure that skills and potential are fully tapped, lead to reduced in-work poverty, and mean fewer people are ‘locked’ in low income jobs that they wish to move on from.

At the same time, improved job design, conditions, workplace engagement and (where possible) incomes can help to improve the quality of jobs even though they remain at the lower level of the occupational ladder, with business benefits in terms of staff recruitment, retention, loyalty and productivity. In other words, a City Region that grows faster and creates jobs at **all** income levels is not just a vital part of good growth, but a key component of creating a balanced, highly productive and globally competitive economy.

Figure 4: Employment change in typically high, medium and low income sectors and roles (2009-14)



Following on from this analysis, table 1 shows current and historic performance on this strategy’s five headline indicators, including factors such as productivity, skills and employment (see also section 1.3).

Table 1 Good Growth Headline Indicators and Measures

Headline Indicator	Measure	2007		2011		Latest data	
		LCR	UK	LCR	UK	LCR	UK*
Growth & Productivity (2014 data)	Economic output (£bn GVA per year)	54.2	1,331	57.0	1,443	62.4	1,618
	Output (£ per hour worked)	24.3	26.6	25.8	29.3	27.2	31.0
Employment (Sep 2015)	Employment rate (% of working age population)	72.4	72.5	67.5	69.8	72.2	73.2
	Economic inactivity rate (% of working age population)	23.6	23.5	25.3	24.1	22.8	22.5
Earnings ⁶ (2015 data)	Weekly median earnings (£)	358	376	378	400	400	426
	20% earn less than (£ per week)	195	200	195	204	214	219
Skills (2014 data)	% of working age population with degree level qualifications	25.3	28.5	28.1	32.6	30.6	35.8
	% of working age population with good GCSEs	61.7	64.2	66.5	69.3	69.9	73.1
Environmental Sustainability (2013 data)	CO ₂ emissions per capita	7.6	8.5	6.3	6.9	6.4	7.0
	% households in fuel poverty (*England data)	n/a	n/a	11.1	10.9	11.0	10.4

The position has improved on all the indicators in Leeds City Region between 2007 and the latest data year with the exception of employment levels, which are much improved compared to 2011 if not quite back to pre-recessionary levels. However, on most indicators, improvements in the City Region have not kept pace with those nationally. This is particularly notable for areas such as growth, productivity and high level skills.

2.4 Horizon scanning

It is important to factor in long term trends and their implications within a strategic approach. The pace of technical change is unparalleled and there are major social, political, economic and environmental trends at play. These will have substantial implications and warrant serious consideration. For instance, robotics and automation have the potential to remove the need for large numbers of low and middle skilled jobs; however, some companies are responding by training and redeploying staff to take on higher skilled, higher value roles. Furthermore, if (more) City Region businesses design and produce robotics technology, then the benefits for growth and jobs could be pronounced. Building intelligence, capacity and networks that consider future issues, trends and scenarios will make the City Region much better placed to respond to them. The following box summarises key examples of trends that could affect the City Region.

⁶ Earnings data is for all workers and based on weighted averages for LCR calculated using local data for 2007 and 2011

<p>Political & Social</p> <ul style="list-style-type: none"> • Devolution and decentralisation • Changing demographics – ageing population and migration • Pressures for immediacy and individual tailoring • Increasing polarisation and inequalities • Risk of global political instability 	<p>Economic</p> <ul style="list-style-type: none"> • Globalisation • Changing international economy powers – BRIC+ • Changing skills demands – increasingly for higher level and for transferable skills • Changing work patterns, e.g. self-employment • Continuing austerity and economic uncertainty
<p>Environmental and Infrastructure</p> <ul style="list-style-type: none"> • Climate change impacts (e.g. flood risk and drought extremes) and adaptation • Climate change mitigation • Changing energy supply and demand patterns • Increasing transport demand 	<p>Technological</p> <ul style="list-style-type: none"> • Automation/robotics and impact on jobs • Health advances (e.g. genomics), bio-economy • Internet of things, new technologies with big impacts (e.g. 3D printing, driverless cars) • Continued digitalisation and processing power

2.5 Conclusions and implications

Clear and consistent conclusions emerge across policy areas and the range of evidence. These are that:

- The City Region economy is growing, and has been bolstered by the work of the LEP and its partners.
- However, it is not improving fast enough to significantly reduce gaps to the national average in many areas.
- There are excellent assets that can be utilised to transform future performance, as well as long term trends, opportunities and challenges to tackle or exploit. Greater devolution will improve the capacity to do so.
- Key areas that are critical to future performance include business productivity and its drivers; the labour market and skills; low carbon, energy and climate change adaptation (e.g. flood risk); and infrastructure – spanning transport, digital, housing, employment sites and key centres, and green infrastructure.
- There are considerable variations across districts and communities. ‘Good growth’ is required so that GVA growth translates into well paid and fulfilling jobs for more people and reduced inequalities and poverty, as well as to long-term business success and increasing profitability.

Table 2 sets out the key evidence points that have been identified and how the priorities respond to them. It covers the key factors that underpin GVA growth (productivity and employment); well-established drivers of productivity (innovation, enterprise, skills, investment); and wider factors that are intrinsic to the good growth agenda and ensuring that economic development equates to improved and inclusive quality of life.

Despite its undoubted strengths and assets, the City Region is not realising its full potential. An integrated, long term approach is needed to build the strong, sustainable and international competitive economy to which we aspire. The interconnected priorities and good growth principles of this strategy respond to that challenge.

Table 2: Evidence informing action

Issue	Key Evidence	Response (in this strategy)
Growth & output	GVA is increasing but gap to national average is not closing.	Growth ambitions supported by headline initiatives, actions across the strategy, devolution goals and northern collaboration. Combined with quality factors to ensure good growth which benefits people.
Productivity	Output per worker is too low and gaps have been growing.	Focus on growth sectors and drivers of productivity including innovation, enterprise and higher level skills.
Sectors	A set of sectors have growth potential, and are at the heart of City Region and wider northern strengths.	A focus on innovative manufacturing, financial & professional services, health & life sciences, low carbon & environmental industries, digital & creative industries, and food & drink.
Innovation	Exceptional HE presence and scope to greatly increase R&D, patents and innovation.	Innovation is a key action area within Priority 1 and cuts across all priorities as a core part of a good growth approach. University strengths to be further utilised.
Enterprise	Fewer businesses than average, but recent improvement in start-up rates.	Action area on enterprise within Priority 1 and a greater focus on connecting business and education (in Priority 2), including to promote a culture of enterprise.
Inward investment & exports	Big improvement in FDI successes, with potential to improve further and for domestic relocations. Need to increase exports.	Internationalisation activity consolidated within Priority 1 alongside action to strengthen (local) supply chains, 'reshoring' and UK securing investments. Also aiming to enhance export services and the support from UKTI.
Skills	Skills improving at all levels; but gaps to national average widening, especially at higher levels.	Focus on addressing the 'missing middle' in the labour market and on higher level skills (Priority 2) with long term aim of closing the gap to national average.
Employment	Sharp fall in youth unemployment. Economic inactivity also falling and employment rising. Underemployment an issue.	Shift in focus towards (all ages) employability and unemployment and helping people to access and progress in jobs, driven by Priority 2 actions.
Incomes & inequalities	Earnings increasing, if below national levels, and fewer middle income jobs.	Focus on quality of jobs and incomes as well as quantity is central to the good growth approach and linked to skills (priority 2) and productivity (priority 1).
Climate change & environment	CO ₂ emissions falling steadily, energy markets volatile. Increasing flood risks.	Priority 3 combines economic opportunities linked to energy and low carbon with investment in green infrastructure to boost resilience and quality of place.
Digital	Fast average broadband speeds in Leeds and Bradford not matched across the whole City Region.	Actions to enhance digital infrastructure within Priority 4, with others aspects of digital and tech integrated across the strategy and in a Headline Initiative (Priority 1).
Transport	Major challenges in road & rail congestion and intra City Region connectivity; but big opportunities from delivery of WY plus Transport Fund, HS2 and HS3, franchise improvements, and other schemes.	Priority 4 adopts an integrated approach to connecting jobs and homes, with focus on spatial priority areas and maximising benefits from new transport investment.
Housing	Housing supply rising more slowly than population, hitting affordability.	Housing Growth Areas defined in Priority 4, plus a Headline Initiative to build 10,000-13,000 homes per year.

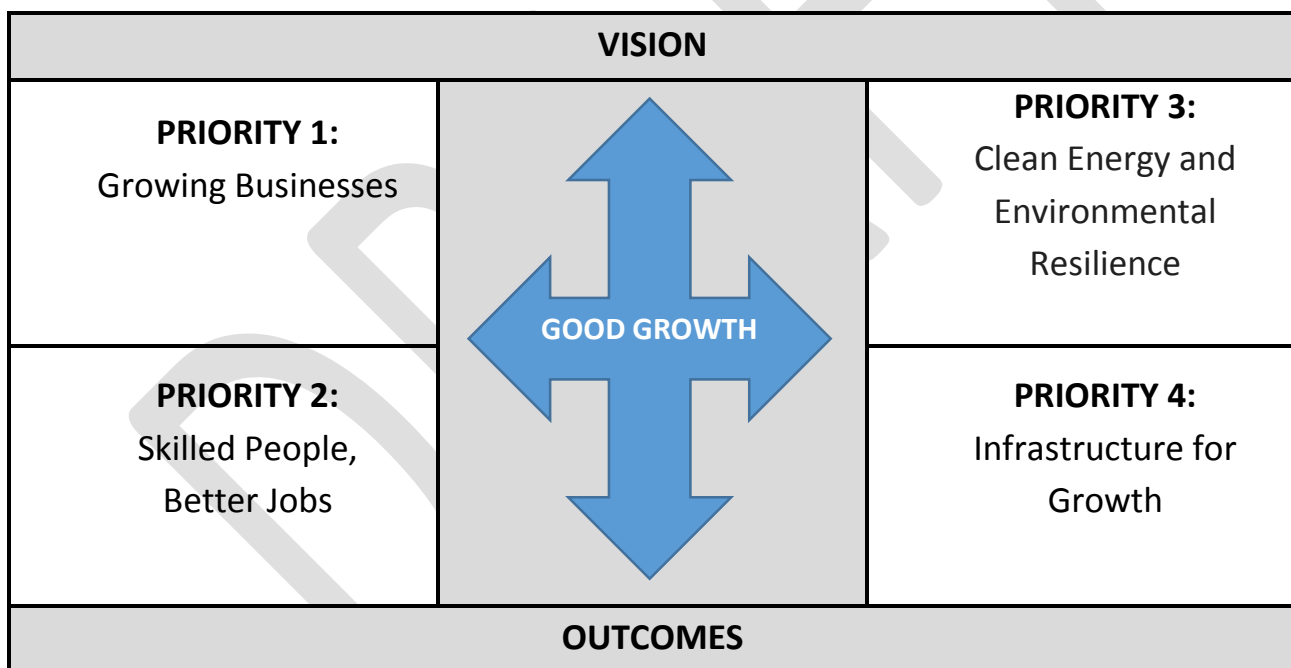
3. STRATEGIC PRIORITIES

3.1 Strategic Priorities

To achieve the vision the SEP will continue to be based on the four inter-connected strategic investment priorities set out in the first SEP published in 2014 as below:

- **PRIORITY 1:** Growing Businesses
- **PRIORITY 2:** Skilled People, Better Jobs
- **PRIORITY 3:** Clean Energy and Environmental Resilience
- **PRIORITY 4:** Infrastructure for Growth

These priorities are simple, streamlined and evidence based. They bring together the diversity and strengths of the City Region and respond to opportunity, whilst also tackling known market failures and barriers to businesses and individuals realising their full potential. By taking account of local economic priorities, they provide an investment framework that is firmly rooted in place. They are also aligned to national priorities for sustainable and balanced economic growth, and drive the action needed to achieve our ambition. Full detail on each priority is set in this section.



3.2 Headline Initiatives

The Headline Initiatives below represent the vital developments that we wish to see delivered – or well on the way to delivery - over the next ten years. In effect, **they are the large scale ‘game changers’ that will make big inroads into achieving the City Region’s vision.** They span all four priorities of this strategy and will support its good growth principles. They have been identified because they:

- address key issues and opportunities for the City Region economy and its businesses, people and places
- are genuinely major and partnership-based initiatives with big impacts
- are focused on clear action
- combine a foundation in current work and/or assets with an ambition to go further

Headline Initiatives will be delivered through a wide range of partners, including and going well beyond the LEP and WYCA, and utilising local, national and European funding sources. Further analysis on impacts and opportunities will be completed at project/programme level to inform detailed delivery choices and to maximise impact. The set of Headline Initiatives is summarised below, and the table that follows briefly sets out the nature of each initiative, why it is important and the mechanism for its delivery.

The Headline Initiatives, grouped under the four priorities of the strategy are:

Priority 1: Growing Business

- 1) Implement co-ordinated and wide ranging action to **radically increase innovation**
- 2) Become a **global digital centre** – with specialisms in data storage, analytics, digital health and tech skills
- 3) Boost **business growth, productivity, exports and investment** by linking businesses to support and funding, including through the LEP Growth Service, Skills Service and Trade and Investment programme

Priority 2: Skilled People, Better Jobs

- 4) Deliver a **‘more jobs, better jobs’ programme** to widen employment, skills, apprenticeships and progression opportunities, linked to NEET free goals
- 5) Devise and deliver a **programme of action to increase high level skills** and close the gap to UK average

Priority 3: Clean Energy and Environmental Resilience

- 6) Targeted investments and innovation to make the City Region a leading edge centre for **zero carbon energy**

Priority 4: Infrastructure for Growth

- 7) Deliver 30+ West Yorkshire plus Transport Fund schemes and make progress towards a **single ‘metro style’ public transport network**, connected to major national/northern schemes such as HS2 and Northern Powerhouse Rail
- 8) Develop and regenerate integrated **Spatial Priority Areas**, supporting employment, quality environments and the building of 10,000-13,000 new homes per year
- 9) Develop an **integrated flood prevention programme**, incorporating flood defences, green infrastructure and resilient development

Headline Initiative	Importance	Delivery Route
Implement coordinated and wide ranging action to radically increase innovation	Innovation is critical to future growth and prosperity. This includes R&D, links to HEIs, and a creative culture that drives better products and services.	Implement actions in SEP Priority 1 and review and extend these in an updated Delivery Plan for Innovation, aligned with funding streams including LGF, ESIF, Innovate UK and HEI resources.
Become a global digital centre – with specialisms in data storage, analytics, digital health and tech skills	Builds on existing assets in data and digitally driven solutions and will position the City Region as a globally significant place in a huge area of future economic opportunity. Building the skills to support this is crucial. Also responds to ageing population opportunities.	Integrates across all priorities and led by SEP Priority 1, with a new Digital Delivery Plan taking it forward. Linked also to LEP Growth Service support and the Trade and Investment Business Plan.
Boost business growth, productivity, exports and investment by linking businesses to support and funding, including through the LEP Growth Service, Skills Service and Trade and Investment programme	Essential to improving productivity and key factors which drive it, such as innovation, skills, enterprise and exports. Additionally, need to correct historic investment shortfalls, widen business base and strengthen supply chains.	LEP Growth Service, grants and future ESIF projects and related activity covered in SEP Priority 1 and the Trade and Investment Plan. Skills Service linked to SEP Priority 2.
Deliver a ‘ more jobs, better jobs ’ programme to widen employment, skills, apprenticeships and progression opportunities, linked to NEET free goals	Integral to achieving inclusive, good growth, utilising untapped assets and making the City Region an above average contributor to national tax incomes. Builds on and extends progress on apprenticeships and youth employment.	Skills and access to work covered in SEP Priority 2, to be progressed through the Skills Plan. All SEP priorities will help to create jobs.
Devise and deliver a programme of action to increase high level skills and close the gap to UK average	High level skills underpin growth and productivity. Large scale, evidence led action is needed to transform performance.	Programme to be developed, led by SEP Priority 2 and implemented as part of the updated Skills Plan.
Targeted investments and innovation to make the City Region a leading edge centre for zero carbon energy	Integral to good growth and resilience, and to ensuring our economy can take advantage of changing energy markets and the low carbon economy.	Covered in SEP Priority 3, taken forward by its priorities and action across the SEP.
Deliver 30+ West Yorkshire plus Transport Fund schemes and make progress towards a single ‘metro style’ public transport network , connected to major national / northern schemes such as HS2 & Northern Powerhouse Rail	Major economic boost from integrated and improved connectivity - through labour markets and agglomeration, business travel and profile benefits.	Covered in SEP Priority 4 and to be progressed through the West Yorkshire Single Transport Plan and associated work.
Develop and regenerate integrated Spatial Priority Areas , supporting employment, quality environments and the building of 10,000-13,000 new homes per year	These will create many thousands of jobs and integration will ensure high quality and transport that connects people to jobs. More homes will support demand, economic needs and affordability.	Covered in SEP Priority 4. Delivery detail to be included in the Housing and Regeneration Plan and LCR Infrastructure Investment Framework.
Develop an integrated flood prevention programme , incorporating flood defences, green infrastructure and resilient development	Contributes to long term resilience in a changing climate, with benefits for business, homes and investment.	Led through action in SEP Priority 4, and linked to SEP Priority 3. Action/lead roles to be agreed.

3.3 PRIORITY 1: Growing businesses

PRIORITY 1 SUMMARY	
AIM	To drive up productivity, growth and employment through an environment that enables businesses to start-up, innovate, trade and invest
KEY ACTION AREAS	PRIORITIES
a) Business Growth Hub (LEP Growth Service)	<ul style="list-style-type: none"> Continue to deliver the LEP Growth Service as the route to simplified high quality business support in the City Region; to be financially sustainable from April 2018
b) Innovation	<ul style="list-style-type: none"> Deliver high quality innovation products and services Maximise the role of universities in innovation, enterprise and international profile Participate in government's Science and Innovation Audits, and related activity, with a focus on medical technology and bio-science Work with Innovate UK so local firms secure a greater proportion of national funding
c) Access to finance	<ul style="list-style-type: none"> Deliver a programme of capital expenditure grants and loan funding including at a pan-northern level Use input and resources from the private sector to deliver a programme of support to enable SMEs to be more investor-ready
d) Digital	<ul style="list-style-type: none"> Develop and deliver a Leeds City Region Digital Delivery Plan Maximise business use of digital capacity, technology, skills and connectivity
e) Supply chain development	<ul style="list-style-type: none"> Establish a Supply Chain Group to help SMEs win large contracts; engage with infrastructure commissioners; and build capacity
f) Enterprise	<ul style="list-style-type: none"> Respond to the gap in the City Region's business start-up architecture to ensure access to high quality support for pre-start, start and early stage businesses
g) Trade and investment	<ul style="list-style-type: none"> Build capacity, develop and deliver an integrated City Region approach to trade and investment Deliver targeted investment and investor development through unique propositions in financial and professional services, health, digital and manufacturing Improve the City Region's export performance, including through simplified and joined up support accessible at all stages of the export journey Explore opportunity for a UKTI Taskforce for the Northern Powerhouse
HEADLINE INITIATIVES	<ul style="list-style-type: none"> Implement co-ordinated and wide ranging action to radically increase innovation Become a global digital centre – with specialisms in data storage, analytics, digital health and tech skills Boost business growth, productivity, exports and investment by linking businesses to support and funding, including through the LEP Growth Service, Skills Service and Trade and Investment programme
KEY PARTNERS	Businesses/employers, universities, Chambers of Commerce, business intermediaries and employer representative bodies, local authorities, UKTI, Innovate UK, finance providers. Also includes engagement with the international institutions and businesses.
EVIDENCE LED OUTCOMES	<p>This priority will support progress on headline indicators related to:</p> <ul style="list-style-type: none"> Increase in number of businesses innovating to bring new products/services to market Increase in SME productivity, investment and jobs created Increase in value of jobs created as measured through improvements in hourly / average wages and uptake of higher levels of skills

- Increase business start-ups
- Increase in business exports and inward investment

Rationale

Following the shock of the 2008-09 global financial crisis, employment growth in the City Region has resumed, and there are now more people in work locally than before the recession. The grant schemes that have been controlled locally have played a part in this success. The LEP for example through its Business Growth Programme has between February 2013 and March 2016 awarded £27m to support over 400 firms, creating close to 1,800 jobs and leveraging in over £170m of private sector investment. These figures will eventually rise to over 6,000 more jobs and over £300m of extra private investment. With this foundation in place, the City Region must now focus even more strongly than before on the second essential driver of growth, namely productivity. This matters because higher rates of productivity are widely recognised as the critical factor in driving up wages and therefore income and quality of life.

Productivity in the Leeds City Region is rising and is similar to most core city LEPs in the North and Midlands. However, our levels of productivity stand at just under 90% of the England average; moreover, they are growing more slowly than average. And when we look at the drivers of productivity – skills, R&D and innovation, enterprise and investment – they are also improving, but not as fast as in other parts of the country.

Closing these gaps will be a long term process, but the foundations needed to drive significant and lasting improvements are in place, and there are many strengths to play to. Leeds City Region is home to the largest manufacturing base in the UK with distinct assets in automotive, bio-science, turbo technology, advanced textiles and medical devices. We are also the largest regional financial and professional services centre; and have unique strengths in the application of digital technology ranging from healthcare to big data analytics. These provide the City Region with competitive capability in globally significant markets that are likely to grow strongly in the future. The challenge is to deliver a response that is resolutely focused on accelerating this position and unlocking productivity improvements by helping those businesses that are striving to grow to overcome those barriers that they tell us they face.

Approach

There are many stakeholders that play a role across all of this priority and in working to drive up productivity – from the LEP and local authorities to universities, government agencies and providers of finance. Collectively, we will take our lead from business to jointly develop, commission and deliver a world class offer that enables businesses to grow and become more resilient, productive and competitive. We will support businesses to embrace an outward-looking, innovative and enterprising culture and to draw on the diverse skills and talents of all people. This is key to positioning the City Region as a globally relevant and competitive place to do business. The LEP will work with and through partners to ensure that all interventions are directly targeted to local need as articulated by business, effectively coordinated so as to avoid complication and confusion, and streamlined with national priorities.

In pursuing good growth, we will work with businesses to drive improved productivity hand in hand with creating more and better jobs and environmental good practice (see Priorities 2 and 3 for detail). We recognise that measuring success through the creation of new jobs will not always adequately capture our

ambition in this regard. There will be times when fewer jobs will be created as a result of investment, but critically they will be jobs of higher value and will bring other positive outcomes for the business, people and the economy.

The City Region's integrated approach focuses on supporting those companies who genuinely want to grow, in any industry or sector. We also know that the City Region has clusters of particular expertise and opportunity centred on:

- innovative manufacturing;
- financial and professional services;
- health and life sciences;
- low carbon and environmental industries;
- digital and creative industries; and
- food and drink.

Whilst support will not be limited to these **key sectors**, LEP and WYCA's own (and finite) resources will be prioritised in this direction. There is close alignment here with the sectors identified as being critical to the future growth prospects of the Northern Powerhouse (as set out in Section 1 of this strategy), and we will work closely with neighbours to lead the action needed to drive pan-northern growth.

We also recognise that there will always be sectors that have lower productivity but that play an important role in providing large numbers of jobs for people in communities across the City Region. In these cases our approach will be led through work under Priority 2 of this strategy to equip people with the skills they need to access and progress in work, including where that is in low pay sectors.

It continues to be a priority for the City Region therefore to provide the right environment and **business support** that allows businesses to unlock their economic potential. Leeds City Region has put in place a portfolio of products that are helping businesses across sectors to do this, delivered through the LEP Growth Service. Launched in July 2015, the service supported over 1,200 businesses in the first six months of operation alone, clearly demonstrating the appetite amongst growth-orientated SMEs for direct and seamless access to a comprehensive range of support products and services. This will continue to be the route for delivering high quality support in the City Region, with an ambition to expand its reach to greater numbers of SMEs and to enhance products and services where it is clear it will add value.

Successful regions around the world are characterised by high rates of **innovation** across small and large firms, public institutions and individuals alike. Rates of R&D and innovation in the City Region are improving, but not fast enough to close the gap with national averages. We will continue to build on our strong foundations to accelerate progress in this area. Our world class university and research base is a critical and unique asset in this regard. They have a substantial track record in proactively engaging with and supporting business to innovate, start-up and grow; and are critical to the City Region's investment offer. This includes helping access funds based on Knowledge Transfer Partnerships.

An approach that fully levers these networks, capacity and capability will allow us to deepen and strengthen our innovation system, such that it enables our businesses to compete successfully on the global stage, and supports us in attracting and developing talent, ideas and investment. Our approach centres on enhancing the connections that enable the transfer of knowledge and ideas; driving up the appetite for innovation and enterprise, combined with a fresh view on risk; and building on our assets and infrastructure. We will do this

within and beyond the boundaries of the City Region, recognising the globally significant capability we have in areas such as bio-science, digital health and medical and technology, and bespoke engineering solutions for example in automotive, turbo and textile technology. We will develop a joint action plan with Innovate UK to better align resources to ensure more SMEs are supported to develop new products and processes, and that there is clear funding pathway for this from 'proof of concept' through to commercialisation and production.

On access to finance, although the market place has evolved substantially, with important new players in crowd funding, online funding platforms and challenger banks in place, there remains a critical gap for investment in the £20,000-£100,000 category, and also in the market for seedcorn funding for technology investment. We will tackle this through provision of capital expenditure grants and loan funding in support of business growth, expansion and innovation. In partnership with LEPs and Combined Authorities across the north, we will develop and deliver a Northern Powerhouse Investment Fund to increase investment, profile the opportunities across the North and provide increased flexibility in the type of funding provided. We will also help businesses to navigate the journey to access funds and to ensure that more of them are 'investor ready'.

Digital advances are driving productivity, competitiveness and growth. It presents major opportunities for digital and technology focused businesses in their own right, but also in enabling change, innovation and improved performance across businesses of all sizes and sectors, including the public sector and those typically with low pay, e.g. retail. The City Region's Digital Working Group will bring together private and public sector leaders and expertise to identify how to accelerate progress in this area. This will be brought together in a Digital Delivery Plan, and a supporting investment proposition, that will include action that cuts across all priorities of this strategy and supports our ambition to become a global digital centre with specialisms in data storage, analytics, digital health and tech skills. We want to ensure that SME business owners in particular are supported to explore how they might embed new technologies into their businesses to deliver enhanced productivity and growth. This will be delivered through the LEP Growth Service.

On supply chain development, our ambition is to build resilient, competitive and recognised capacity in the City Region centred on a reputation for innovation, quality and service. At the same time, the opportunity for our businesses to capitalise on contracts and large scale commissions, notably in major infrastructure projects such as HS2, are substantial. We will establish a programme of support, led by a Leeds City Region Supply Chain Group, to enable businesses to network, identify their capacity and compete to win business.

On enterprise, a City Region partnership of public, academic and business bodies must come together to assess the gap in support for new-start and early-stage businesses in the City Region, and develop a coherent and effective partnership based solution. The combined focus must remain on businesses with the ambition and ability to grow, but there will be a clearer focus on those that need additional, bespoke support in those crucial first three years.

From a **trade and investment** perspective, the LEP will continue to work strategically with a wide range of partners including local authorities and UKTI to deliver a seamless trade and investment offer to business. Beyond our boundaries we will proactively advance discussions to establish a UKTI Northern Powerhouse Taskforce with the potential for a physical presence in the City Region. This aligns with our calls for increased focus and UKTI resource to be oriented towards promoting trade and investment objectives in the Leeds City Region and the North of England.

The City Region's proactive **investment** approach, builds on success to date, focusing on the presentation of investment propositions in those areas where we have globally relevant strengths. These centre on:

- financial and professional services, including financial technology;
- health technologies;
- digital; and
- manufacturing and bespoke engineering.

A partnership approach is critical to success in order to present collective assets clearly and consistently and in a way that resonates with target businesses, sectors and geographical markets. This partnership includes the LEP, local authorities, business intermediaries, and universities amongst others. Sector investment propositions will be promoted in those geographical markets where evidence and track record shows maximum traction can be generated. At present, this means a focus on markets in North America and in the major European economies, with opportunities in China and India also being explored. Work will also include a focus on a closer complementary relationship with London to secure northshoring opportunities for the City Region, particularly drawing on our competitive position in financial and professional services.

On **trade**, we will champion closer and stronger collaboration between partners across the City Region to increase both the number of exporters and the contribution of exports to the City Region. This will support the Government's ambition of trebling the number of exporters and increasing the value of exports by 2020. Our ambition is for the City Region to be an environment where trading internationally is commonplace. To achieve this partners must work more effectively to ensure that more businesses are proactive in their approach to trading overseas and that they are supported in the most effective and appropriate way. We will inspire more businesses to look internationally for new markets and customers as an integral part of their business growth plans. We will work with partners to simplify the export support landscape by providing a joined-up and collaborative approach that is both accessible and supportive at all stages of a business's export journey. We will also take a pro-active and targeted approach to maximising the opportunities available to businesses in key sectors and target markets.

How this priority will be implemented to achieve good growth

- Facilitate greater productivity, innovation and enterprise, and firms that are resilient, adaptive, technologically savvy and outward looking
- Include a focus on quality of jobs, skills, progression and good business practices that support people and drive productivity and earnings
- Develop leadership and management skills needed to pursue good jobs and to establish a culture where good jobs generate competitive advantage especially in the recruitment and retention of the best talent, including in low pay sector where staff turnover is typically high
- Use digital technology to drive up productivity, including low pay sectors, and to positively impact on skills and pay
- Embed resource efficiency to support productivity, growth and quality across the business base and support globally competitive firms operating in the low carbon sector
- Join up delivery plans for skills, transport and housing to ensure disadvantaged communities are connected to new jobs from business growth and inward investment
- Support businesses to access the widest possible labour pool, including through apprenticeships, traineeships and work experience/employment programmes aimed at young and unemployed people

3.4 PRIORITY 2: Skilled people, better jobs

PRIORITY 2 SUMMARY	
AIM	Increase skill levels and employability significantly to meet future job demands and enable people from all communities to secure more and better jobs – closing the gap to national average on higher level skills and progressing the City Region’s NEET free ambition
KEY ACTION AREAS	PRIORITIES
a) More and better apprenticeships [cross cutting action area linked to b, c and d below]	<ul style="list-style-type: none"> • Support businesses to understand and make the most of apprenticeships • Support people to access traineeships and apprenticeships • Increase provision and uptake of apprenticeships (particularly at advanced, higher and degree level)
b) Great education, connected to businesses	<ul style="list-style-type: none"> • Improve relevance of learning in schools, colleges and universities to increase attainment and employability skills, including a ‘Great Code Campaign’ • Produce accurate labour market information and forecasting and ensure it is well utilised in impartial careers information, advice and guidance • Increase student contact with, and understanding of, businesses (in schools, FE and HE and through placements and internships) to develop employability and enterprise skills • Increase meaningful engagement between businesses and schools (including by influencing schools and Ofsted and governor engagement) and improve careers advice
c) Employability, access to jobs and realising potential	<ul style="list-style-type: none"> • Design programmes to help unemployed young people and adults move into work • Equip people with the skills needed to find and progress in work (including in low pay sectors), and connect them to the pipeline of new job opportunities • Work collaboratively to address barriers to work associated with transport and childcare and to help individuals to address issues that limit their economic potential (e.g. drugs, alcohol, criminality) • Maximise positive connections between health, jobs and prosperity
d) Building workforce skills and attracting talent	<ul style="list-style-type: none"> • Support employers in widening and enhancing workforce training (e.g. by highlighting its importance to growth and brokering solutions through the Skills Service) • Develop the leadership and innovation skills required for business growth • Close the gap to the UK average on high level skills, including promoting routes into higher level and technical skills, attracting and retaining talent, and higher graduate utilisation • Produce high quality forecasts of future employment trends and ensure that City Region partners can respond to them • Progressively influence, improve and take on leadership of the skills system through devolution
Addressing skills gaps and shortages in key areas: [a cross cutting focus for areas a-d above]	<ul style="list-style-type: none"> • Infrastructure/construction skills (and associated employment opportunities) • Tech skills – become the graduate capital for tech skills by attracting and growing talent in coding/software and data analysis • Manufacturing – e.g. engineering skills and addressing replacement demand
HEADLINE INITIATIVES	<ul style="list-style-type: none"> • Deliver a ‘more jobs, better jobs’ programme to widen employment, skills, apprenticeships and progression opportunities, linked to NEET free goals • Devise and deliver a programme of action to increase high level skills and close the gap to UK average

KEY PARTNERS	Businesses/employers, LEP/WYCA, universities, colleges, schools, private training providers, local authorities, DWP/Jobcentre Plus, community organisations. The Skills Network will have a key role in engaging with partners including HE, FE and private training providers.
EVIDENCE LED OUTCOMES	<p>This priority will support progress on long term headline indicators related to:</p> <ul style="list-style-type: none"> • % with skills at NVQ level 4 (close gap to national average on this measure) and NVQ2+ • % of schools engaging with businesses • Employment, unemployment, economic inactivity and 'NEET' levels • Apprenticeship starts and completions (and % at advanced/higher/degree level) • Skills shortages in key areas (e.g. tech skills, coding, engineering, construction) • % of employers training their workforce • Earnings (median and 20th percentile)

Rationale

Youth unemployment has fallen dramatically in Leeds City Region, with JSA claimants aged 16-18 reducing from 28,500 in 2012 to 7,000 in 2016, and 'NEET' numbers also falling considerably. The challenge now is to continue this progress, to help more people enter and progress in work at all levels.

Skills are also central to business productivity, competitiveness and profits and in turn to higher earnings for workers. Hence businesses must be able to access talent and enhance the skills of their workforces. Higher level skills are especially strongly linked to productivity, but the gap to the national average on this measure has widened. A key goal is therefore to reverse that trajectory. In short, we need more and better jobs accessible across all communities, and the skills to drive success both now and in the future.

The evidence points to a number of key challenges that we will address in implementation. These are to:

- enhance educational attainment (which lags national average in some parts of the City Region) and strengthen the links between business and education – improving careers choices and employability;
- build on excellent work on apprenticeships by further increasing the number and value of apprenticeships (e.g. more at higher level) and widening access to them;
- support more people into jobs, especially those who face challenges to entering the labour market;
- address the 'missing middle' in the labour market, whereby growth in low and high level but not middle level jobs is making progression difficult and increasing inequalities and 'underemployment';
- close the gap in higher level skills, which are critical to higher productivity, growth and incomes; and
- tackle skills shortages in key areas such as engineering, construction, coding and tech skills, unblocking barriers to business growth and opening up excellent career opportunities.

The City Region possesses a range of excellent assets that can be further utilised to assist in addressing the challenges ahead and filling over half a million future job opportunities. These assets include 9 HE institutions, 14 FE colleges, and a substantial investment programme covering the FE estate, as well as the largest city region workforce and the biggest undergraduate population outside London.

Approach

A strategic and co-ordinated approach that brings together the work of wide ranging partners across the City Region will be combined with tailored local solutions based on the needs, assets and opportunities of

particular places. For example, on **education**, although improvements will be led by individual schools, colleges and universities, it will be important to track overall progress on results and to support change at City Region level where appropriate. Opportunities include exerting influence on OFSTED to include the quality of business education and careers advice in their assessments, and co-ordinating programmes of action, such as on enterprise advisors and careers information, advice and guidance. Ensuring that young people are aware of and inspired by local business opportunities and understand the skills and choices needed to secure them is vital to future employability and success.

The employment rate is now much improved from the recession but we want to ensure that everybody's potential is realised and that nobody is left behind in securing a job and a good living. Hence, we will take forward our headline initiative of a **more jobs, better jobs programme** – a co-ordinated programme of action, much of it delivered at the local level, to help more people enter and progress in work and to reduce poverty and disadvantage. This will take advantage of mainstream work by partners such as Jobcentre Plus and include wider activity to address specific barriers to work for target groups (often involving EU funding and community sector partners) and to maximise local employment, skills and regeneration benefits from major developments. We will ensure there are routes from unemployment into the pipeline of new job opportunities and explore how careers advice for those on low pay can help them to upskill and progress. Likewise, we will take advantage of win-win opportunities for health and the economy as evidence shows that health supports employment and productivity, and that good jobs benefit health.

We will work with partners across the public sector to design and deliver more joined up and more effective support services for those facing significant barriers to entering the jobs market and sustaining decent employment. This will include, for example, working with DWP, local authorities, health authorities and others to tackle health issues, including mental health, drugs and alcohol dependency, and to increase childcare and other support to help more people overcome disadvantage to access a job.

Many businesses already invest in skills and training and we want more firms to reap the benefits of an appropriately and highly-trained workforce. **Building skills in business** is beneficial at all levels, from leadership and management skills that drive growth, through to workforce progression and new recruits. Clear and simple skills advice and support for business, signposted through the Leeds City Region Skills Service will be key to this, and excellent intelligence on future skills needs, and on the impacts of long term trends such as automation and robotics will inform action. The City Region will progressively look to take on the skills system as a responsibility as part of devolution so that it is simple, effective and works for business and people.

Technical and high level skills will be a particular area of focus, linked to FE and HE assets. In view of the important role played by higher skills in raising productivity, we will aim to first reverse the widening gap on higher level skills (NVQ4+) and in the long term to close the gap to the national average. Our Headline Initiative to radically increase high level skills will address this head on and involve devising and delivering a coherent programme of evidence based action. This will cover action in areas such as career opportunities in high skilled areas; greater graduate employment (especially by SMEs); HE expansion; better matching of qualification choices to career opportunities; graduate training and scope for conversion courses; and the role of enhanced quality of life, place and profile in attracting and retaining skilled people.

Two areas of action will cut across everything we do. **Apprenticeships** work for businesses and young people, and we will strive to ensure that more businesses offer apprenticeships, that more young people are

keen to take them up, and that routes into apprenticeships are widened, particularly in line with economic priorities and skills shortage areas. That includes promoting more advanced, higher and degree level apprenticeships, uptake by people of all ages, and pre-apprenticeship training where required to provide access routes for those who are less well qualified.

A focus on skills shortage areas on the basis of robust intelligence and forecasting will also cut across action on skills and employment, for example in engineering, construction and software/coding. **Digital and Tech skills** are a key area of opportunity. They can empower entrepreneurs to innovate in disruptive technologies and are increasingly essential to all businesses. Reflecting this, a number of local authorities have produced digital skills plans that can be built upon at City Region level. We aspire to becoming a UK capital for such skills and will explore opportunities, such as a 'Great Code Campaign', to embed tech skills in young people and inspire many more to enter tech careers.

How this priority will be implemented to achieve good growth

- Build employability skills that support business innovation, productivity and success, and which also help people to access opportunities and progress
- Ensure there is a simple skills system that works together as a whole for people and business, and which fosters innovative approaches and collaboration (including utilisation of the Skills Network)
- Include a focus on the quality of jobs and higher earnings alongside productivity improvements, including exploration of approaches in sectors where low pay is common
- Support access to jobs and progression, including for those facing challenges and disadvantage
- Ensure skills are in place to support the low carbon sector and transition

3.5 PRIORITY 3: Clean energy and environmental resilience

PRIORITY 3 SUMMARY	
AIM	To become a resilient zero carbon energy economy underpinned by high quality green infrastructure
KEY ACTION AREAS	PRIORITIES
a) New energy generation	<ul style="list-style-type: none"> • Provide a test bed for game changing non-conventional fuel technologies, including the H-21 Hydrogen Conversion project • Drive investment in low carbon energy projects through access to high quality technical and commercial advice on how to move from concept through to investment • Deliver an ambitious programme of district heat networks providing access to locally generated, secure, sustainable and low cost heat
b) Resource Efficient Business	<ul style="list-style-type: none"> • Deliver advice and financial support to businesses who want to reduce costs associated with environmental resources like waste, water and energy • Drive innovation and growth in energy intensive industries by promoting resource smart technologies that produce new revenue streams such as carbon capture and utilisation
c) Energy efficiency & empowering consumers	<ul style="list-style-type: none"> • Deliver improvements that make homes across the Leeds City Region warmer and reduce fuel poverty • Develop partnership and funding models with the health sector to deliver collaborative interventions that reduce extreme cold and damp and improve health • Establish a municipal energy company that provides benefits for local communities, improves choice and delivers smart meter rollout
d) Green infrastructure	<ul style="list-style-type: none"> • Refresh and deliver the Leeds City Region Green Infrastructure Strategy • Plan and deliver whole catchment area investments that mitigate flood risk and improve the resilience of the City Region economy (linked to Priority 4c)
HEADLINE INITIATIVES	<ul style="list-style-type: none"> • Targeted investments and innovation to make the City Region a leading edge centre for zero carbon energy
KEY PARTNERS	Investors, utility providers, industry and small businesses, LEP/WYCA, universities, local authorities, community groups, DECC, Innovate UK, Local Nature Partnership (and constituent organisations), scheme specific partners
EVIDENCE LED OUTCOMES	<p>This priority will support progress on long term headline indicators related to:</p> <ul style="list-style-type: none"> • Carbon emissions (linked to long term zero carbon energy economy goals) • Increased GVA, employment, innovation and productivity in the clean energy and energy intensive sectors • Reduced fuel poverty and associated improvements in health and spending power • Increase in the quality and extent of green infrastructure, including climate and carbon sequestration benefits related to tree cover

Rationale

A transformational move to innovative, clean energy technology across all aspects of the economy will help to drive and support the growth of the City Region economy. The scale of opportunities to create new products and drive business growth in this field is increasing rapidly. Global investment in renewable energy

now outstrips that on fossil fuel power (amounting to £23bn in the UK in 2015). Coal powered energy generation is being phased out, with Drax due to become 100% biorenewables powered. Northern Gas Network's pioneering hydrogen conversion project in Leeds will enable large scale decarbonisation of the gas network, creating at source hydrogen supply and a natural home for new hydrogen based tech. These developments are rooted in innovation, offer huge business opportunities and will help to make the City Region an attractive location that is more self-reliant and resilient to the fluctuations of unpredictable energy markets. Improvements in energy efficiency and carbon reduction have led to the City Region being rated as one of the most successful areas in England in this sphere of activity⁷. Now, a group of councils here have pledged to be '100% clean' by 2050.

Alongside a clean energy system, high quality green infrastructure will be critical to the resilience of the City Region, protecting homes, businesses and utilities from the risks of flooding, whilst bringing benefits to the wider economy by supporting inward investment, higher staff retention and improved health outcomes.

Given this analysis, our future focus is on both cost effective, clean energy and 'environmental resilience'. By the latter, we mean investing in a quality natural environment and utility infrastructure that supports adaptation to the impacts of climate change, attracts investment, and supports quality of life and the goal of becoming a zero carbon energy economy.

Delivering this priority will:

- build expertise and innovation and promote the City Region as a centre of intellectual capital;
- use enhanced environmental quality and resilience to attract talent, investment and entrepreneurs; and to adapt to a changing climate with increasing flood risks;
- create economic opportunities and jobs in the low carbon, energy and environmental sector (many of them skilled and in key sectors such as engineering);
- enhance energy security, resilience and resource streams in the face of volatile energy markets;
- use energy efficiency and design measures to reduce costs for businesses and households;
- help to reduce fuel poverty, with benefits for health and spending in local economies; and
- position the City Region at the forefront of global action to reduce carbon emissions.

Leeds City Region has marked strengths and assets in this area. It has energy assets which generate a major share of the UK's energy; an outstanding natural environment and a strong track record in green infrastructure development. Furthermore we have excellent expertise and intellectual capital (e.g. in universities and business), a well-developed energy sector with growth potential and £300 million of energy projects in the pipeline. We will build on these strengths in implementing this strategy.

Approach

The City Region's ongoing transition from large scale and predominantly fossil fuel based power generation to clean, low carbon energy will be one of the most dramatic in the UK, bringing with it innovation, expertise and opportunities for sector development, growth and export. Our integrated approach combines a focus on energy generation, efficiency and innovation with the development of excellent green infrastructure that will attract investment and boost resilience.

⁷ Sustainability West Midlands, Fit for the Future: Local Enterprise Partnerships' climate ready and low carbon economy good practice, January 2016

To deliver this we recognise that we must nurture strong and effective partnerships with LEP areas across the North. Whilst we each have individual sectoral strengths, there are key areas where joint working will bring even better outcomes. In the case of bio-renewables and the wider bio-economy we will work closely with York, North Yorkshire and East Riding. On hydrogen conversion of the gas network we will seek to work in partnership with Tees Valley as well as major industrial producers of hydrogen such as Liverpool City Region. On industrial decarbonisation we will work with across the area where clustering of retrofit technologies makes best economic sense.

As a post-industrial region there are real and unavoidable challenges in moving to a low carbon economy. Significant investment is required in our energy intensive industries if they are to remain competitive in the future. Traditional forms of energy generation, currently supporting many households and families in some of the most deprived areas of the City Region, will become untenable in the future. If not planned properly, the move to a zero carbon energy future could create wealth in some areas whilst leaving other communities vulnerable. In the delivery of this strategy we will work closely with the industry and central government to ensure a 'just transition' where the benefits of a low carbon economy are felt by all.

Within the context of changing energy markets and technologies, innovative **new energy generation** offers potential for rapid business growth within the sector, and for long term benefits to households and businesses across the City Region through improved energy security and lower costs. This includes both better exploiting existing opportunities such as district heat networks and becoming a leader in new fields such as the use of hydrogen as a fuel. A key need is to move from concept to commercialisation by bringing together academic expertise and businesses, piloting new technologies and bringing them to market. Leeds City Region has world leading university expertise in this area⁸, and there is real potential to build the City Region's profile as a place that brings together global thinking and which drives innovation.

Energy is also central to **resource efficient business**; companies can gain cost and competitiveness advantages from highly efficient use of energy and natural resources. This includes aspects such as vehicle fuels and usage, and it will often make sense to integrate responses to other low carbon and climate change issues alongside work on energy, for instance around waste, water and flood resilience. There are opportunities both in SMEs (which are often less aware of resource efficiency opportunities), and in energy intensive industries, where resource smart technologies have potential to reduce costs and to create new revenue streams, such as around carbon capture and utilisation.

Within communities, there is **great scope for energy efficiency to empower consumers**. Best practice in energy technologies, efficiency and design in homes can dramatically reduce costs and fuel poverty and improve health outcomes, with the potential benefits greatest for those with low incomes. Other opportunities include the potential for municipal energy companies to benefit local communities and improve choice.

⁸ For example, the University of Leeds provided five lead authors on the latest UN IPCC report and has expertise in areas such as energy, water and atmospheric science; the University of York has leading expertise in fields including bioenergy; the University of Bradford has strengths in Environmental Science and the circular economy; and Leeds College of Building is at the forefront of 'green building'.

There is clear evidence that creating and maintaining attractive networks of green space, woodland, waterways, habitats and wildlife add not only to the attractiveness of places, but also to their economic value and to health. Reflecting this, **high quality green infrastructure**⁹ design will be central to the way in which we plan and shape places and developments and the corridors that connect them. This will include examining how green infrastructure can complement (or in some instances act as an alternative to) 'hard' flood defences in mitigating major and increasing flood risk issues facing homes, businesses, utilities and wider infrastructure. The City Region's rural areas have enormous potential in this regard. We will update the City Region's Green Infrastructure Strategy (overseen by the Local Nature Partnership) and ensure there is a delivery plan for its implementation. The strategy will include integration of green infrastructure into Spatial Priority Areas (see priority 4) and their catchments, and also go beyond these where there are key opportunities to deliver economic value and resilience.

Energy and green infrastructure schemes will often be targeted on particular places. For instance Leeds is set to become the first 'Hydrogen City' in the UK and district heat networks will be based in specific centres such as Bradford, Huddersfield and Leeds. Other programmes will focus on community ownership or benefit from energy assets in specific locations across the City Region, or programmes that extend across the whole area. Work on green infrastructure will combine a catchment based approach with a focus on maximising the resilience of key assets (including energy supplies) and at risk areas such as the Calder Valley, York and Leeds.

How this priority will be implemented to achieve good growth

- Enhance productivity through innovative energy solutions, 'smart cities' activity and new technology
- Ensure flood resilience measures benefit businesses and productivity as well as homes
- Target home improvements to benefit disadvantaged communities and reduce fuel poverty
- Ensure schemes which offer community ownership and financial benefits include lower income areas
- Design schemes that progress and balance environmental goals and add to quality of place
- Support transition to low carbon energy

⁹ DCLG Planning Guidance defines Green infrastructure as a network of multifunctional green space including parks, open spaces, playing fields, woodlands, street trees, allotments and gardens, and (as is the case in our usage of the term here) it can also include streams, canals and other water bodies.

3.6 PRIORITY 4: Infrastructure for growth

PRIORITY 4 SUMMARY	
AIM	To build a 21 st century physical and digital infrastructure that supports the City Region to grow and compete globally; and to do this in a way that enhances places, transforms connectivity, maximises GVA benefits, minimises carbon impacts, and enables all businesses, people and places to have access to opportunities
KEY ACTION AREAS	PRIORITIES
a) Integrated Spatial Priority Areas (SPAs)	<ul style="list-style-type: none"> Establish a Leeds City Region Infrastructure Investment Framework that sets out the detail of SPAs and their infrastructure requirements Prioritise investment in SPAs to maximise the City Region’s economic, housing and regeneration potential Enhance collaborative working on the evidence base that supports spatial planning
ai) Urban Growth Centres	<ul style="list-style-type: none"> Support mixed use growth in Urban Centres identified as SPAs through the development of key infrastructure including employment, commercial and residential opportunities
aii) Housing Growth Areas	<ul style="list-style-type: none"> Accelerate delivery of new homes in SPAs in balanced and sustainable communities Deliver affordable home ownership options and sufficient supply of affordable rented homes Enhance support for SMEs in construction, including promoting an increase in self build, custom build and modular homes delivery Explore models and options to influence the direct delivery of housing Improve the energy performance of housing to address fuel poverty and health impacts
aiii) Employment Growth Areas (including mixed use employment sites and Enterprise Zones)	<ul style="list-style-type: none"> Accelerate delivery of employment growth areas and supporting infrastructure to facilitate sustainable job growth Identify and deliver upfront infrastructure to tackle development constraints Deliver a comprehensive inward investment and marketing solution for all Leeds City Region Enterprise Zones
b) Transport infrastructure and services	<ul style="list-style-type: none"> Deliver the package of 31 strategic projects prioritised within the £1bn West Yorkshire plus Transport Fund Identify, prioritise and deliver schemes within a second and further rounds of West Yorkshire plus Transport Fund Maximise opportunities and improvements through investment across modes beyond the Transport Fund, e.g. HS2, Northern Powerhouse Rail, Transport for the North, smart motorways, smart ticketing, improved rail franchises and improved bus services Deliver sustainable and affordable travel services and initiatives to promote access to employment, education and training
c) Integrated flood prevention	<ul style="list-style-type: none"> Develop an integrated whole catchment flood management and adaptation programme, including strategic green infrastructure (linked to Priority 3d)
d) Digital infrastructure	<ul style="list-style-type: none"> Deliver West Yorkshire and York Superfast Broadband programmes and related business take-up and support activities (linked to Priority 1d) Explore opportunities to use alternative technologies to improve the City Region’s

	digital infrastructure
HEADLINE INITIATIVES	<ul style="list-style-type: none"> • Deliver 30+ West Yorkshire plus Transport Fund schemes and make progress towards a single ‘metro style’ public transport network, connected to major national/northern schemes such as HS2 and Northern Powerhouse Rail • Develop and regenerate integrated Spatial Priority Areas, supporting employment, quality environments and the building of 10,000-13,000 new homes per year • Develop an integrated flood prevention programme, incorporating flood defences; green infrastructure and resilient development
KEY PARTNERS	Private sector, local authorities, neighbouring LEAs, Homes and Communities Agency, Housing Associations, Highways Agency, Network Rail, Transport for the North, Environment Agency
SUCCESS MEASURES	<p>This priority will support progress on headline indicators related to:</p> <ul style="list-style-type: none"> • Increased integration of up-to-date district Local Plans to ensure a coordinated approach to development delivery • Increases in GVA and job growth • Increases and acceleration in the number of new homes built, including affordable homes, and employment / commercial floorspace • Increases in the amount of brownfield land and buildings brought back into use and / or development ready • Increases in connectivity bringing people, places and jobs closer together • Reduced number of hospital admissions related to poor quality, cold and damp homes • Reduced delays, congestion and faster journey times across all transport modes and both within and beyond the City Region • Increase in super / ultrafast broadband network coverage and access / take-up by businesses and households • Reduced carbon emissions and vehicular air pollution, improved environmental quality • Sufficient supply of both minerals and waste treatment facilities to sustain and support the City Region’s continued development and sustainable growth

Rationale

High quality infrastructure is the bedrock upon which economic success is built. We have begun to make progress with recent investments in the broadband network and the securing of the £1bn West Yorkshire plus Transport Fund that will significantly enhance road, rail and bus links within the City Region over the next 10 years. But we are far from achieving our aim under this priority of having high quality 21st century physical and digital infrastructure – including transport services - because:

- Decades of underinvestment has left a transport infrastructure that does not go far enough to easily, quickly and affordably connect business, people or communities within the region or beyond. These issues will only partially be rectified by the West Yorkshire plus Transport Fund;
- We need many more good quality and energy efficient homes of the right size and at the right price to enable people to have a choice in where they live and to support a growing workforce;

- Whilst much activity is now happening without the need for additional public sector intervention, market conditions remain challenging and, even in prosperous places, the regeneration we wish to see often still requires public intervention to correct market failures and de-risk investment;
- There are hurdles to overcome in establishing the strategic planning needed to align key infrastructure projects; and
- As we saw in December 2015, businesses and homes in some parts of the City Region remain highly vulnerable to flooding.

There are, nevertheless, many opportunities in the City Region that we can build on to accelerate progress towards our aim, as are set out in the section below. This strategy sets the framework for collaboration with and between districts, a wide range of agencies and with central government in order to agree on a collective approach to the development of places across the City Region.

Approach

We have built on and developed the City Region's place-based focus, which is to be based on an integrated set of **'Spatial Priority Areas' (SPAs)**. The SPA approach is to take a 'whole-place' view of the infrastructure needs and opportunities of the distinct centres and development locations across the City Region.

Successful development in each case will require coordinated action across a range of activities such as transport, employment, business premises, housing, digital, health, flood mitigation and green infrastructure (see also Priority 3 of this strategy). WYCA and the LEP will work to ensure that SPAs develop in ways that support good growth, for example, by maximising local supply chain and employment opportunities from major developments (construction and end use); extending job and apprenticeship opportunities to help tackle unemployment and poverty; and ensuring development is sustainable and minimises impacts on the environment and people's health. This will include exerting influence through planning and procurement and making links to skills policy and intervention. Additionally, it will include ensuring a sufficient supply of minerals and waste infrastructure to sustain and support growth in housing, business and transport infrastructure.

A rounded understanding of the needs of each area can only be developed through an effective and broad partnership. That will include the LEP, WYCA, local government, the Environment Agency, the Homes and Communities Agency, Highways England and the private sector. A new Leeds City Region Infrastructure Investment Framework, to be developed by late 2017, will provide a complete picture of this partnership and show how different funding sources, including private sector investment, will be brought together to support all the types of infrastructure needed in a place. This will maximise coordination and leverage to achieve more and better economic, social and environmental outcomes. The Framework will be a valuable tool in aligning local planning policy, investment and delivery through stronger partnership working in relation to the Duty to Cooperate.

The City Region's SPAs (set out below) have been identified on their potential as major areas for growth based on a shared City Region and local evidence base that draws on factors such as housing need and market geographies, strategic employment land supply and transport needs. Each SPA is driven by a particular aspect of development, although an integrated approach will apply in all cases. Reflecting this, three categories of SPA have been identified, which take forward existing and agreed new priorities:

- Urban Growth Centres (which are focused on large town or city centres);
- Housing Growth Areas; and
- Employment Growth Areas (including mixed use employment sites and Enterprise Zones).

Category of SPA	Agreed through SEP1	Agreed additional priorities for SEP2
Urban Growth Centre SPA	<ul style="list-style-type: none"> • Barnsley • Bradford • Halifax • Huddersfield • Leeds (including South Bank linked to HS2) • Wakefield • York 	
Housing Growth Area SPA	<ul style="list-style-type: none"> • City Fields, Wakefield • East Leeds Extension • York Central • Bradford-Shipley Canal Road Corridor 	<ul style="list-style-type: none"> • Castleford Growth Zone • North Kirklees Growth Zone
Employment Growth Area SPA (including mixed use employment sites and Enterprise Zones)	<ul style="list-style-type: none"> • Leeds (Aire Valley) EZ • Cooper Bridge • Newmarket (J30, M62) • Glasshoughton • Chidswell • Barugh Green, Barnsley 	<ul style="list-style-type: none"> a) Nine M62 Corridor EZ Sites: <ul style="list-style-type: none"> • Gain Lane, Parry Lane & Staithegate Lane (Bradford) • Clifton Business Park (Calderdale) • Lindley Moor East, Lindley Moor West & Moor Park Mirfield (Kirklees) • South Kirkby Business Park & Langthwaite Grange Extension (Wakefield) • Plus York Central (a York, North Yorkshire & East Riding LEP EZ) b) Leeds Bradford International Airport employment zone

The programmes of investment for each area are under review, but action will include a mix of delivery of existing schemes for business, residential and mixed use, alongside delivery plans to unlock and accelerate new opportunities. All SPAs will include consideration of digital infrastructure requirements and design in green infrastructure, flood resilience and good practice on low carbon and environmental standards. In all cases there will be focus on ensuring that there are good transport links and services between where people live and where they work, including for those without access to a car.

The LEP and WYCA will adopt a proactive and flexible approach to the list of City Region SPAs in order to allow for identification of new growth priorities following further development work and planning processes, for example future Enterprise Zones or other new opportunities of City Region significance. This approach, alongside criteria for adding or deprioritising SPAs, will be further detailed in the Infrastructure Investment Framework, with a view to ensuring that the set of SPAs cover a focused set of opportunities which will have the most positive impact on good growth.

We will strengthen, support and grow the City Region’s **Urban Centres**. As hubs of economic activity, these make a major contribution to the economy, as well as being centres of residential, leisure and cultural significance. Activity will focus on identifying and developing the necessary infrastructure and services to enable these centres to have a high quality offer and a strengthened and sustainable economic role. This

will include ensuring they have the 21st century digital infrastructure that is needed to drive business competitiveness and innovation.

The scale, nature and quality of the **housing** stock across the City Region is a critical element of the infrastructure needed to support our ambitions and inclusive economic growth. The recession of 2008 led to a dramatic reduction in housebuilding; current build rates are now a little above their low point at approximately 7,000 per annum, and are slowly rising. Additionally, we are seeing an increasing proportion of new housing stock now being brought forward by private developers. But despite having planning permissions in place for over 60,000 new homes in the City Region (40,000 of which are on brownfield sites), and many other permissions coming through the pipeline, in many places speed of delivery remains slow. Site viability, access to funding (particularly for SME developers), and land banking continue to act as barriers to development. Affordability, quality in parts of the private rented sector, and the need for a better mix of tenure and stock to support a changing population are also key issues.

We will continue to address development barriers in order to accelerate the pace and rate of house building, particularly on brownfield sites, including developing, investing and supporting a long term deliverable pipeline of housing schemes through both the public and private sectors. This will include working with new innovative building techniques such as modular homes; stimulating appetite to develop sites with more marginal viability; and supporting SMEs, and self and custom build. **Housing Growth SPAs** will be a key focal point for this activity and will see intensive effort to align plans for housing growth with investment in transport, environmental, skills and employment infrastructure and opportunities, as well as plans for minerals and waste. We will continue to work in partnership across the LEP, WYCA, local government, the HCA, health sector, registered providers and the private sector; and will do this in the context of the evolving national housing policy environment. This approach is essential if we are to ensure the 10,000 – 13,000 new homes per annum needed in the City Region by 2021 and beyond are built.

In **Employment Growth Areas** we will facilitate the upfront delivery of supporting infrastructure, seeking to align investments in transport, green infrastructure and skills to ensure businesses located in these areas have the correct environment to thrive, grow and invest in the City Region. These areas are an important aspect of our plan to promote sustainable and balanced job growth. As such, enhanced connectivity is likely to be a significant aspect of our approach in order to facilitate both access to skilled labour markets as well as the efficient distribution of goods and services.

Employment Growth Areas include the City Region's **Enterprise Zones**. These comprise the existing Leeds (Aire Valley) Enterprise Zone, and the M62 Corridor Enterprise Zone across nine sites in Bradford, Calderdale, Kirklees and Wakefield, as announced in 2015. The new Enterprise Zone capitalises on existing concentrations of manufacturing businesses within West Yorkshire, maximising the value of the M62 Corridor as a strategic location ideally suited to facilitate access to a wide pool of skilled workers. It has the potential to deliver approximately 100 hectares of new employment land for the advanced and innovative manufacturing sector. We will also continue to work closely with the York, North Yorkshire and East Riding LEP to support delivery of the York Central Enterprise Zone which is located within the York Growth Centre.

The early development of Enterprise Zones is a priority and will provide a catalyst for further regeneration activities across the City Region. Within Enterprise Zones, we will utilise retained business rate income to accelerate their development. The focus of the Zones on specific sectors such as advanced and innovative

manufacturing aligns with our approach to inward investment and business growth, set out in Priority 1 of this strategy, and will be positioned as such in all investment propositions.

Efficient inter and intra City Region transport, along with international connectivity, are essential to the functioning of a modern economy. They underpin business efficiency, stimulate investment, connect people to job opportunities and open up competition and trading routes. We welcome the substantial funds secured through the Growth Deal to invest locally to improve transport infrastructure, but must continue to work with government to find ways to address all of our connectivity needs, turn around decades of under-investment and support our economic ambitions.

Over the next decade, through the City Region's £1bn West Yorkshire plus Transport Fund, we will deliver a package of 31 strategic projects prioritised around five types of schemes listed below and targeted at supporting good economic growth through improved connectivity between urban centres and strategic housing and employment growth sites across the City Region:

- **Radial improvements**, focused on public transport solutions that allow more people to travel into urban centres quickly and affordably (e.g. rail station gateways, parking and bus packages);
- **Ring road improvements** that allow efficient movement of goods and people around urban centres (e.g. York Northern Outer Ring Road improvements, Wakefield Eastern Relief Road);
- Transformation of **key development areas** (e.g. Aire Valley, Leeds; Shipley Canal Road Corridor, Bradford; Cooper Bridge, Kirklees; East Wakefield);
- Improved **motorway access** (e.g. Halifax-Huddersfield A629 corridor improvements); and
- **Improvements between major centres** to ensure high capacity, modern, fast and attractive connectivity (e.g. Leeds-Bradford; Huddersfield-Halifax).

In addition to the Transport Fund investment that will produce significant improvements to connectivity within the City Region, there are a series of major developments at the northern and national level that will also bring major – in some cases, transformational – improvements to our connectivity. These are set out in the box below.

Transformational transport investment

Over the next 20 years, transport connectivity across Britain – and especially in the north – will be transformed by a series of major projects being delivered by Network Rail, Highways England, Transport for the North, Combined Authorities and LEPs. The primary aim of these investments is to expand connectivity in a targeted way to support economic growth; spread the benefits of that growth; ensure it is environmentally, financially and socially sustainable; expand business and labour catchments and improve business productivity. The rail enhancements alone will support increased levels of commuting into and around our major urban centres, so supporting sustainable growth from a wider labour catchment. They will also support better business-to-business connections, particularly relevant for the financial, digital and education sectors. The following investments within the Leeds City Region are planned:

- Wide package of **rail franchise improvements**, specifically supporting a 40% increase in capacity to be fully in place by 2019;

- **Trans-Pennine electrification** programmed for delivery by 2022, including modern rolling stock, faster services and more frequent and higher capacity services. Scope for additional stations is also being investigated at key growth locations;
- **Calder Valley Line** speed improvements and new rolling stock in place by 2018 providing alternative capacity on east-west routes the during the Trans-Pennine electrification construction programme; with the case for full electrification developed and proposed for introduction in 2025/26;
- Roll out of **smart motorways** programme completed by 2020 leading to greater resilience, better management of congestion, additional capacity and improved information for road users. This will support business activity, reducing costs and improving reliability and productivity;
- **HS2** – operational by around 2032 with new high speed rail lines running between Leeds and York, the east midlands and London, and Leeds and Sheffield; and itself kick-starting one of the largest regeneration programmes in Europe at Leeds’ South Bank;
- **Northern Powerhouse Rail** – the need for better east-west connectivity via a high speed rail network linking Liverpool, Manchester, Leeds, Sheffield, Hull and Newcastle has been identified by Transport for the North and the National Infrastructure Commission. Options are being investigated, but the Leeds to Manchester route remains the priority;
- Options for **transformed bus services** to be in place from 2020 to build on smart card ticketing and support sustainable commuting and expand labour catchments.

These schemes have the potential to transform connectivity for businesses and residents of Leeds City Region. To make the most of this opportunity, the LEP and WYCA will need to work with local and national partners from the public and private sectors to ensure that we put in place the best possible network and ensure that the benefits from these investments can be maximised and be accessible to all.

In this context, WYCA and the LEP are reviewing options for future improvements to the intra-City Region network. In doing so, the goal will be to ensure that our transport system maximises the benefits of HS2, Northern Powerhouse Rail and other major national developments to all parts of the City Region; and meets future transport needs in a way that minimises congestion, carbon and pollution impacts, plays a part in improvements to quality of place and encourages healthier travel options.

Options will be set out, with detail on delivery, in the forthcoming West Yorkshire Single Transport Plan and other relevant transport plans for road, rail, bus and smarter travel choices. The principles underlying future transport investments and policies over which we have control and influence will include the following:

- Development of an **integrated, accessible transport system** which meets the needs of people and business and connects new and existing centres of work and of population; including transport infrastructure and services to support the growth and regeneration of Spatial Priority Areas;
- Support for an **efficient, well maintained and resilient highways network**, optimised by real time traffic management and information systems, providing new or improved access to unlock development, and where possible designed to move traffic away from town and city centres;
- Establishment of a **fully integrated ‘metro style’ City Region public transport network**, further enhancing rail travel and spreading the benefits to communities of rail schemes such as HS2 and

improved Trans-Pennine rail links, and integrating a bus network that delivers what customers want and which supports growth, inclusion and accessibility;

- Full exploitation of **new and 'smart' technologies** to provide travel information, smart ticketing and payment systems and better traffic management;
- **Improved environment** through the reduction of carbon emissions and air pollution from transport; the achievement of clean air standards and the creation of liveable centres and neighbourhoods; steps to reduce demand for travel, influence modal choices and support electrified transport options;
- Establishment of **cycling** as a major mode of transport, with increased active travel benefiting health;
- Ensuring that transport systems **serve all communities**, including disadvantaged and rural ones.

The right transport services need to be combined with policy and infrastructure to connect all communities to inclusive, sustainable growth and to maximise the impact of investment. For example, public transport services need to have good quality, frequency, speed, reliability and affordability if they are to be well used. We will build on existing partnerships with a wide range of agencies and businesses to deliver sustainable travel initiatives to promote access to employment, education and training with a particular focus on more disadvantaged and peripheral communities. Initiatives are likely to include public transport ticket incentives, tailored and real time travel information and other support to tackle barriers to the uptake of jobs and training. By working with bus operators and key stakeholders to grow the bus market and generate additional revenue we will be able to help fund further investment in services and facilities.

Leeds Bradford International Airport **connects the City Region internationally**. A better connected airport will help to promote business growth in our key sectors and other industries, and to attract more investment. Passenger numbers have been growing rapidly, and are forecast to continue to do so, while the proposed employment zone will add further to the need for better connectivity. A better connected airport in terms of higher quality highway and public transport links is required to unlock its full economic potential. A new road to the airport is already part of the programme of the West Yorkshire plus Transport Fund, while the business case for additional improvements is also under consideration.

Many City Region residents will continue to use Manchester Airport, a major hub airport for business and leisure travellers alike. Transport links to it are therefore important to the City Region. A number of improvements are already in the pipeline as a result of new franchise agreements, and we will continue to support further enhancements where possible.

High quality digital infrastructure supports all priorities of this strategy. Schemes such as Super Connected Cities and Superfast West Yorkshire and York, as well as North Yorkshire projects, continue to deliver major digital infrastructure improvements. But we want to go further still to ensure no business – in urban or rural areas – faces digital disadvantage that holds back growth and perpetuates exclusion.

Currently, superfast broadband coverage sits at around 96%, with an ambition and infrastructure programmes in place to reach 99% by 2018/19. However, this is about more than infrastructure. We want to go further and faster to ensure that the Leeds City Region fully capitalises upon the capacity of rapid digital technology advances and open data, aligned to the capacity of businesses to deliver investment and productivity improvements, and opportunities to transform outcomes for residents – such as on health, transport and education. We will work with industry to explore the opportunities to use alternative technologies that improve digital infrastructure across the City Region, and alongside this, work through the

LEP Growth Service to support business awareness and take-up of the opportunities that are presented by enhanced digital connectivity (see Priority 1 for detail).

Serious floods in areas such as the Calder Valley, York, Leeds and Tadcaster have made it all too clear that flood mitigation is a key issue that affects businesses and the economy as well as homes. Without intervention, climate change is likely to increase flood risks in the future. City Region partners will develop an **integrated approach to flood prevention and mitigation** which brings together relevant partners and resources and includes flood defences; natural flood management, sustainable drainage measures; planning, resilient development; preventive measures in existing businesses; and influencing activity. The approach will cut across organisational and geographic barriers, so that it is catchment-based and brings together all the relevant public and private bodies, including neighbouring LEP areas. This will be integrated with work on green infrastructure, which also includes but also goes beyond SPAs.

How this priority will be implemented to achieve good growth

- Deepen relationships with the investor and development community to influence the scale, location and quality of investment and to ensure it is aligned to policy on business growth, skills, inclusion and transport to widen access to work and deliver high quality sustainable communities
- Support the most disadvantaged to access jobs through employment in the delivery of major schemes and their subsequent end use (including through procurement and planning processes), and through excellent connectivity between population centres and economic opportunity
- Specify and influence the quality, type, location and energy efficiency of homes/premises to reduce fuel poverty and carbon emissions, minimise extra travel and ensure the accessibility of jobs and services
- Join up health and housing policy and investment to ensure all residents have access to good quality homes and environments, which support health and wellbeing and reduce demand for health services
- Adopt best practice green infrastructure solutions as an intrinsic element of spatial planning and future-proofing investment
- Use modern transport solutions including SMART systems, alternative vehicle fuels, and ICT solutions that reduce the need to travel and improve air quality

4. ASSURED DELIVERY

4.1 Assured delivery

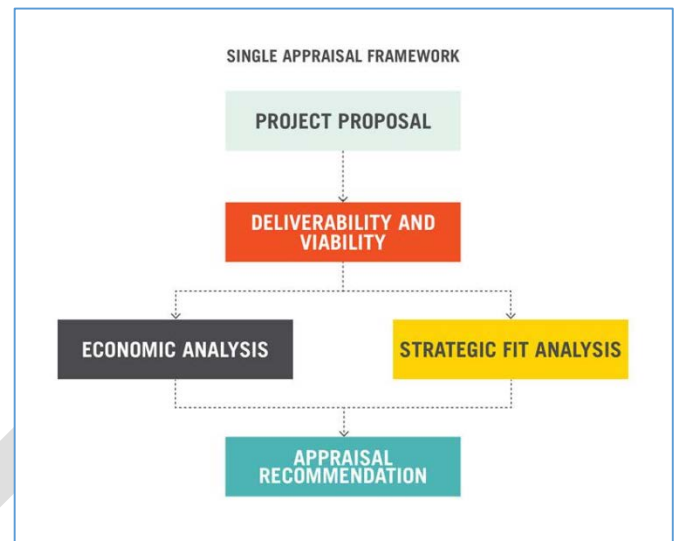
In view of the growing levels of investment and funding under local control or influence, it is essential that there are robust, transparent and accountable processes in place to ensure value for money for the public purse.

Since the publication of the first SEP in March 2014 significant steps have been made to further develop our governance and decision-making processes and procedures. Agreed in March 2015 by the LEP Board and WYCA, our **Assurance Framework** sets out the safeguards and processes that we have put in place to ensure the proper use of public funds and that value for money is secured from all the funding under our remit.

We view the Assurance Framework as an essential part of good practice and as an asset which further builds government trust in the partnership's capability to take its own investment decisions.

The **Single Appraisal Framework (SAF)** forms a vital component of our Assurance Framework. The SAF does not make decisions; instead it informs decision-making by ensuring cases for funding that meet the strategic priorities of the SEP are based on the right sort of investment, are affordable, deliver economic impact and value for money. **During 2014 and 2015 the SAF has helped allocate over £100m to projects across the City Region**, including transport, housing and regeneration, skills capital and innovation and enterprise support.

Our decision-making processes are continually evolving to learn from experience. The SAF will be updated to ensure that every project in which the City Region invests is assessed for its contribution to the *good growth principles* of this Strategy. In this way, these principles will become a central part of our decision making. A Finance Handbook has also been developed to ensure that decisions can be taken speedily while still adhering to the highest standards. Additionally, a Programme Management Office is being established within WYCA to provide the appropriate level of resource needed to ensure the successful and co-ordinated delivery of the complex range of projects and programmes undertaken by WYCA and the LEP.



4.2 Approach to intelligence and evaluation

To support our overall monitoring and evaluation activities we are working closely with national and local policy evaluation experts, including the **What Works Centre for Local Economic Growth**, the **Institute for Transport Studies** at the University of Leeds and a number of **Evaluation Working Groups** coordinated by BIS, such as the Business Growth Hub Evaluation Task & Finish Group. Effective knowledge transfer will be key to helping inform our approach to impact evaluation and robustly assessing which policies are most effective in supporting and increasing local economic growth.

A draft **Leeds City Region Evaluation Strategy** has been agreed in principle with Government and will be used to further assess how well and cost-effectively schemes have delivered, and the learning points that have emerged. Our strategy will play an important role in strengthening our evidence base in order to inform the future policy development and assist in the design and delivery of future policy.

DRAFT

Annex 1: Growth Forecasts, Risks and Assumptions

This annex sets out the economic and growth forecasts for Leeds City Region (based on the most recent available at the time of writing in March 2016), around which the policies and priorities within this strategy are broadly based. However, economic realities do not always follow what has been forecast, and in a climate of global economic uncertainty and volatility, there is potential for growth to be significantly different to that which has been forecast. The likelihood and scale of such variation increases the further ahead a forecast covers.

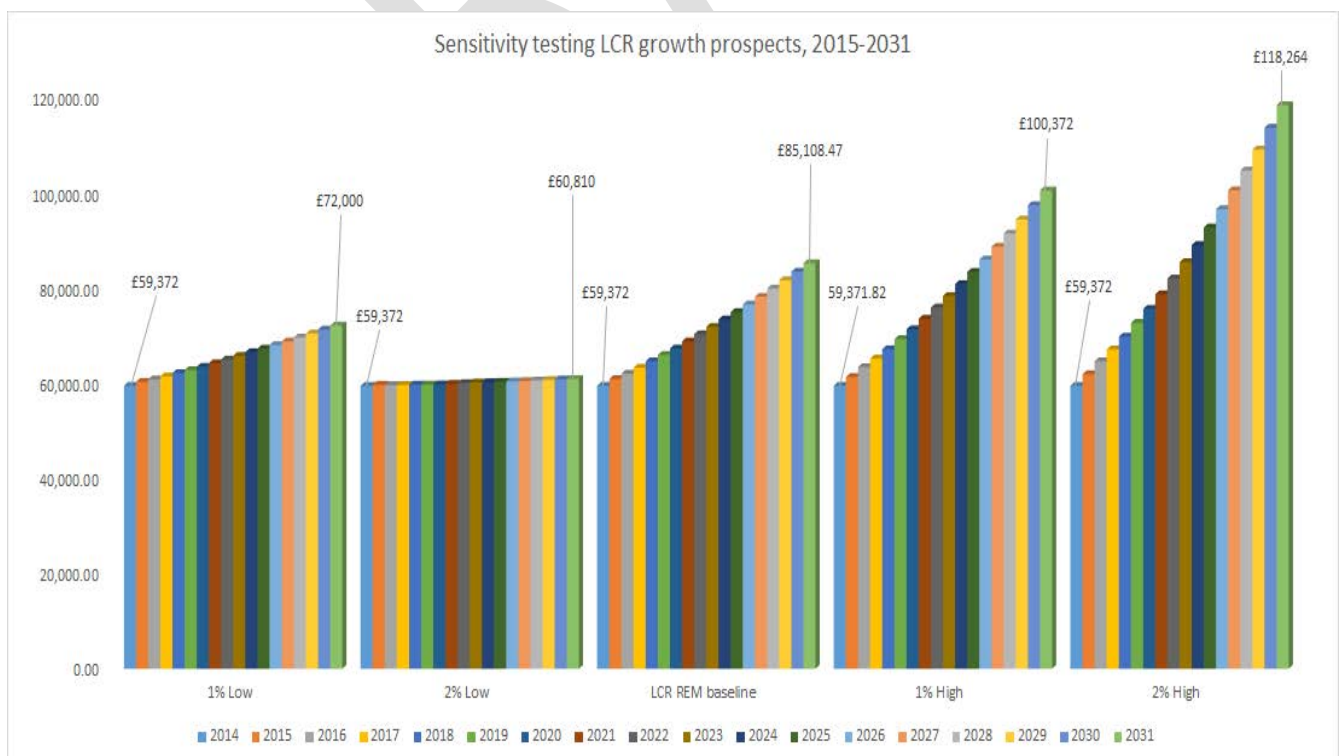
This Strategic Economic Plan and its core policies and priorities assume that growth will broadly be in the range of the most recent forecast, in effect a ‘middle scenario’. However if growth is either significantly higher or lower, that is likely to impact on economic conditions in the City Region and will raise opportunities, threats and questions that should be addressed.

The tables in this annex cover potential impacts and policy responses for high and low growth scenarios, with the former assumed to be growth rates of around 2% above the current SEP baseline economic output forecast (of an average of 2.1% per year) and the latter assumed to be up to 2% below the baseline forecast.

A series of wider economic and political events could also have significant economic impacts, such as a British exit from the EU, radical regional devolution, or changes in geo-political trade and stability. In line with the flexibility inherent within this strategy, the potential risks, opportunities and responses to such events will be reviewed as they happen or appear likely to.

Economic Forecasts

The graph below presents the Regional Econometric Model (REM) baseline economic forecast for 2016-2031 which suggests GVA rise to £85 billion by 2031. It also shows four variant scenarios based on 1% and 2% higher and lower growth rates relative to the baseline over the same period.



The high growth scenario is based on assumed improvements in fixed investment, exports, employment, and maintenance of current levels of domestic demand and labour market strength, and inflation just above the current target. The three remaining scenarios incrementally imply less favourable assumptions.

The key headlines for the scenarios analysis are:

- In the 2% higher growth scenario, the LCR economy would grow by 28% more than in the baseline scenario and reach £118 billion by 2031
- In the 1% higher growth scenario, the LCR economy would grow by 15% more than in the baseline scenario and reach £100 billion by 2031
- In the 1% lower growth scenario, the LCR economy would grow to £72 billion (£13 billion below baseline)
- In the 2% lower growth scenario, the LCR economy would see only a minimal growth to £61 billion by 2031. The long run stagnation in activity implied by this scenario is highly improbable but illustrates the significant impact on LCR’s structural growth prospects. It helps to illustrate that the 1% scenario gives a much more a more realistic assessment of a prolonged period of lower growth on the LCR economy.

Economic Scenarios, Risks and Strategic Responses by Priority

The tables that follow set out impact scenarios and responses for significantly higher or lower growth than forecast for each of the SEP’s four strategic priorities. These are intended to cover key examples, not all eventualities, and a more detailed review should be triggered if the economy deviates significantly towards either scenario. A ‘middle’ scenario is not shown, as the core of this strategy is based upon medium level growth as forecast (this is the baseline growth trajectory articulated in the November 2015 update of the Regional Econometric Model). The ‘High’ and ‘Low’ growth forecasts referred to in the table start at growth of 1% higher or lower than forecast (i.e. above around 3% and below around 1% respectively) with the importance of the responses increasing as growth rates deviate further from the baseline in both cases.

Priority 1: Growing Businesses

Growth Scenario	Potential Impacts	Potential Responses
High Growth	Enhanced growth prospects for businesses and greater willingness to invest, expand and innovate. Supportive climate for new starts and exports.	<ul style="list-style-type: none"> • Priority on businesses with ambition/ability to achieve high growth, especially in key sectors • Further emphasis on innovation • Ensure attractiveness of businesses and LCR for key staff given tight labour market • Exploit export opportunities in target markets • De-emphasise generic SME grant/loan support as lending and liquidity improve • Capitalise on good opportunities for FDI
Low Growth	Decline in business fortunes and reduced investment, including cuts in R&D and risk of downsizing, closures and job losses. Tough climate for new businesses but push factors for start-ups and self-employment.	<ul style="list-style-type: none"> • Rapid response to help businesses with a future to survive tough short term conditions • Renewed focus on SME access to capital • Support those switching from employment to starting a business or self-employment • Address potential reluctance to innovate • Support for SMEs to help them weather temporary disruptions in supply chains

Priority 2: Skilled People, Better Jobs

Growth Scenario	Potential Impacts	Potential Responses
High Growth	Tougher for businesses to find the recruits needed for growth, but increased opportunities and incomes for employees with high skills and in skill shortage areas.	<ul style="list-style-type: none"> • Ensure skills base predicts and keeps pace with growth areas and economic needs • Further emphasis on quality employment to attract and retain employees • Exploit the good potential to connect people into jobs and reduce poverty • Ensure skills and training offer targets all parts of the potential workforce, with a strengthening policy offer around life-time learning and upskilling
Low Growth	Reduced investment in training and risk of large scale job losses, redundancies and youth unemployment.	<ul style="list-style-type: none"> • Work with businesses to help them prevent redundancies and retain key staff • Assist those who lose jobs to build skills, gain a new job or start a business • Combat risk of low investment in skills and training • Guard against increasing polarity in the City Region – linked to skills and incomes • Coherent skills and employability package, including young and unemployed people who will face tougher competition for jobs

Priority 3: Clean Energy and Environmental Resilience

Growth Scenario	Potential Impacts	Potential Responses
High Growth	Increases in energy and commodity prices and carbon emissions likely with high global and city regional growth. Good conditions for investment (including green infrastructure) and innovation.	<ul style="list-style-type: none"> • Further emphasis on energy efficiency, innovation, clean generation and resource efficiency to manage emissions and costs • Encourage enhanced investment in green infrastructure, environmental quality and resilience • Manage transport growth and related emissions (including through carbon sinks)
Low Growth	Stagnant or decreasing energy and commodity prices and carbon emissions more likely if low global as well as city regional growth. Difficult conditions for investment.	<ul style="list-style-type: none"> • Manage impacts of decreased investment, with careful prioritisation or incentives to invest in energy and green infrastructure • Help businesses to survive by cutting energy, resource and waste costs through efficiency measures

Priority 4: Infrastructure for Growth

Growth Scenario	Potential Impacts	Potential Responses
High Growth	Spike in physical development of both high and low quality, as well as housing growth. Higher incomes may also lead to price rises. Risk of traffic growth and worsening congestion and pollution, deterring business growth and investment.	<ul style="list-style-type: none"> • Greater transport investment, with focus on measures which manage demand and reduce congestion (public transport, cycling, smart solutions, etc.) • Planning and development policies to drive up quality and sustainability • Support construction skills and connect development to local job opportunities • Extra focus on strategic and spatial co-ordination of housing and employment given likely squeeze on available land • Ensure patterns and type of development to not heighten flood risks
Low Growth	Risk of decline in housing growth and physical development, accompanied by lower prices. Tendency towards lower quality and easy options.	<ul style="list-style-type: none"> • Seek to support key developments at risk of stalling • Strong and tighter prioritisation on infrastructure investment

Wider Economic Scenarios and Risks

The next three to five years may see significant events which could impact upon the SEP's economic ambitions. Some of the key ones are noted below alongside wide economic forecasts:

- 'Brexit' – it will be important to consider the potential impact on the Leeds City Region economy of any decision to leave or stay in the EU (whilst offering no insight on the merits of any decision). The practical implication for the LEP/WYCA would be on how to support businesses with whatever pressures and/or opportunities they face once the outcome is known, building on initial work that has been undertaken.
- Living wage – the general policy direction of the National Living Wage is entirely consistent with the SEP's ambitions for good growth. Its short to medium term impacts should be monitored to assess any implications for specific sectors, the extent of movement from economic inactivity into employment, impact on inequalities, and the extent to which productivity improvements cover additional labour costs.
- Global growth prospects – the World Bank and the OECD have reduced their estimates for global growth to 2020 by between 0.2% and 0.4% each year (to an annual average of 3% in the World Bank forecast). Forecasts for Eurozone growth up to 2020 typically suggest annual growth of around 1.6%, well below the pre-recession long run historical average.
- Domestic consumption – most international organisations are forecasting that UK growth up to 2020 will be lower than previously assumed. The Bank of England's median estimate of GDP growth suggests that UK GDP will average 2.3% annually up to 2020.
- Employment – the short term prospects for UK employment growth look positive but there are risks as the UK labour market has become more reliant on the services sector and on domestic demand and consumption. Any impact on UK consumer spending could have a disproportionate impact as a result.

Originator: Rob Norreys
Director of Economic
Strategy



ITEM 8

Report to: West Yorkshire Combined Authority

Date: 31 March 2016

Subject: Land and Assets Board Terms of Reference

1. Purpose

- 1.1. To seek endorsement of the Terms of Reference for the Leeds City Region (LCR) Land and Assets Board.

2. Information

- 2.1. Draft headline proposals for the potential roles and responsibilities of the Leeds City Region Land and Assets Board were considered at the previous meeting on the 20th November. Members will be aware that the Board replaces the previous LCR Homes and Communities Board, expanding its remit to cover not only strategic housing and regeneration policy and investment, but also to consideration of surplus land and assets, particular public sector land and assets. The Board will advise both WYCA and the LEP Board on these strategic matters.
- 2.2. In early February the Board, which is chaired by the Leader of Bradford Council, held its initial meeting which included considering a draft Terms of Reference. Attached at Appendix 1 is the Board's recommended Terms of Reference including assumed commitments and operating protocols for WYCA's consideration and endorsement.

3. Financial implications

- 3.1. The resources to support the servicing and activities of the LCR Land and Assets Board will be financed through the WYCA and LEP team budgets. Additional resources may be required to support and coordinate the activities of the Board as the work programme of the Board develops.

4. Legal Implications

- 4.1. There are no specific legal implications as the Board will be advisory to both WYCA and the LEP Board with no specific delegated powers.

5. Staffing Implications

- 5.1. The WYCA / LEP team will service the Land and Assets Board, in liaison with the Homes and Communities Agency. The activities of the Board will be actioned through partnership working with the HCA, Local Authorities, Registered Providers and the private sector as appropriate. Further resources may be required to support and coordinate the activity of the Board as the work programme of the Board develops.

6. Consultees

- 6.1. The Leeds City Region Land and Assets Board have considered and support the draft Terms of Reference set out in Appendix 1.

7. Recommendations

- 7.1. That the draft Terms of Reference for the Leeds City Region Land and Assets Board set out in Appendix 1 be endorsed.

LCR LAND AND ASSETS BOARD **Revised Draft Terms of Reference** **31 March 2016**

Role and Purpose of the Land and Assets Board

The Board's primary aim is to achieve a more integrated approach to how the public sector uses its assets in the LCR, and thus to support economic growth and deliver better value for money.

The Board will be a Sub-Board of the WYCA/LEP, advising the WYCA/LEP on strategic housing, regeneration and land and assets matters for the Leeds City Region. The Board will oversee activity to:

- Identify and consider the reuse and investment in strategic land and assets within the Leeds City Region;
- Develop policy and strategy for housing and regeneration within Leeds City Region;
- Provide leadership in defining priorities and developing a pipeline of projects to promote and deliver housing growth and regeneration within the Leeds City Region; and
- Support the alignment of housing and regeneration investment across the Leeds City Region by the WYCA/LEP, HCA, and other public sector partners and the private sector.
- Maintain and keep up to date databases of relevant city region information including on surplus land and assets, brownfield land, housing stock, and other housing and regeneration related data.

Key Objectives

The key objectives for the LCR Land and Assets Board can be summarised as to:

1. Deliver the housing and regeneration ambitions and targets set out in the LCR Housing and Regeneration Strategy and the LEPs Strategic Economic Plan.
2. Enable and accelerate the development of more homes and the economic regeneration of places across the Leeds City Region.
3. Implement a more integrated approach to consideration of land and assets across the public estate, to accelerate the release land for economic growth, housing and community benefit and use assets to lever in other public and private sector investment.
4. Oversee the development of proposals for establishing the LCR Land Commission (subject to agreement).

Constitution and Membership

The Board should have at least 10 members. Initial membership of the Land and Assets Board is identified below. Further membership can be appointed to the Board on the recommendation of the Board.

- 6x Leeds City Region Local Authority Members
- LCR LEP Board Representative
- Homes and Communities Agency (representing Government Departments and other public bodies whom have transferred land and assets to the HCA)
- Representative(s) of the housing sector

- Leeds City Region local authority Chief Executive

Only members of the Board have the right to attend Board meetings. However, if a Board member is unable to attend a meeting due to absence, illness or any other cause, they should nominate a substitute to attend in their place.

Other individuals such as external or technical advisers or land/asset owners may be invited to attend for all or any part of a meeting, as and when appropriate/necessary. If a vote on a decision is required, only formal Board Members shall be able to exercise a vote.

Other members may be co-opted onto the Board subject to the agreement of the Board. The Local authority and LEP members will be appointed on annual basis by WYCA/LEP Board.

The assumed commitments of participating members and organisations and the operating protocols of the Board are set out in Schedule 1.

All members of the Land and Assets Board will be expected to adhere to the codes of conduct identified by the seven principles of standards in public life established by the Nolan Committee www.archive.official-documents.co.uk/document/parlment/nolan/seven

Resignations

Any member who resigns their seat on the Board can be replaced by an alternative representative.

The Appointment of Chair and Vice Chair.

The LCR Land and Assets Board shall nominate a local authority Member as Chair from amongst its membership. The representative of the Homes and Communities Agency will provide the Deputy Chair.

The Chair will conduct all meetings, or in their absence the Deputy Chair. If neither the Chair nor Deputy Chair are present then the members will agree a chair for the meeting.

Meetings

Meetings should be held quarterly, with Special Meetings arranged in between scheduled meetings if required.

Meetings will be closed to the press and public to allow full and open debate between partners, however, the Chair may invite observers to attend if appropriate.

Papers will be circulated to members not less than five working days before the publicised date of the meeting.

Quorum

The quorum necessary for the transaction of business shall be five members, including the Chair or Deputy Chair. A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the powers or take any decision that would be delegated to it by WYCA/LEP.

Voting

The LCR Land and Assets Board shall operate on a consensus model, wherever possible without voting.

Where consensus is not achieved, a matter shall be carried by a majority of the votes of the eligible voting members present at the meeting. In the case of an equality of votes, the Chair shall have a second or casting vote.

Where a decision relates to the interests of a Board partner or third party, the formal decision in relation to those interests will remain with the party who owns the interest in question.

Recommendations regarding strategic housing and regeneration policy and strategy in the Leeds City Region will be reported to WYCA / LEP Board as appropriate for decision. Recommendations relating to investments by the Homes and Communities Agency will be reported to the HCA Board for decision, and investments by WYCA / LEP will be reported to the WYCA Investment Committee.

Revisions to Terms of Reference

Any revisions to these Terms of Reference that the Board considers appropriate, will be reported to the West Yorkshire Combined Authority / LEP Board for agreement.

It will not agree changes which require agreement by member organisations except where prior agreement from those member organisations has been obtained.

Board Members Liabilities

There is nothing in these terms of reference that is intended to create personal liabilities for Board Members individually or collectively.

Confidentiality

Information received and discussed by the Board must be treated as confidential in so far as the Freedom of Information acts permit.

Schedule 1: Assumed Commitments & Operating Protocols

Commitments and Responsibilities

- The West Yorkshire Combined Authority will lead the programme on behalf of the city region district Authorities. 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.
- The Homes and Communities Agency will lead on collating and providing data on surplus public sector land and assets sourced from Central Government Departments and other national bodies such as Network Rail, Highways England, and NHS Trusts, and facilitate the participation of Government Departments and these associated bodies.

Surplus Land and Properties

- The Board will develop productive relationships with a range of prospective investors and developers to enable the swift disposal and development of surplus public land and estate
- In the first instance, the LCR Land and Assets Board would support the value enhancement and promotion of all central Government-owned surplus land and assets in the Leeds City Region, shaping the policy and decisions for the disposal and reinvestment of these assets to maximise impact on economic growth. As part of these arrangements the West Yorkshire Combined Authority / LEP will explore with the HCA the opportunities for acquiring the Government assets which have been earmarked for disposal, should this be considered the most effective way to deliver the LCR Strategic Economic Plan outcomes.
- At an appropriate time (to be confirmed), the Board would include consideration of the use of local surplus public assets (eg. Combined Authority and local authority strategic land and assets) as part of a balanced portfolio of public land and assets under the remit of the LCR Land and Assets Board.
- Property transactions between partner organisations should normally expect to be based on market factors such as price, risk, etc.
- Transactions below market price can take place at partner's discretion or where social benefits are deemed by all relevant parties to be sufficient to offset abated values. Subject to relevant approvals required.
- Where agreement between partners on valuation issues cannot be reached the issue will be referred to an independent third party valuer for adjudication.
- Any property transactions between public sector agencies will need to take account of the potentially different statutory and administrative guidance under which they operate.
- The appropriate delivery vehicle for joint or collaborative projects will be established through a process of option development and appraisal.
- Any recommendations by the Board in relation to the sale, purchase or use of land and assets would need to be formally agreed by the respective body with the stated interest in question.

Originator: Rob Norreys
Director of Economic
Strategy



ITEM 9

Report to: West Yorkshire Combined Authority

Date: 31 March 2016

Subject: Strategic Planning Update

1. Purpose

- 1.1 To provide an update, six months on, of progress in implementing the Leeds City Region (LCR) Planning Review recommendations agreed by the West Yorkshire Combined Authority (WYCA), and endorse relevant documents recommended for approval by the LCR Planning Portfolios Board.

2. Information

- 2.1 At the previous meeting on 17 September 2015 the West Yorkshire Combined Authority (WYCA) endorsed the thirty six Planning Review recommendations as developed and put forward for approval by the LCR Planning Portfolios Board; the Board includes Members from all the eleven LCR planning authorities and is Chaired by the Deputy Leader of Bradford Council.

- 2.2 The recommendations were presented under six key workstreams and were made with a view to adding value to existing local priorities and processes:

- WYCA/ LEP compliance with the Duty to Cooperate
- WYCA/ LEP involvement with planning applications
- WYCA/ LEP input into Local Plans
- Joint-working arrangements
- Strategic planning policy
- Governance and communication

- 2.3 The recommendations built on the existing collaborative planning work with local planning authorities across the city region over the previous years and in accordance with the agreed LCR Statement of Cooperation for Local Plans and associated activity related to the Duty to Cooperate under the Planning and Compulsory Purchase Act 2004 (the 2004 Act) section 33, with amendments and additions inserted by the Localism Act 2011.

- 2.4 This report provides an update on progress in implementing the Planning Review recommendations six months on, as well as requesting endorsement of several documents prepared and recommended for WYCA approval by the LCR Planning Portfolios Board.
- 2.5 **Appendix 1** lists these workstreams and associated recommendations, and a summary of progress within each is outlined below.

3. Strategic Planning Review – Workstream Update

WYCA/LEP compliance with the Duty

- 3.1 The refresh of the LCR Strategic Economic Plan (SEP) is well advanced. The WYCA LEP team have concluded a public consultation on a draft Plan and the proposed revised document is presented as a separate agenda item, which will also be considered by the LCR LEP Board on the 5th April 2016. Work is ongoing on the replacement for the Local Transport Plan (LTP) 3 referred to as the Single Transport Plan (STP), and together with the SEP, these provide the current key strategic WYCA/LEP documents under the Duty to Cooperate.
- 3.2 Joint working on LCR housing requirements supported by the consultants has underpinned the housing growth aspirations outlined in the SEP and emerging Local Plans. This has ensured that emerging district level Local Plans are coordinated, plan for sufficient levels of housing growth and meet strategic aspirations in the refreshed SEP. Employment growth requirements have also been considered on an LCR basis via use of the Regional Econometric Model (REM). The growth projections produced by the REM have been used to support both the SEP and emerging Local Plans. Therefore, there is also alignment in this area.
- 3.3 Collaborative working on housing and employment requirements provided a robust strategic evidenced position of alignment across the city region in accordance with the Duty to Cooperate. This evidence base and position have been tested and proved to be robust in supporting Councils' growth ambitions at recent Local Plan Inquiries in Leeds and Bradford. Work continues with the other city region authorities updating their Local Plans to similarly support the development of their evidence base.

WYCA/LEP Involvement with Planning Applications

- 3.4 The Planning Review provided a framework for WYCA to provide consultation responses to city region Local Planning Authorities in relation to major planning applications of strategic importance. The recommendations included provision to extend the scope of these responses beyond operational transport matters, to include strategic issues in terms of alignment with the SEP, LTP and emerging STP.
- 3.5 WYCA has continued to provide detailed operational responses to minor planning applications from a transport perspective as was previously provided by the former METRO. However, the first major planning application has only recently been

submitted to WYCA for consultation. This is the subject of a separate agenda item and which will entail WYCA providing a holistic planning and transport response to the consultation.

- 3.6 The LEP has developed an updated Planning Charter which sets out a single consistent approach being implemented across all LCR local planning authorities in dealing with major planning applications – hence, seeking to ensure that businesses, land owners and developers receive the same level of service from planning authorities across the city region. The updated Planning Charter is available at **Appendix 2**, which also highlights that the latest figures show that 90% of major planning applications in the city region were approved; which is greater than the national average and demonstrates the positive approach being taken by Local Planning Authorities in support of growth.

WYCA/LEP input into Local Plans

- 3.7 The Planning Review highlighted the need for WYCA to continue engagement in the preparation of Local Plans across the city region to both support Local Planning Authorities to develop ‘sound’ plans and also to meet WYCA’s Duty to Cooperate responsibilities. The LCR Statement of Cooperation for Local Plans (Sept 2014) set out the processes and roles and expectations of all parties to satisfy the requirements of the Duty to Cooperate.
- 3.8 The Statement was included in the LCRs Growth Deal signed with Government to help demonstrate how the planning aspects of the SEP and Growth Deal would be delivered. However, since the Growth Deal was agreed the LCR Planning Portfolios Board have updated the LCR Statement of Cooperation which included reflecting the recommendations of the strategic planning review, clarifying the role of the LEP in the planning application and plan making processes, and providing a summary of progress in implementing the Duty to Cooperate within LCR. The revised Statement is attached at **Appendix 3** for WYCA’s consideration and endorsement.
- 3.9 The Review also recommended that the WYCA/LEP continues to engage with neighbouring Combined Authorities and LEPs. This is ongoing with engagement taking place with Sheffield City Region, Greater Manchester and the York, North Yorkshire and East Riding LEP on regular basis to ensure alignment of policy and strategy, and investment where appropriate, as well as sharing best practice.
- 3.10 WYCA has recently been consulted by Kirklees Local Planning Authority on the draft Kirklees Local Plan and the draft response is the subject of a separate agenda item.

Enhanced joint working arrangements

Evidence base and plan making

- 3.11 Earlier sections of this report note the positive collaboration that has been undertaken in preparing the evidence base for housing and employment needs. In addition to this, further joint work on developing evidence in support of the SEP and

Local Plans has also allowed WYCA and LEP to present a well evidenced and robust position and promoting LCR interests to Central Government on public consultations relating to national planning policy. Notable examples where collaborative responses have been submitted include:

- Building More Homes on Brownfield Land (February 2015)
- Local Plans Expert Group: Call for Evidence (October 2015)
- House of Lords Select Committee on Economic Affairs: Inquiry into the Economics of the UK Housing Market (December 2015)
- National Planning Policy Framework Changes Consultation (February 2016)

- 3.12 Work is progressing on two LCR spatial planning technical studies under the steer of the LCR Planning Portfolios Board. These are the LCR Housing Market Geographies Study and LCR Strategic Employment Land Review. These emerging studies have supported the emerging SEP but will also underpin future district evidence base and plan making.
- 3.13 Minerals and waste is an inherently spatial planning matter; minerals are not restricted by local authority boundaries and there are significant cross boundary movements of waste. There is a clear link between minerals and waste and other issues with a planning or spatial dimension, such as patterns of future growth in housing and employment, climate change and sustainable transport. It is acknowledged that minerals and waste are key to any planned regeneration and growth. On this basis the Planning Review recommended that WYCA explore with the West Yorkshire authorities the potential opportunities and efficiencies of preparing Joint Minerals and Waste Plans.
- 3.14 Options have been considered by both the LCR Heads of Planning and the LCR Planning Portfolios Board, and the current conclusion is that due to different plan preparation timescales, preparing a fully joint Minerals and Waste Plan(s) for West Yorkshire is not currently appropriate or necessary; but this should be kept under review. However, there is agreement in principle that there is value both in terms of the Duty to Cooperate requirements and financial savings, in undertaking minerals and waste evidence jointly which is required to update minerals and waste policy beyond 2017 across West Yorkshire. This will provide efficiencies and cost savings for districts (potentially up to 70%) and will begin to further align district level plan making in this area.
- 3.15 Paragraph 145 of the National Planning Policy Framework (NPPF) states that Minerals Planning Authorities (MPAs) should plan for a steady and adequate supply of aggregates by preparing an annual Local Aggregate Assessment (LAA) either individually or jointly by agreement with one or more other MPAs. West Yorkshire authorities have been preparing an annual West Yorkshire LAA.
- 3.16 A copy of the latest draft LAA will be available at the meeting or upon request. It notes that West Yorkshire comprises a sand and gravel landbank of 7 years and a crushed rock aggregate landbank of over 23 years. The LAA also states that West Yorkshire is not wholly self-sufficient and has a continuing dependence on

neighbouring authorities but that there is a general undersupply of aggregates within the Yorkshire and Humber region.

- 3.17 The Yorkshire and Humber Waste Position Paper is produced annually to assess the waste arisings, capacity and capacity gap of waste infrastructure across the Yorkshire and Humber area, as required by the National Planning Policy for Waste 2014 to provide a suitable network of facilities to deliver sustainable waste management. This is a co-ordinated effort by the authorities within the Yorkshire and Humber area, led by North Yorkshire County Council in co-ordination with and input from WYCA and the West Yorkshire Waste Planning Authorities. Supplementary work is also ongoing jointly with the West Yorkshire Minerals Planning Authorities to review landfill requirements.

Resource Sharing

- 3.18 To date there has been an adhoc sharing of resources between individual authorities; effectively one off secondments between individual districts developed on a case by case basis. Initial consideration is being given by LCR Heads of Planning/ Directors of Development as to the opportunities to make best use of the combined knowledge, expertise and resources within WYCA and Local Authorities. More shared evidence work as outlined previously above is part of this.
- 3.19 In response to the Planning Review recommendations a further good example is the existing joint working within West Yorkshire on minerals and waste, where a dedicated officer has been seconded to WYCA to coordinate this joint activity. As well as coordinating the preparation of joint evidence, a Memorandum of Understanding has been put in place which provides a mechanism to share and draw on minerals and waste expertise from across the West Yorkshire districts as and when required for individual pieces of work, planning applications or appeals. This provides a more cost effective and supportive approach to meeting peak demands within authorities for waste and minerals activities.

Strategic Planning

- 3.20 The Planning Review included the preparation of a non-statutory joint investment framework / infrastructure plan, now referred to as the LCR Infrastructure Investment Framework (IIF). Initial consideration is being given to scoping the process for preparing the IIF which will be reported to a future meeting of WYCA.
- 3.21 The Review also outlined the need for a diagrammatic representation of LCR spatial growth priorities and links with transport policy priorities and investments. This has been included within the SEP review, such as the identifying the Spatial Priority Areas. Further details about the links between growth and transport will be incorporated within the subsequent Single Transport Plan and LCR Infrastructure Investment Framework as appropriate in due course.
- 3.22 In late 2015 the Government announced that the LEP's 'M62 Corridor' Enterprise Zone application was one of 26 successful bids out of the 53 that were received. The

bid comprised nine sites spread across Bradford, Calderdale, Kirklees and Wakefield. A further successful bid was made by the York, North Yorkshire and East Riding LEP for York Central.

- 3.23 The Enterprise Zones are recognised as Spatial Priority Areas in the SEP due to their strategic role in attracting inward investment and their potential to act as a catalyst for wider regeneration activities across the City Region. Work is currently ongoing to develop an EZ work programme, which will include consideration of site feasibility, marketing, infrastructure delivery and governance arrangements; a full update of progress will be reported to a future meeting. A key intention of the Government's EZ programme is to create simplified and streamlined planning regimes to assist in accelerating development of the sites; engagement with the relevant Local Planning Authorities is underway to seek a consistent approach to the development of all the EZ sites, with the intention that at least some of the EZ sites will be ready for development by April 2017.

Governance and Communication

- 3.24 The LCR Planning Portfolios Board provides the Member oversight and steer for the collaborative city region work on planning in accordance with the Duty to Cooperate requirements, and advises the WYCA and LCR LEP Board on strategic planning matters. The continued roles of the LCR Planning Portfolios Board will be considered as part of a wider WYCA and LEP review.
- 3.25 Arrangements have been put in place following the Planning Review to join up planning and transport policy and activity at a Member level by improving liaison and information sharing between both the LCR Planning Portfolios Board and WYCA Transport Planning Advisory Group.

4. Financial Implications

- 4.1 There are no financial implications at this time. The WYCA/LEP Planning Team and Transport Policy Team provide the support for the strategic planning activities and consultations set out in this report. There may be further resource implications for WYCA and partners arising from some of the activities outlined in the report, but not at this time, and will be reported separately in due course as appropriate.

5. Legal Implications

- 5.1 There are no legal implications for WYCA at this stage.

6. Staffing Implications

- 6.1 There are no staffing implications for WYCA at this stage. The WYCA/LEP Planning Team and Transport Policy Team provide the support for the strategic planning activities and responses to consultations set out in this report. There may be further resource implications for WYCA and partners arising from some of the activities

outlined in the report, but not at this time, and will be reported separately in due course as appropriate.

7. Consultees

- 7.1 All LCR local planning authorities have been fully engaged in implementing the recommendations of the LCR Planning Review. The LCR Planning Portfolios Board has provided the Member oversight and steer in implementing the Planning Review recommendations and has informed this report.

8. Recommendations

- 8.1 That the progress that has been made over the past 6 months in implementing the recommendations of the LCR Strategic Planning Review be noted.
- 8.2 That the revised LCR Planning Charter as set out in Appendix 2 be endorsed.
- 8.3 That the revised LCR Statement of Cooperation for Local Plans set out in Appendix 3 be endorsed.
- 8.4 That the draft West Yorkshire Local Aggregates Assessment as detailed in paragraph 3.16 be noted.

WORKSTREAM	RECOMENDATIONS
1. WYCA / LEP Compliance with the Duty	1. WYCA and LEP to continue to follow current guidance in preparation of strategic plans (e.g. Strategic Economic Plan and Single Transport Plan) – no change to current arrangements.
	2. WYCA and LEP to apply the high level principles of the Statement of Cooperation in preparing strategic plans.
	3. A standing item to be included on the agenda of the Leeds City Region Planning Portfolios Board to provide updates on key areas of activity relating to transport and the West Yorkshire + York Transport Portfolio Advisory Group.
	4. West Yorkshire + York Transport Portfolio Advisory Group and North Yorkshire Planning and Transport Members Board to be provided with key updates on relevant strategic activity of the Leeds City Region Planning Portfolios Board to ensure cross-policy links are identified.
	5. Joint workshops with both planning and transport portfolios holders in attendance will be undertaken as required on specific topics.
2. WYCA / LEP Involvement with Planning Applications	6. All applications to be determined by LPA or planning inspectorate - no change to current arrangements proposed.
	7. WYCA to continue to provide consultation responses on planning applications relating to transport matters to WY authorities; responses will provide comments and practical guidance (including recommendations relating to planning gain) to ensure that development proposals are aligned and contribute to meeting the objectives of the Local Transport Plan / emerging Single Transport Plan and LPA's transport policies. Responses to other LCR authorities will be provided where the development would have an impact on WY.
	8. WYCA to provide consultation responses on planning applications relating to economic development matters (all LCR authorities) - providing an assessment of alignment with the Strategic Economic Plan, WYCA/LEP investments or policy positions. This will only be to local planning authorities and on an exceptions basis such as by the request of LPAs on applications of sub-regional significance and / or where they relate to specific schemes which the WYCA / LEP have an interest; for example schemes which are part of the LCR project pipeline for investment.
	9. Further consideration be given with local authority partners to the opportunities and benefits of more formalised arrangements eg. WYCA becoming a statutory consultee on major planning applications.
	10. The LEP will not provide consultation responses or letters of support on planning applications in order to maintain independence from the development management process and ensure there are no conflicts of interest. As noted in the recommendation above, WYCA will provide responses in relation to the SEP.
	11. WYCA officers will ensure internal processes are in place to coordinate and align planning application responses across economic and transport, as required.
3. WYCA /LEP input into Local Plans	12. WYCA to engage in local plan preparation of all Leeds City Region authorities (both informal, early engagement and at publication draft stages) on both transport and economic development matters.
	13. The LEP will not engage in local plan preparation to maintain independence from the local planning process, and ensure there are no conflicts of interest.
	14. On both economic development and transport matters a template for self-assessment of plan alignment with the SEP and other relevant strategic plans (for example the Single Transport Plan) will be developed for completion by the LPA.
	15. Following receipt of a self-assessment template and at the request of the LPA a formal written response would be provided from WYCA on both transport and economic development matters. For Leeds City Region authorities not in WY, this will be under the remit of the LCR Partnership Committee.
	16. WYCA to continue to provide technical assistance to LPAs (West Yorkshire and other LCR authorities if required) in relation to accessibility assessments for site allocations subject to resources.
	17. WYCA/LEP to liaise with neighbouring LEP areas on cross boundary issues of strategic importance.

WORKSTREAM	RECOMENDATIONS
4. Enhanced joint working arrangements	Joint-working:
	18. Explore the potential for West Yorkshire/LCR wide procurement frameworks to support cost savings and efficiencies (e.g. framework relating to commissioning of local evidence, such as for retail, viability and housing market area assessments).
	19. LPAs to notify each other on applications of strategic, cross-boundary significance, with the process and requirements to be agreed and set out in the revised LCR Statement of Cooperation.
	20. West Yorkshire authorities continue to work to support the development and implementation of the Single Transport Plan.
	21. West Yorkshire authorities work towards a common methodology for accessibility assessments on transport, which would form an appendix to the Single Transport Plan.
	22. Leeds City Region authorities to use the Health Impact Checklist where it meets local need, with a longer-term ambition to develop a full Health Impact Assessment framework (HIA) that is fit for purpose (relating to development management).
	23. West Yorkshire authorities explore the potential opportunities and efficiencies of preparing Joint Waste and Minerals Plans.
	24. Leeds City Region authorities continue to prepare joint evidence on housing requirements and housing markets, and explore the opportunity to prepare joint strategic housing market assessments where appropriate.
	25. Leeds City Region authorities explore opportunities for enhanced joint working on flood risk and Sustainable Urban Drainage.
	26. Leeds City Region Authorities and the WYCA to consider further opportunities for preparing joint evidence to support local plans and potentially inform strategic policy positions, taking advantage of cost-efficiencies and aligning evidence. Planning policy areas that have been initially suggested include waste and minerals, retail and transport.
5. Strategic Planning Policy	Resource Sharing:
	27. West Yorkshire authorities to put in place and implement a partnership agreement relating to sharing of resources for planning applications and appeals on minerals and waste matters.
	28. Continue to explore formalised joint working arrangements relating to Building Control in the Leeds City Region, cross-boundary working has commenced and is in a trial period offering support and operational capability to ensure service resilience particularly during busy periods.
6. Governance and Communication	29. Continue to jointly fund major cross boundary studies and evidence gathering, where appropriate.
	30. A diagrammatic representation of Leeds City Region strategic spatial priorities to be prepared as a priority. This will illustrate the alignment between employment and housing growth opportunities and committed transport infrastructure investments to 2030.
	31. To prepare a non-statutory joint investment framework / infrastructure plan that reflects emerging local plans across the city region. The framework should focus on growth opportunities, where to direct investment and safeguarding the environment. This could be an online, interactive tool linked to local plans.
	32. Keep under review the Leeds City Region Interim Strategy Statement (2011).
6. Governance and Communication	33. The 10 local authorities in the Leeds City Region and North Yorkshire County Council are local planning authorities (LPAs). They are therefore empowered by law to exercise statutory planning functions. The WYCA is not an LPA and it is not considered that there is any need to change these current arrangements at this time. Any further consideration of this position will be taken forward in the course of devolution discussions.
	34. WYCA is the accountable body for the LEP. The WYCA / LCR Partnership Committee / LEP Board, as appropriate, should continue to be the decision-making bodies with regard to non-statutory, joint policy / evidence on strategic planning matters.
	35. The LCR Planning Portfolios Board remains the advisory group to WYCA and LEP with regard to strategic planning matters and the WY+York Transport Planning Advisory Group (TPAG) remains the transport planning advisory group to WYCA.
	36. It is not appropriate for the WYCA / LEP advisory groups to include private sector representation due to potential conflicts of interest. Therefore, alternative arrangements should continue to be made to ensure, and seek to enhance where appropriate, private sector input to strategic planning activities at both local and sub-regional levels.



LEEDS CITY REGION
PLANNING CHARTER
FOR MAJOR
INVESTMENT
PROPOSALS

MARCH 2016



THE CHARTER PLEDGE

The Leeds City Region Enterprise Partnership (the LEP) has developed this charter which sets out how the local planning authorities and developers will work together to ensure that proposals for major new investments will be dealt with in an efficient and effective way throughout the Leeds City Region. The Charter represents the first step towards creating a seamless service for investors wherever they choose to locate in the City Region.

Local authorities will:

- Work together to ensure and maintain a comprehensive and up to date Development Plan. This will:
 - Enable the delivery of the priorities in the Local Development Plan and the Strategic Economic Plan;
 - Provide certainty over development opportunities; and
 - Help inform investment decisions.
- The local authority will nominate a project co-ordinator to lead the process in conjunction with the developer. The local authority nominee will:
 - Agree with the developer a timetable and milestones for the application to deliver a decision in the shortest period of time practicable;
 - Set out requirements for consultation (internal and external) and work with the developer to ensure appropriate pre-application public consultation takes place;
 - Set out the local authority's aspirations for any legal agreement and land transactions;
- Maintain a regular dialogue with the developer and ensure changes required by either the local authority or the developer are made promptly;
- Work in partnership with customers and stakeholders to bring forward successful applications that deliver high quality sustainable development;
- Work with customers to understand their business needs and development proposals to ensure that everyone involved understands scheme viability and deliverability; and
- Undertake regular reviews, led by the local authorities, of the service we deliver in conjunction with customers giving all involved opportunity to shape future delivery.

**90% of major applications
were approved in the
Leeds City Region in 2014
(English average 85%)**

THE CHARTER PLEDGE

Developers will:

- Agree a project plan, including key stages and milestones, which take into account the need for discussion and review to take place, keeping the council informed of progress at all key stages;
- Undertake an urban design analysis to inform the evolution of the scheme and the subsequent development of the design and access statement;
- Engage in meaningful pre-application discussions, with adequate time allowed for the preparation of essential information and assessment proposals, including appropriate community consultation;
- Respond within the agreed timescales to requests for further information and/or revisions;
- Attend project meetings with relevant persons; and
- Submit a complete planning application with appropriate supporting information as agreed with the council, including a draft legal agreement where appropriate.

The LEP Board will receive regular reports on the performance of the agreement and will review it as required.

For further information please contact the LEP:

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Justin Wilson (Spatial Planning Lead)
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0113 348 1819

DEFINITIONS AND CONTACTS

What is a major investment proposal?

1. They are of major strategic significance in terms of one or more of the following; job growth, investment value and regeneration. Clearly the scale of this will be different in different parts of the City Region, for instance the scale of proposal that is strategically significant in Bradford or Harrogate would be different. Each authority will set out which applications will be subject to the charter; or
2. They are proposals that are eligible for large scale, time limited, public funds.

Leeds City Region local authorities and lead officers for implementing the charter:

- Barnsley Joe Jenkinson, Head of Planning and Building Control
E: joejenkinson@barnsley.gov.uk / T: 01226 774731
- Bradford John Eyles, Major Developments Manager
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- Calderdale Richard Seaman, Development Manager
E: richard.seaman@calderdale.gov.uk / T: 01422 392241
- Craven Ian Swain, Development Control Manager
E: iswain@cravendc.gov.uk / T: 01756 706465
- Harrogate Gary Bell, Chief Planner
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- Kirklees Simon Taylor, Head of Development Management
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- Wakefield Judy Jones, Development Manager
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- York Jonathan Carr, Head of Development Services and Regeneration
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Statement of Cooperation for Local Planning

Leeds City Region

Final Version

March 2016

Revision 4

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Executive Summary

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 on planning;
- To outline the current collaborative work on strategic, cross-boundary planning issues ongoing within the Leeds City Region.

The Leeds City Region authorities, WYCA and the LEP 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.**

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.

This is the second revision of the Statement, the first was endorsed by the Leeds City Region Leaders Board at their meeting on the 1st July 2014 and by the WYCA at their meeting on the 18th September 2014. It is proposed that this Statement be revised annually.

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 voluntary arrangements between the Leeds City Region authorities (such as the Strategic planning Duty to Cooperate Group) and through governance arrangements which incorporate the West Yorkshire Combined Authority (WYCA), Leeds City Region Partnership Committee and Leeds City Region Enterprise Partnership (LEP).
- 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 on strategic planning;
 - To outline the current collaborative work on strategic, cross-boundary issues that is ongoing within the Leeds City Region on strategic planning.

¹ Environment Agency, Historic England, Natural England, Civil Aviation Authority, Homes and Communities Agency, Clinical commissioning groups, National Health Service Commissioning Board, Office of Rail Regulation, Integrated Transport Authority, Highways England (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.

- 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 City Region strategic context and the current agreed priorities.

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 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. As a LEPs is not an incorporated body, 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.

NPPF applies to both local planning authorities and to the West Yorkshire Combined Authority as both have statutory functions and duties relating to priorities as listed above.

National Planning Policy Guidance

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 Approach
Utilise existing mechanisms / governance structures if they are useful vehicles which will help demonstrate cooperation.	Use of Leeds City Region Heads of Planning and Planning Portfolios Board established to provide a forum for discussion and agreement on strategic priorities / issues and now established as advisory groups of the WYCA and the LEP.
For key strategic issues, look to produce joint evidence with neighbouring authorities and / or prescribed bodies.	Examples of joint evidence that has been prepared includes the Kirklees, Wakefield and Calderdale Joint Strategic Flood Risk Assessment (see p21) and work on planning for housing including shared evidence relating to housing forecasts and projections

<p>Keep good and easily accessible (transparent) records of your engagement with neighbouring authorities and prescribed bodies so that it is easy to demonstrate cooperation.</p>	<p>Tools to demonstrate cooperation, to be used as appropriate, include the Duty to Cooperate Table, Duty to Cooperate Statements, the Strategic Economic Plan (SEP) Self-Assessment, Statements of Common Ground and Memorandums of Understanding (MoU).</p>
<p>The responsibility to respond to the Duty is not confined to Examination and cannot be 'retro-fitted'. It necessitates co-ordination and cooperation throughout all stages of plan preparation, planning for strategic projects and on to delivery and implementation.</p>	<p>Joint-working on strategic, cross-boundary issues will be undertaken throughout the development plan preparation process from early engagement through to consultation on draft plans and throughout implementation. As a minimum the Leeds City Region Planning Portfolios Board will be consulted at the draft plan stage to ensure democratic oversight and endorsement of Duty to Cooperate outcomes (see Figures 1 and 2).</p>

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 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.
- 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.

High Level Principles

- 3.5 The Leeds City Region authorities, the WYCA and the LEP 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.

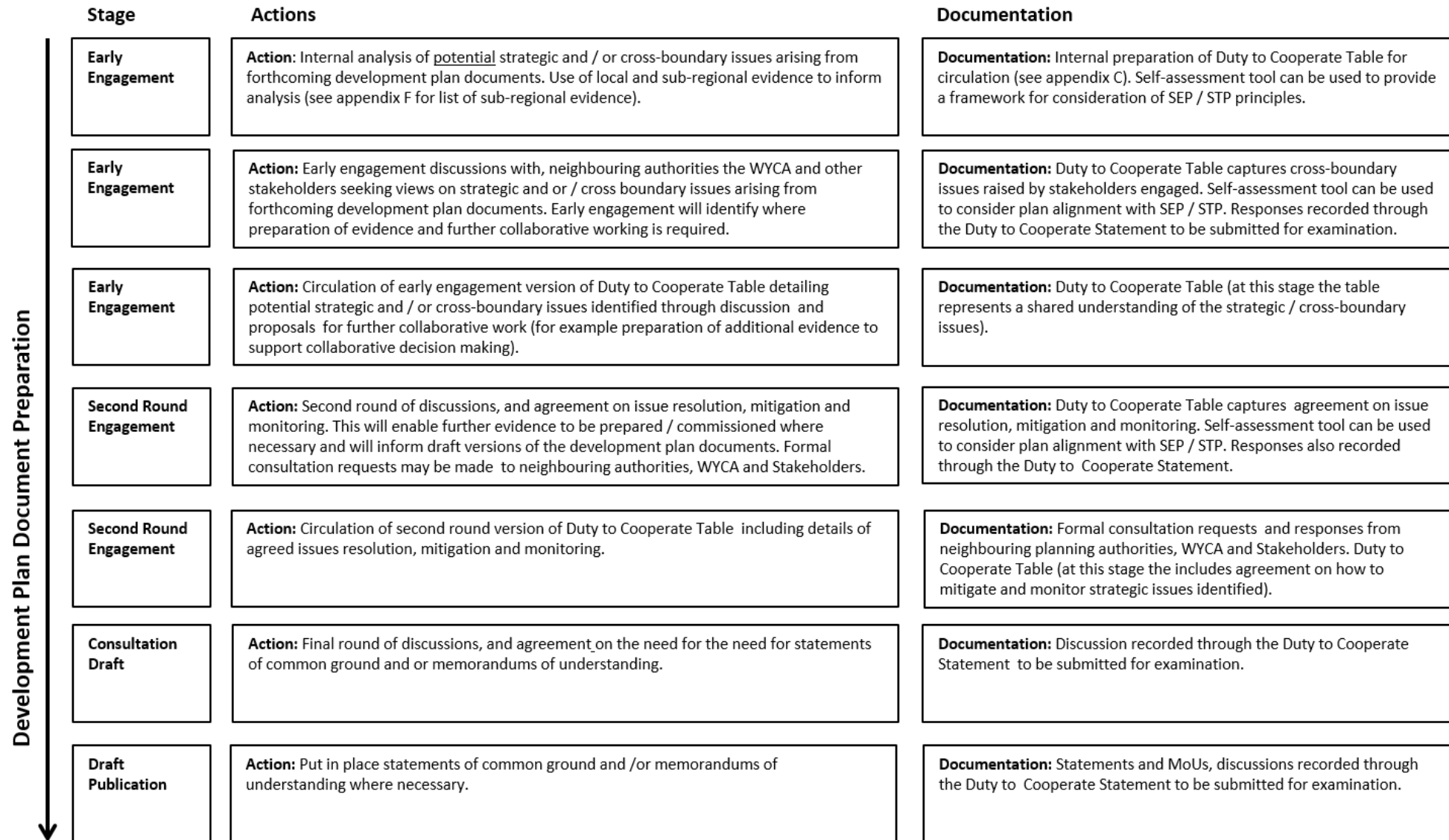
- **Responding to all requests to engage:** at a local level where planning authorities within the Leeds City Region partnership request input into their development plan process a response will be provided from other authorities in the partnership. It is acknowledged that a 'no comment' response is more valuable than no response.

The Leeds City Region Authorities, the WYCA and the LEP will apply these high level principles in the preparation of local and strategic plans.

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.

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



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 issues 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 Duty to Cooperate Table 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, Bradford 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 I; 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.³ The MoU provides a good example of joint working to cover a strategic issue dominated by the geography of the landscape rather than administrative

³ The MoU has been signed by the following authorities: Barnsley, Burnley, Bury, Calderdale, High Peak, Hyndburn, Kirklees, Lancashire CC, Pendle, Rochdale and Rossendale.

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

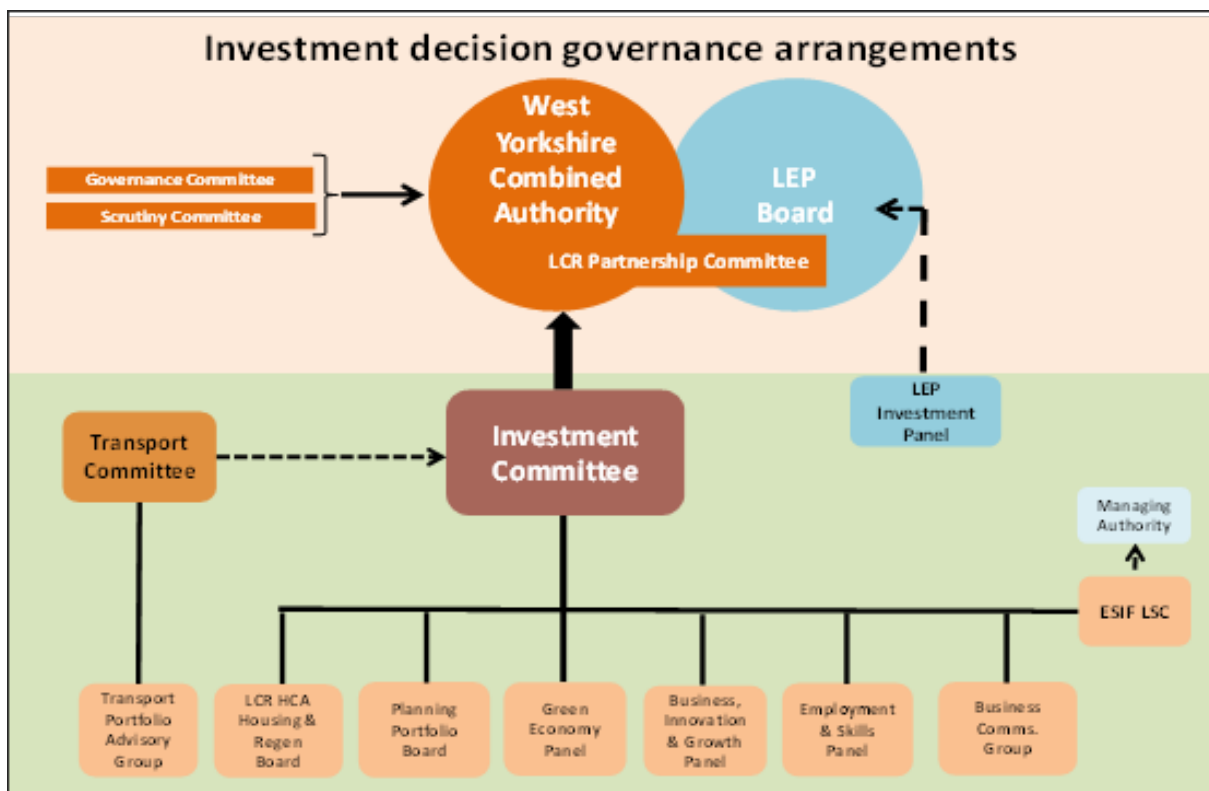
It was predicted at an early stage that there might be significant cumulative impacts on the strategic road network from the development of sites. Consultation with the Highways Agency on their preferred options indicated particular pressures on the motorway junctions along the M62. A joined up approach 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 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.

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

- 3.13 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.

3.14 The Planning Portfolios Board is one of a series of advisory panels and boards within the sub-regional governance structure, a diagram of the structure and descriptions of the function of the boards and panels is provided at Appendix E. The Planning Portfolios Board has Councillor representation from each Local Planning Authority (and Senior Officer support), it also includes a Chief Executive lead. It was established specifically to provide political oversight on strategic planning matters⁴ and the Duty to Cooperate, advising the WYCA Partnership Committee and Leeds City Region Enterprise Board on appropriate actions that could / should be taken in respect of these planning matters. Appendix F provides the full Terms of Reference for the Planning Portfolios Board.



3.15 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)

⁴ 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.

3.16 As the core function of the Planning 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. These arrangements have been formalised and all Leeds City Region authorities now formally consult the Planning Portfolios Board at draft plan stage as a minimum.

3.17 In addition to Local Authorities Both the WYCA and the LEP have a role to play in the Duty to Cooperate:

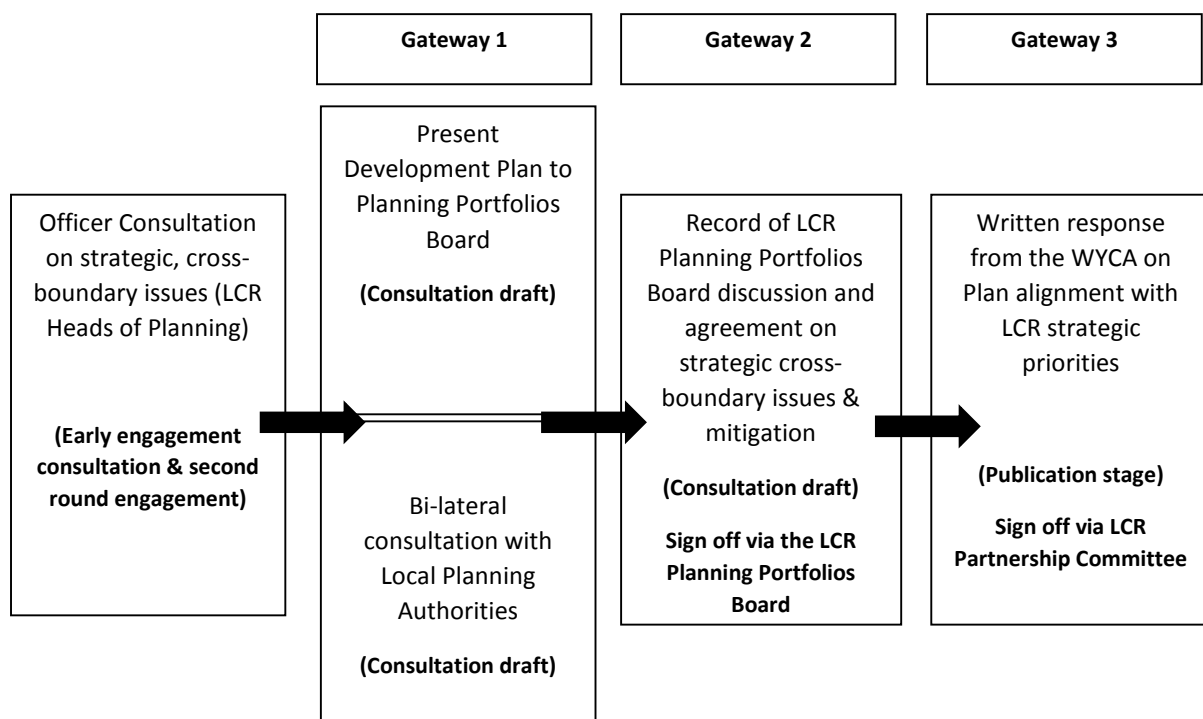
The WYCA:

- The WYCA prepares strategic plans, for example the SEP and the Single Transport Plan. The formulation and implementation of the WYCA's statutory Single Transport Plan represents cooperation at a high level on strategic schemes between the five West Yorkshire Districts and WYCA. This is a process that has evolved since 2008.
- As noted in paragraph 2.3 Combined Authorities are not specified as organisations to which the duty applies, but they fall within the definition of "*other bodies*" carrying out the activities relating to "*strategic matters*". The WYCA will continue to follow current guidance in the preparation of strategic plans and will apply the high level principles of this Statement. The WYCA will also liaise with neighbouring sub-regional bodies on cross boundary issues and issues of strategic importance.
- The WYCA will engage with all Leeds City Region authorities in plan preparation on both economic development and transport matters, where an authority does not fall within West Yorkshire this will be undertaken under the remit of the Leeds City Region Partnership Committee. Engagement will include both informal consultation at early engagement and consultation draft stages, a self-assessment form is available as a tool to support this process, see appendix D. At publication draft stage, following receipt of a self-assessment template and at the request of the LPA, a formal written response can be provided from WYCA on alignment with strategic priorities (both transport and economic development matters).

The LEP:

- The LEP prepares strategic plans, for example the Strategic Economic Plan (SEP), therefore as noted in paragraph 2.4 the LEP is not an incorporated body but there is no reason why its members would not endeavour to abide by the principles of the duty in preparing strategic plans. It has been agreed that the Leeds City Region LEP will continue to follow current guidance in the preparation of strategic plans and will apply the high level principles of this Statement. The LEP will also liaise with neighbouring sub-regional bodies including LEPs on cross boundary issues and issues of strategic importance.
- Local Planning Authorities and others are required to have regard to the activities of Local Enterprise Partnerships as they relate to the Local Plan and supporting activities, a tool has therefore been developed to support authorities in assessing Local Plan alignment with the SEP (see appendix D).
- As the LEP includes private sector representation the LEP will not engage in Local Plan preparation to maintain independence from the local planning process and to ensure there is no conflict of interest. (The WYCA will engage with all Leeds City Region authorities in plan preparation on both economic development and transport matters).

Figure 2: Process Diagram – Democratic Oversight and Endorsement of DtC Outcomes



- 3.18 The diagram above illustrates current process in place, they including both officer and member engagement and ensure that Leeds City Region level engagement is complementary to bi-lateral engagement.

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.

4 Leeds City Region Strategic Cooperation

- 4.1 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 and WYCA continue 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

- 4.2 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. This strategy is being kept under review.

The Leeds City Region Planning Charter and Consultation on Major Applications

4.3 In addition to collaboration on plan making the Leeds City Region is also working together on plan implementation. There are a number of processes in place relating to consultation on major planning applications:

- Leeds City Region Authorities will consult neighbouring authorities on major planning applications of cross-boundary significance, this includes consultation at pre-application stage where appropriate. This will be undertaken on an exceptions basis but consideration is being given to whether a threshold should be applied.
- The WYCA will provide consultation responses to planning applications relating to transport matters to West Yorkshire Authorities and to non-West Yorkshire authorities in the Leeds City Region where applications would have an impact on West Yorkshire.⁵ Responses will provide comments and practical guidance (including recommendations relating to planning gain) to ensure that development proposals are aligned to and contribute to meeting the objectives of the Local Transport Plan / emerging Single Transport Plan and LPA transport policy.
- The WYCA will provide consultation responses on planning applications relating to economic development matters to all Leeds City Region authorities. Responses will

⁵ The WYCA has requested that LPAs consult on all major applications. In addition, WYCA has an interest in applications where development is:

- within 200 metres of the NGT alignment,
- adjacent to a bus or rail station;
- requiring the re-location of a bus stop or shelter;
- requiring the introduction of, or changes to, traffic signals;
- proposing the alteration or removal of existing bus priority infrastructure; or
- involving a new secondary school.

provide an assessment of alignment with the Strategic Economic Plan⁶ WYCA / LEP investments or policy positions⁷. Responses will only be provided to Local Planning Authorities and on an exceptions basis such as at the request of a Local Planning Authority on applications of sub-regional or national significance.

- Consideration is being given to the WYCA becoming a statutory consultee on major planning applications.

4.4 A further example of collaborative work on implementation is the development of the Leeds City Region Planning Charter. This Charter sets out how the Local Planning Authorities and developers will work together to ensure that proposals for 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. The Charter was refreshed and re-launched in 2015. The current Charter is included at Appendix H.

Strategic Context and Agreed Priorities

4.5 The commitment of local planning authorities to work collaboratively with Combined Authorities and Local Enterprise Partnerships across their area is 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 to support Local Planning Authorities in getting local plans in place and to support delivery. There is an existing policy framework in place in the Leeds City Region through the SEP; the economic plan of the LEP and WYCA, the vision and priorities of the SEP are summarised below.

4.6 The following is a summary of the Leeds City Region strategic policy framework.

The Leeds City Region Strategic Economic Plan (SEP)

⁶ E.g. Alignment with strategic priority locations: (Strategic Growth Centres, Strategic Housing Growth Areas, and Strategic Employment Sites) and priority sectors: (innovative manufacturing, financial and professional services, health and life sciences, low carbon and environmental industries, digital and creative industries and food and drink).

⁷ Note: The Leeds City Region Enterprise Partnership will not provide consultation responses or letters of support on planning applications to maintain independence from the development management process and to ensure there are no conflicts of interest. As noted above, the WYCA will provide responses in relation to the 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

4.7 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.

4.8 There is however an ambition to further develop this policy framework. A Strategic Planning Review has been undertaken, the objectives of which were to:

- Support the 11 LCR authorities in developing and applying the Statement of Cooperation on local planning;
- Provide clarity on the role of CA / LEP on planning matters (important for transparency and for partners and the public to engage on strategic planning matters);
- Identify opportunities to strengthen joint-working arrangements and shared resources on planning matters including identifying potential cost savings and efficiencies;
- Identify whether there are gaps in our strategic planning approach in the LCR and recommend a way forward to address these gaps if required.

4.9 This review has made the following recommendations specifically relating to strategic planning policy:

- That a diagrammatic representation of Leeds City Region strategic spatial priorities to be prepared as a priority. This will illustrate the alignment between employment and housing growth opportunities and committed transport infrastructure investments to 2030.
- That at an appropriate time to reflect local plan cycles, a non-statutory joint investment framework / infrastructure plan be prepared that reflects emerging local plans across the city region. The framework should focus on growth opportunities, where to direct investment and safeguarding the environment.

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 policy 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 and can be used in demonstrating co-operation between neighbouring authorities. An overview of work (complete and proposed) on key areas of activity (transport, housing and

minerals and waste) is provided below, also included are a number of case study examples demonstrating collaborative working.

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.
- 5.3 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.
- 5.4 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.

In view of these developments in West Yorkshire a Single Transport Plan (STP) is being developed that sets a clear strategy and context for future interventions. Under the Localism Act, 2011 the West Yorkshire Combined Authority has to comply with the Duty to Cooperate, the WYCA is applying the high level principles of this Statement and is using existing officer and member groups to address the Duty.

Housing

- 5.5 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.
- 5.6 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 shortage⁸.
- 5.7 In this context the following work has been undertaken in Leeds City Region to provide a strategic context for LPAs and to provide shared, up-to-date evidence for local plan preparation:
- Three 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 and the third looked to establish a strategic position on housing growth. These pieces of work are complete but these documents will be kept under review to ensure the LCR shared evidence base remains up to date.

⁸ Extract from the Letter from the Planning Inspectorate to Kirklees Council, 26th April 2013.

- An updated Leeds City Region Housing and Regeneration Plan was completed in 2014 to inform the Leeds City Region Strategic Economic Plan submission and to update the housing and regeneration context and policy and investment priorities.
- Research was commissioned in 2013/14 to strengthen the Leeds City Region evidence base on housing affordability. 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.
- A Housing Market Monitoring Report has been prepared (final report will be available summer 2015).

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

- 5.8 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 and is required to prepare minerals and waste plans, the high level principles of this Statement will be applied in preparing these plans.

5.9 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 sets out 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.

5.10 In addition to minerals and waste plans:

- North Yorkshire County Council produced a position statement on waste in 2014, covering the Yorkshire and Humber area, this position statement is currently under review as there are significant cross-boundary issues associated with planning for waste in the Yorkshire and Humber region.
- The NPPF requires every mineral planning authority to carry out a Local Aggregate Assessment each year. A West Yorkshire Local Aggregates Assessment was prepared in 2014 and an update is currently being finalised in consultation with neighbouring Mineral Planning Authorities. A Local Aggregate Assessment for the North Yorkshire Sub-region was finalised in 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.
- A Marine Aggregates Assessment was jointly commissioned by LCR authorities in 2013 to assess the potential to import marine sand and gravel from the North Sea into the region for distribution into all parts but especially the conurbation of west and south Yorkshire. The report was finalised in 2014 and forms part of the LCR shared evidence base. It includes a number of recommendations including safeguarding of rail sidings and wharves of relevance in plan preparation.

5.11 As referred to in paragraph 4.8 a Strategic Planning Review has been undertaken, two of the aims of this review were identify opportunities to strengthen joint-working arrangements and shared resources on planning matters including identifying potential cost savings and efficiencies and to identify whether there are gaps in our strategic planning approach in the LCR and recommend a way forward to address these gaps if required.

5.12 The following have been identified as further areas for joint working (including the preparation of joint policy positions and shared evidence):

- West Yorkshire authorities work towards a common methodology for accessibility assessments on transport, this would form an appendix to the Single Transport Plan.
- Leeds City Region authorities to use the Health Impact Checklist where it meets local need, with a longer-term ambition to develop a full Health Impact Assessment framework (HIA) that is fit for purpose (relating to development management).
- West Yorkshire authorities explore the potential opportunities and efficiencies of preparing Joint Waste and Minerals Plans.
- Leeds City Region authorities continue to prepare joint evidence on housing requirements and housing markets, and explore the opportunity to prepare joint strategic housing market assessments where appropriate.
- Leeds City Region authorities explore opportunities for enhanced joint working on flood risk and SUDs.
- Leeds City Region Authorities and the WYCA to consider further opportunities for preparing joint evidence to support local plans and potentially inform strategic policy positions, taking advantage of cost-efficiencies and aligning evidence. Planning policy areas that have been initially suggested include waste and minerals, fracking, retail and transport.

5.13 The following have been identified as further areas for resource-sharing:

- Explore the potential for West Yorkshire/ Leeds City Region wide procurement frameworks to support cost savings and efficiencies (e.g. framework relating to commissioning of local evidence, such as for retail, viability and housing market area assessments).
- West Yorkshire authorities to put in place and implement a partnership agreement relating to sharing of resources for planning applications and appeals on minerals and waste matters.
- Continue to explore formalised joint working arrangements relating to Building Control in the Leeds City Region, cross-boundary working has commenced and is in a trial period offering support and operational capability to ensure service resilience particularly during busy periods.

- Continue to jointly fund major cross boundary studies and evidence gathering, where appropriate.

These commitments will be taken forward by the LCR Planning Portfolios Board and Transport Portfolios Advisory Group as appropriate.

Appendix A: Interim Strategy Statement

LEEDS CITY REGION INTERIM STRATEGY STATEMENT

21 April 2011

Background

In July 2010 the government revoked the approved Regional Spatial Strategy for Yorkshire and the Humber. This decision has been contested through the courts with the result that currently, the RSS remains part of the Development Plan albeit with some uncertainty regarding the weight to be attached to it in decision making. In these circumstances there is considerable uncertainty surrounding the strategic policy framework for spatial planning in the Leeds City Region which addresses those matters that are 'bigger than local' and require collaboration between the Planning Authorities in the City Region.

The Government published the Localism Bill in December 2010 this includes a number of changes to the operation of planning legislation. As expected the Bill includes a 'duty to cooperate' on these strategic issues however this part of the Bill is likely to be subject to amendments and its operation will only become clear once the secondary legislation that gives effect to the duty is published. The Bill also deals with the revocation of regional strategies and associated with this in Clause 89 of the Bill is the revocation of orders that have saved policies from existing development plans (the revocation of saved policies may only apply to Structure Plan policy, a clarification is being sought on this). This will particularly affect those authorities who have yet to complete work on their Core Strategies. It is expected that this Bill will become an Act sometime later in 2011.

In the period before the Localism Bill becomes an Act there is a need for an interim strategy position to help manage the uncertainty on strategic policy and to make clear the continuing support for the policy principles in the RSS that support shared objectives across the City Region. Furthermore depending on the eventual content of the Act there may well be a longer period of time before the Local Planning Authorities can give effect to what ever procedures are put in place in the Act and to address the duty to cooperate and the potential gap created by the loss of previously saved policies

The City Region Partnership had been working on a city region strand for the wider Yorkshire and Humber Strategy that was being prepared by the Yorkshire and Humber Joint Board. This Yorkshire and Humber Joint Board was dissolved and its strategy work ceased following the general election. However the City Region decided that it is important to continue work across the city region on a strategy and investment plan that would bring greater coherence to policy and investment activities of the City Region Partnership and would support the development of the City Region Local Enterprise Partnership. The development of the interim strategy statement for spatial planning is seen as part of this wider strategy development activity.

Proposed Interim Strategy Statement

The 10 Local Planning Authorities in the City Region Partnership that are required to prepare LDF Core Strategies (NYCC the eleventh local authority is a planning authority in respect of minerals and

waste only) have all used the RSS as a starting point for their Core Strategies and support the urban transformation ambition that is at the core of the RSS. Where there are adopted Core Strategies (Harrogate and Wakefield) those documents have a strong policy relationship with the RSS. Authorities who have not yet reached that stage are reviewing the relevance of the RSS approach in their ongoing work on Core Strategies. All authorities recognise that the policies in the former RSS which articulate the urban transformation ambition, should provide the start point for an interim strategy statement. Along with policies that safeguard the environmental assets of the city region and the key spatial investment priorities that are set out in the already agreed city region strategies.

Policy approach in the strategy

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. To ensure these principles are retained the authorities propose to include the following policies from the approved RSS that address spatial principles in a City Region Interim Strategy Statement.

Spatial Principles

Policy YH1 Overall approach and key spatial priorities (as these apply to the Leeds City Region)

Policy YH2 Climate Change and Resource use

Policy YH3 Working Together (as this applies to the Leeds City Region)

Policy YH4 Regional Cities and sub-regional cities and towns

Policy YH5 Principal Towns

Policy YH6 Local service centres and rural (and coastal) areas (as these apply to the Leeds City Region)

Policy YH7 Location of Development

Policy YH8 Green Infrastructure

Policy YH9 Green Belt (as this applies to Leeds City Region)

Thematic Policies

To ensure that the city region's environmental assets are effectively safeguarded the following thematic policies from the RSS will be included in the City Region Interim Policy Statement.

ENV1 Development and Flood Risk

ENV2 Water Resources

ENV3 Water Quality

ENV6 Forestry, Trees and Woodland

ENV7 Agricultural Land

ENV8 Biodiversity

ENV9 Historic Environment

ENV10 Landscape

H4 Affordable housing

City Region thematic strategies

The strategy statement also captures the spatial implications of key strategic investment priorities in the city region, set out below. These priorities should be reflected in Core Strategies and other Development Plan Documents.

Housing and Regeneration Strategy and Investment Plan - This strategy and investment Plan has four Key Priorities for Investment:

- Accelerated strategic growth where investment will support the growth areas in Barnsley Wakefield and Calderdale
- Promoting eco living where investment will support the delivery of:
 - the four Urban Eco Settlements: Aire Valley Leeds, York Northwest, Bradford-Shipley Canal Road Corridor, and North Kirklees / South Dewsbury; and
 - the Leeds City Region Domestic Energy Efficiency Programme to eco-retrofit the existing housing stock across the city region.
- Delivering strategic urban renewal which will support the growth and regeneration ambitions in the Leeds-Bradford Corridor, Green Corridor and Kirklees A62 Corridor.
- Supporting rural economic renaissance in the Colne and Calder Valleys

Leeds City Region Transport Strategy - This strategy describes three broad spatial priorities for transport investment:

- Priority A transport links beyond the city region
- Priority B developing the roles of the sub regional cities and towns and priority areas for regeneration and housing growth
- Priority C strengthening the service roles of principal towns

Leeds City Region Green Infrastructure Strategy -The strategy:

- Identifies the value of green infrastructure assets and the case for investing in them
- Ensures green infrastructure complements other city region investment priorities
- Establishes the current priorities for green infrastructure investment
- Impels planning and housing policy work to support widespread improvements in green infrastructure

Further Work to develop the Strategy

Clearly, what is set out is an interim position and there will need to be further work in the context of the commitment to produce a broadly based but economic-led City Region Strategy and Investment Plan.

The RSS included policies on the quantum and distribution of development, which have not been addressed in the interim strategy statement. The local authorities within the city region partnership have all undertaken reviews of the evidence that underpins these policies as part of their plan-making activities. Those authorities that have undertaken reviews in the past 12-18 months have taken account of the local implications of the range of factors that have led to a dramatic slow down in rates of development. These local reviews have led to different conclusions regarding the

capacity of an area to deliver development. The partnership will work with individual authorities to help develop our collective understanding of the social and economic factors that are driving the need and demand for development, and the financial, economic and delivery factors that are restricting the ability to meet the need and demand for development. We will use our improved understanding of these factors in the development of a second iteration of the strategy statement that will examine quantum and distribution of development and is expected to form part of the wider economic led city region strategy.

All this work will contribute to a more rounded Strategy Statement

Leeds City Region Secretariat

Regional Policy Team

Leeds City Council

Civic Hall

Leeds

LS1 1UR

Appendix B: Leeds City Region Development Plans' Status

(February 2016)

Barnsley	Core Strategy	Adopted Sept 2011
	Combined Local Plan	Additional consultation Autumn 2015, Publication Summer 2016
Bradford	Core Strategy	Publication Draft approved by Council Dec 2013
		Published for Representations Feb/March 2014
		Submission 2014, EIP March 2015, Main Mods Nov 15, Main Mods (2 nd Consultation) 20 th Jan
		CIL progressing to full Council.
	Site Allocations DPD	Process commencing in 2016.
Calderdale	Local Plan	Consultation on "Potential Sites and Other Aspects of the Local Plan" from Nov 2015 to end Feb 2016;
		Further ongoing engagement through 2016;
		Publication Draft for approval by end 2016;
		Submission and Examination early 2017;
		Adoption early 2018;
	CIL	CIL – PDCS consultation Nov-Dec 2015;
		CIL – DCS consultation mid 2016
		Submission later in 2016 – Adoption by end 2016 – date for bringing into effect not determined
Craven	Local Plan	Early engagement June / July 2013
		Consultation from 3 rd Nov on pre-publication draft
		Draft Local Plan 2016
Harrogate	Core Strategy	Adopted Feb 2009
	Sites & Policies DPD	Examination April 2014
	Local Plan	Summer 2015 consultation strategy for growth, consultation on sites early 2016, 3 year timetable (EIP 2016/17)
Kirklees	Local Plan	Early engagement and evidence gathering ongoing
		Early engagement period Dec 2014
		Draft Local Plan and CIL consultation November 2015 to 1 st Feb 2016 (extended), Publication expected Autumn 2016
	CIL	CIL consultation November 2015 to 1 st Feb 2016 (extended). Draft Charging Schedule expected Autumn 2016.
Leeds	Core Strategy	Examination Oct 2013 / May 2014
		Adopted Nov 2014
	Site Allocations	Exec Board July 2015, Consultation Autumn 2015
	CIL	Adopted Nov 2014, Implementation 6 th April 2015
	Natural Resources & Waste DPD	Minerals & Waste Plan adopted January 2013
Selby	Core Strategy	Adopted October 2013
		Legal challenge dismissed, case judge dismissed appeal, decision pending regarding seeking leave to Court of Appeal. Progressing to Supreme Court – Date TBC.
	PLAN Selby - Site Allocations and Policies Plan	Proceeding to Preferred Options consultation June 2016
	CIL	Adopted Jan 2016

Wakefield	Core Strategy & Dev. Policies	Adopted April 2009
	Central Wakefield Area Action Plan	Adopted 2009
	Waste	Adopted 2009
	Sites Specific Policies	Adopted Sept 2012
	Retail & Town Centre Local Plan	Early Engagement Consultation 2013; Draft Plan Consultation February 2015; Publication October 2015; Submission February 2016.
	Leisure, Recreation & Open Space Plan	Early Engagement Consultation 2013; Draft Plan Consultation February 2015; Publication October 2015; Submission February 2016.
	CIL	Draft charging schedule February 2015; Examination 6 October; Examiner's report November 2015; Adoption April 2016.
York	Local Plan	Publication draft consultation summer / autumn 2016
		Submission to the Secretary of State prior to Examination end of 2016 /early 2017
		Examination spring / summer 2017
		Adoption late 2017 / early 2018
North Yorks	Joint Minerals & Waste Plan NYCC NYNP & CYC	Preferred Options consultation completed January 2016. Publication draft expected Autumn 2016; Submission end 2016
	Marine Aggregates Study	Draft Nov 2013, Finalised May 14

Appendix C: Duty to Cooperate Table Template

Ref	Strategic Issue	Impact	Areas affected	Evidence	Resolution / Mitigation	Monitoring	Actions / Response	NPPF Para 156 link
<i>Ref</i>	<i>Summary of the issue (the topics below all should be considered along with any other locally identified strategic priorities).</i>	<i>Description of why it is an issue for neighbouring authorities / stakeholders.</i>	<i>Details of the authorities / stakeholders affected by the issue.</i>	<i>Evidence to show there is an issue (including links to source documents)</i>	<i>Details of how the issue can be overcome or managed.</i>	<i>How the issue will be monitored including key indicators and trigger points</i>	<i>Agreed actions (including who lead & timescale).</i>	<i>Relevant strategic priority in para 156</i>
	Housing							
	Employment							
	Retail leisure commercial							
	Physical Infrastructure: Transport							
	Physical Infrastructure: other							
	Minerals							
	Energy							
	Social Infrastructure							
	Climate Change							
	Natural Environment							
	Gypsies and Travellers							
	Waste							

Appendix D: Strategic Economic Plan (SEP) Self-Assessment Template

Self-Assessment – Local Plan Alignment with the Strategic Economic Plan and other relevant strategic documents

1. The SEP has 2 purposes:

- A growth plan – how best to use public and other funds, together with devolved powers, to promote growth, based on a strong and clear analysis of the local economy and the barriers/opportunities we face;
- An implementation and delivery plan – detailed proposals and information on projects/programmes, funding, management, monitoring and evaluation.

2. The 4 SEP strategic investment priorities are (see para 3.5 of the SEP, Part A, March 2014):

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

SEP ALIGNMENT (ALL LEEDS CITY REGION AUTHORITIES)

Strategic Priority	SEP Aspiration	SEP reference	Plan alignment with SEP	Local Plan reference	Comments / Further information
1. Supporting growing businesses	Enable private sector growth, based on innovation and exports	Section 3.6 P50			
	Attract inward investment into the Leeds City Region	Section 3.6 P10 & 50			
	Support and provide growth opportunities for priority sectors	Section 3.6 P26 & 50			

2. Developing a skilled and flexible workforce	Create more jobs and encourage job creation in better-paid occupations	Section 3.6 P27 & 66			
	Align skills and training investment to growth opportunities and sectors	Section 3.6 P27 & 66			
3. Building a resource smart City Region	Develop new energy infrastructure (including energy efficiency and energy generation)	Section 3.6 P27 & 79			
	Support delivery of low-carbon, decentralised energy generation including heat networks	Section 3.6 P10 & 79			
	Delivery of domestic retrofit, that supports Green Deal	Section 3.6 P10 & 80			
4. Delivering the infrastructure for growth	Accelerate housing growth	Section 3.6 P10 & 91			
	Increase provision of affordable homes	Section 3.6 P10 & 91			
	Upgrade digital infrastructure throughout <u>all</u> LCR (100% coverage)	Section 3.6 P91			
	Deliver a transformed transport system across the north	Section 3.6 P10			
	Capitalise on opportunities presented by HS2	Section 3.6			

		P18			
Spatial Priorities	Strategic Growth Centres	Section 3.4			
	Strategic Housing Growth Areas	Section 3.4			
	Strategic Employment Sites	Section 3.4			

SINGLE TRANSPORT PLAN ALIGNMENT (WY AUTHORITIES ONLY)

STP Core Principle	STP Ambition	STP reference	Plan alignment with STP	Local Plan reference	Comments / Further information
One system, high speed ready	Integration of all transport modes including high speed rail; easy access with quick, convenient connections				
Place shaping	Making towns and cities more attractive with a focus on road safety, air quality, image and health.				
Smart futures	Exploit technology to improve customer experience and assist effective management of the transport system.				
Inclusion	Provide a high level of access to public transport in urban areas with imaginative solutions in rural areas.				
Asset management	Manage the transport system to achieve maximum value for money and meets user needs.				

Smart futures	Exploit technology to improve customer experience and assist effective management of the transport system.			
Inclusion	Provide a high level of access to public transport in urban areas with imaginative solutions in rural areas.			
Asset management	Manage the transport system to achieve maximum value for money and meets user needs.			

Appendix E: Leeds City Region Governance & Operational Groups

The Leeds City Region has worked in Partnership since 2004 when the Leaders of the eleven local authority partners decided that in addition to local economic policy and delivery based on administrative areas strategic economic policy and delivery would be best served by collaborating at the functional economic area level, The Leeds City Region Partnership is founded on collaboration, evidence based policy and implementation.

The establishment of the Leeds City Region Enterprise Partnership (LEP) has had the benefit of strengthening the partnership between the public and private sector. The LEP is an enabling partner with the aim of growing businesses within the City Region, and has provided opportunities by establishing a new relationship with government.

In addition to partnership working at the Leeds City Region Level, there is also a long history of joint working between the five West Yorkshire Authorities, this has now been formalised through the establishment of the West Yorkshire Combined Authority (WYCA). The establishment of the WYCA and the closer alignment of WYCA and LEP activities has seen an increased focus on delivery, focused around the shared economic plan (SEP) and the Growth Deal. The Leeds City Region authorities are all represented by the WYCA through the Leeds City Region Partnership Committee.

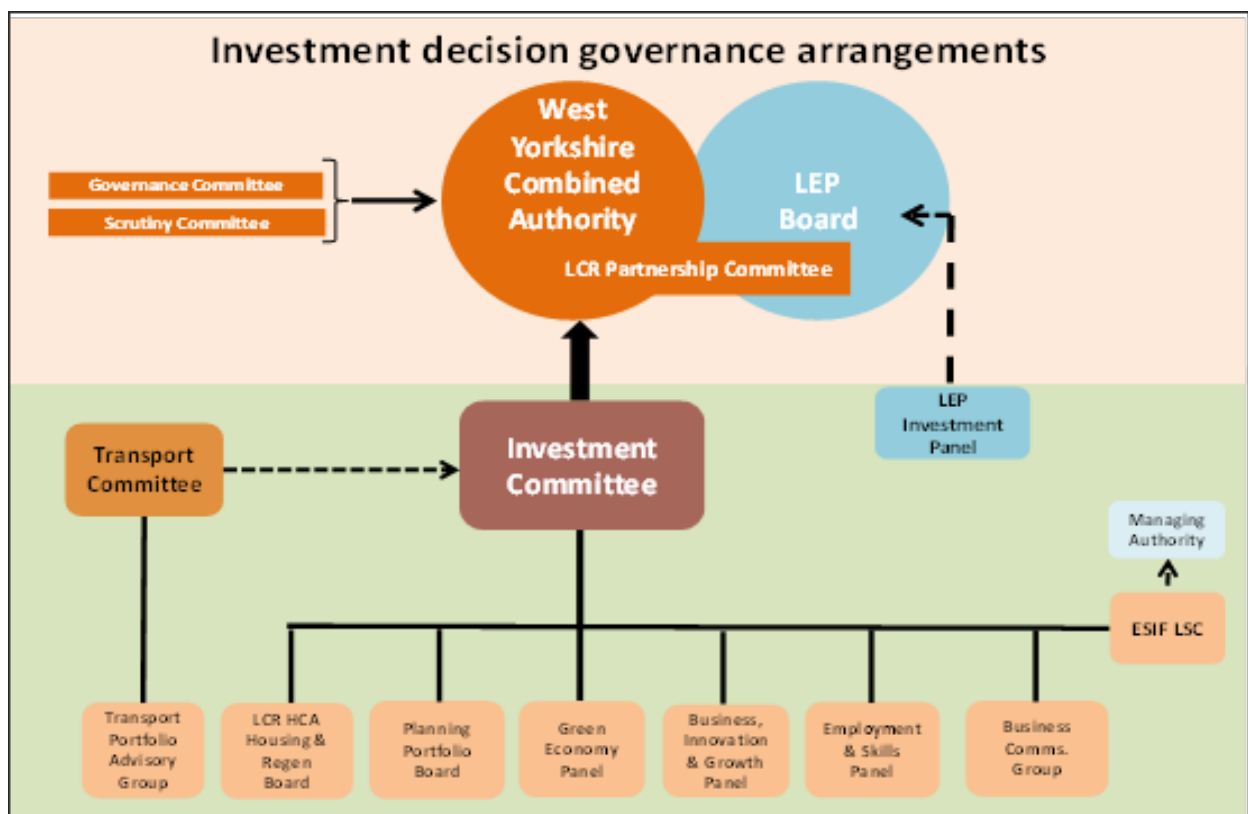
On strategic planning matters the following points are of relevance:

- The 10 local authorities in the Leeds City Region and North Yorkshire County Council are local planning authorities (LPAs). They are therefore empowered by law to exercise statutory planning functions. The WYCA is not an LPA and it is not considered that there is any need to change these current arrangements at this time. Any further consideration of this position will be taken forward in the course of post-election devolution discussions.
- WYCA is the accountable body for the LEP. The WYCA / Leeds City Region Partnership Committee / LEP Board, as appropriate, are the decision-making bodies with regard to non-statutory, joint policy / evidence on strategic planning matters.
- The Leeds City Region Planning Portfolios Board is the advisory group to WYCA and LEP with regard to strategic planning matters and the WY+York Transport Planning Advisory Group (TPAG) remains the transport planning advisory group to WYCA.
- It is not appropriate for the WYCA / LEP advisory groups to include private sector representation due to potential conflict of interest. Therefore, alternative arrangements should continue to be made to ensure private sector input into strategic planning activities at both the local and sub-

regional level. This includes representation on the Planning Reform Group and other private sector groups and organisations, as appropriate.

The following are key milestones for the Leeds City Region Partnership of authorities:

- Leeds City Region Concordat (2004)
- Establishment of the Leeds City Region Leaders Board (2007)
- Leeds City Region Multi Area Agreement with Government (2008)
- Leeds City Region Forerunner agreement with Government (2009)
- Establishment of the Leeds City Region Enterprise Partnership (2011)
- Leeds City Region LEP Plan (2011)
- Leeds City Region City Deal with Government (2012)
- Leeds City Region Enterprise Partnership Strategic Economic Plan (March 2014)



The diagram above provides an illustration of the Leeds City Region Governance Framework as it currently stands.

The WYCA

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.

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 through the Partnership Committee.

The Leeds City Region Partnership Committee

The Leeds City Region Partnership Committee brings together the elected leaders of the 11 partner councils to take strategic decisions on behalf of the Leeds City Region. The Committee replaces the former Leeds City Region Leaders Board which was legally constituted as a Joint Committee since 2007 and governed by an annually agreed set of procedures and protocols, central to which is the principle of 'one member, one vote'. A key role of the Leaders Board has been to provide an overview and a level of continuity for strategic planning. The Partnership Committee will take on this role and will also set the direction of delivery on transport, housing, regeneration and the green economy in partnership with the WYCA and Leeds City Region Enterprise Partnership Board.

The LEP Board

The Leeds City Region LEP Board brings together the private and public sectors in a unique partnership to drive economic growth and competitiveness. The LEP is charged with directing its efforts to facilitating and creating the environment for economic growth. The LEP Plan expressly provides that the LEP and Leaders Board will work together to unlock the growth potential of the City Region economy by providing the cross-sector leadership required and developing a framework for delivery with partners. The LEP Plan provides that activity will be clearly aligned to achievement of the planned growth targets. It will also align with national priorities for sustainable economic growth and will build on local economic priorities. There is therefore a direct and substantive link between the activities of the LEP and strategic planning in the City Region.

The Leeds City Region Enterprise Partnership's recent Strategic Economic Plan submission to Government (March 2014) provides the most recent overarching strategic policy framework and investment priorities to drive and accelerate economic growth and competitiveness across the city region.

Business, Innovation and Growth Panel

The Business, Innovation and Growth (BIG) Panel will act as the designated body, on behalf of the Local Enterprise Partnership, (LEP) to devise objectives, in line with the LEP's economic strategy, to drive business growth in the Leeds City Region, focusing on international trade, inward investment, innovation, and supporting SME growth, to deliver against these objectives by commissioning and overseeing key projects and work programmes and to provide oversight with UKTI to the international trade and investment elements of the Leeds City Region Deal through its additional function as the Leeds City Region Joint Trade and Investment Board.

Employment and Skills Panel

The Employment and Skills Panel brings together policy-makers, delivery partners and employers in key business sectors. It works closely with the Leeds City Region Skills Partnership to achieve the LEP's aims. Research and analysis that has been commissioned by the Panel includes an analysis of the city region labour market (2013), a skills report and a skills plan (2013-15). The Employment and Skills Panel brings together employers in key sectors, skills providers, funding agencies, policymakers and local authority leaders. It works closely with the Leeds City Region Skills Network to better align skills provision to the needs of employers and to support delivery of the LEPs Skills Plan and priorities. The Panel has commissioned significant employer research to identify need in 2012, publishes an annual assessment of the city region labour market and has developed a Skills Plan (2013).

Leeds City Region HCA Board

The Leeds City Region Homes and Communities Agency (Leeds City Region HCA Board) is a joint board between the Leeds City Region Partnership and the Homes and Communities Agency. The Leeds City Region HCA Board oversees the delivery of strategic housing and regeneration policy and delivery of projects and programmes, as set out in the Housing and Regeneration Investment Plan and associated strategies. The Board is responsible for advising the Partnership on levels of housing and regeneration investment needed, and influences the distribution of HCA and other housing and regeneration investments across the City Region.

Business Communications Group (BCG)

The BCG is responsible for communicating information about the LEP's work to the business community, and acts as an advisory group to the LEP Board about barriers to growth. The group includes representation from the Chamber of Commerce and the private sector.

Green Economy Panel

The Leeds City Region Green Economy Panel sets direction and oversees delivery on the Smart Resources agenda, particularly in relation to low carbon and sustainable energy matters. The Panel's core objective is to achieve a substantial and continued decrease in carbon emissions, alongside an increase in GVA and employment. Panel members represent both the public and private sectors.

The Planning Portfolios Board

The Planning Portfolios Board has Councillor representation from each LPA (and Senior Officer support), it was established specifically to provide political oversight on strategic planning matters and the Duty to Cooperate, advising the West Yorkshire Combined Authority, Leeds City Region Partnership Committee 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.

Transport Portfolio Advisory Group

The Transport Portfolio Advisory Group (TPAG) is made up of a senior Portfolio Members from each of the Transport Fund partner authorities (Bradford, Calderdale, Kirklees, Leeds, York and Wakefield) and the Chair of the Transport Committee.

The TPAG is responsible for advising on the development of the West Yorkshire Plus Transport Fund portfolio of projects and programmes, and ensuring their co-ordinated and prioritised investment. In particular the TPAG has responsibility for providing advice (to direct Officers and to inform the Combined Authority, Transport Committee and/or Investment Committee). The Group will also consider the requirements to carry out co-operation and co-ordination required in preparing District based LDFs. This will include advising on the requirements to consider land use development and transport investment on a cross boundary basis.

Appendix F: Terms of Reference: Planning Portfolios Board

1.0 MEMBERSHIP

- 1.1 The cabinet member who holds the responsibility for Strategic Planning and the Development Plan from each authority within the Partnership (or appropriate substitute).
- 1.2 The Head of Planning from each authority (or an appropriate substitute) may attend meetings in an advisory capacity.
- 1.3 The Chair and Deputy for the group shall be selected from amongst the membership. These roles shall rotate on a yearly basis

2.0 ROLE OF THE GROUP

- 2.1 The proposed role of the Group is:

To provide political oversight on strategic planning matters and the Duty to Cooperate, advising the WYCA, Leeds City Region Partnership Committee and Local Enterprise Board on appropriate actions that could / should be taken in respect of these matters.

- 2.2 Strategic Planning is defined as any matter relating to sustainable development, infrastructure planning and land use planning that affects more than one local authority within the partnership. Some issues may also be reported to the Leeds City Region HCA Board as appropriate.
- 2.3 The group will in particular provide 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* (S110 of the Localism Act).

3.0 FREQUENCY OF MEETINGS

- 3.1 It is proposed that the group shall meet 4 times a year with meetings timed to enable matters to be taken to the Leaders Board and LEP Board in a timely fashion.

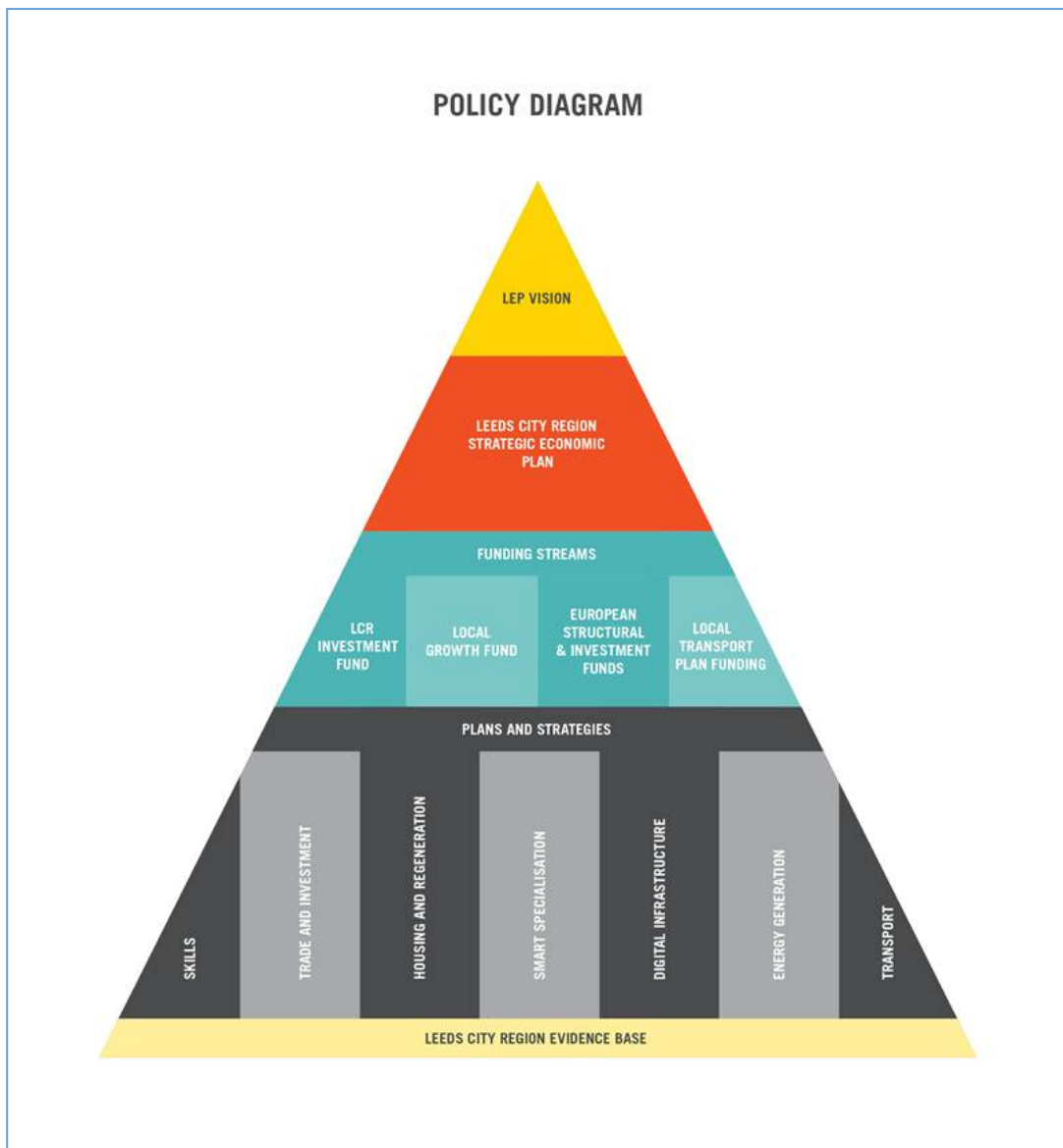
4.0 OFFICER SUPPORT

- 4.1 The Leeds City Region Secretariat shall provide officer support with the lead for this support being the Head of Infrastructure and Investment.
- 4.2 The Leeds City Region Heads of Planning Group will provide the wider officer support undertaking tasks as requested by the Leeds City Region Planning Portfolios Group on strategic planning matters.
- 4.3 Agenda and papers will normally be circulated at least 7 days in advance of the meetings.

Appendix G: Leeds City Region Evidence Base

Introduction

Over the course of the 10 years of the Leeds City Region partnership, a robust and comprehensive evidence base has been produced. This has been continuously updated and refined, and has formed the basis for the suite of strategy documents (e.g. Housing and Regeneration Strategy and Investment Framework; Connectivity Strategy; Green Infrastructure Strategy; Skills Strategy etc.) and plans upon which Leeds City Region policy is based. These strategy and policy documents, summarised in the diagram below, have formed the basis of the interventions proposed in our Strategic Economic Plan.



- Additionally, as part of the Strategic Economic Plan process we have commissioned new work where we felt our evidence needed refreshing, or where there were gaps in our knowledge.
- The list below provides a synopsis of the key LEP policy, strategy and evidence documents and, where available, a link to an online version.

Leeds City Region LEP Policy, Strategy and Evidence Documents

Overarching strategy and policy documents

- [Strategic Economic Plan](#) - in which we set out our long-term vision and ambitions for the City Region economy. It also sets out what support we are asking for from the government to help us achieve this vision, in terms of both funding from the Local Growth Fund, and additional freedoms and flexibilities to give us the power to deliver on our ambition.
- [Leeds City Region European Structural and Investment Funds Strategy \(2014\)](#) - complements our SEP and describes local needs and opportunities, desired outcomes and the rationale for proposed projects and programmes for our ESIF strategy for 2014-20.
- **Leeds City Region Investment Plan (2013, not published)** - sets out the ways in which we envisage that public and private investment will play their part in achieving our vision as set out in the LEP Plan.
- [Leeds City Region City Deal \(2012\)](#) – our landmark deal with government giving the City Region and its partner local authorities greater control over spending and decision-making to ensure interventions are in line with what our economy needs.
- [Leeds City Region LEP Plan \(2011\)](#) - the LEP Board’s vision and strategy for growth across the City Region – was agreed in 2011 and sets the overall strategic parameters for our work.

Thematic policies, strategies and evidence

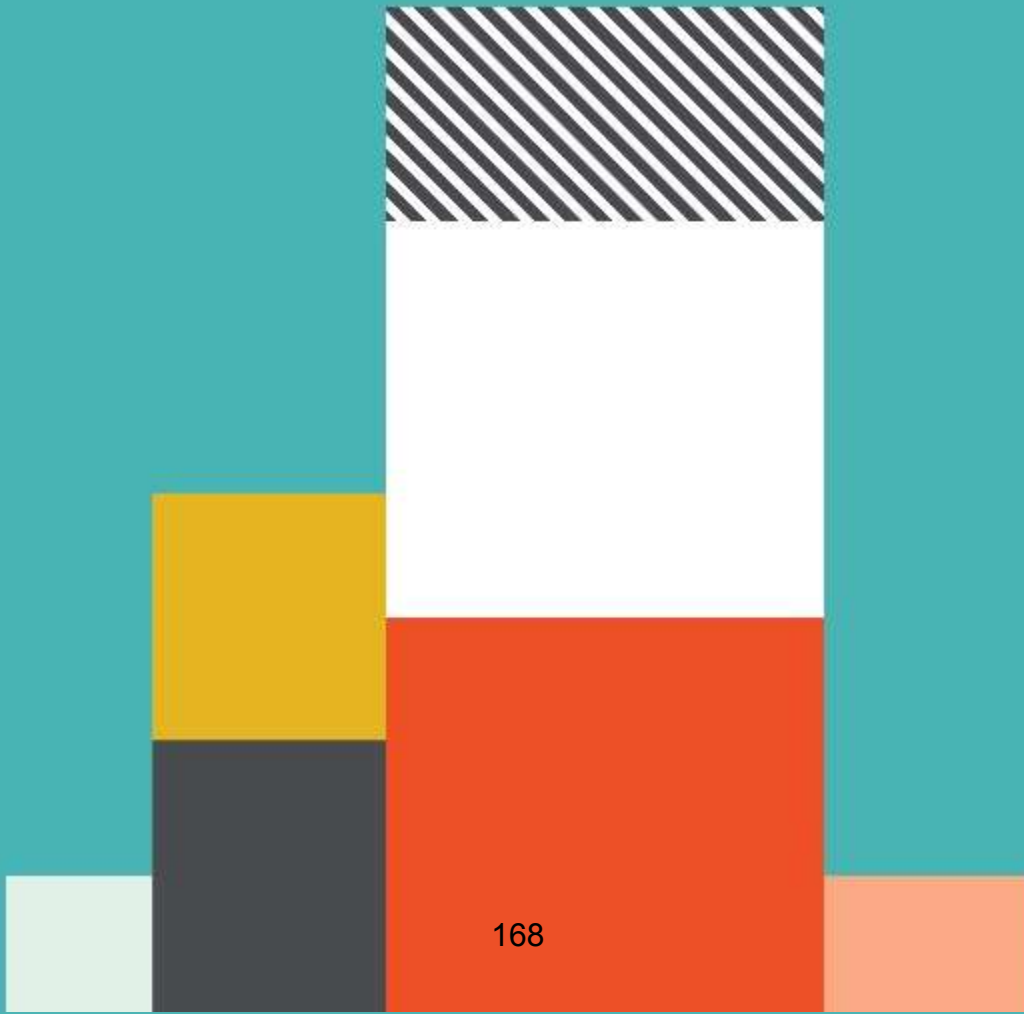
- [Trade & Investment Plan \(2014, publication forthcoming\)](#) – details how the LEP intends to increase inward investment into and exports from Leeds City Region.
- [Housing & Regeneration Strategy \(2009, refreshed 2014\)](#) – a refresh of our 2009 Housing & Regeneration Strategy – sets the context for future investment decisions by recognising market conditions (where they relate to both challenges and opportunities) and strategy drivers.
- [Housing & Regeneration Investment Framework \(2010\)](#) – sets out the strategic investment priorities for major housing and regeneration schemes across the city region.
- [Leeds City Region Skills Plan \(2013\)](#) – sets out how the LEP intends to achieve its aim of creating a skilled and flexible workforce to support improved productivity and jobs growth.
- [Leeds City Region Labour Market Analysis \(2013\)](#) - presents the state of the City Region labour market within the context of its economy. It shows the key supply and demand side challenges, the strengths and weaknesses and prospects for growth.
- [West Yorkshire plus Transport Fund – a draft prospectus for change \(2013\)](#) - outlines our City Deal and provides a summary of the West Yorkshire plus Transport Fund schemes, explaining their job creation potential and contribution towards economic growth.
- [Digital Infrastructure Plan \(2012\)](#) – sets out how over the next 20 years the City Region intends to develop its digital infrastructure to maximise exploitation of digital communications technology and boost its economic competitiveness.
- [Advanced Manufacturing in Leeds City Region \(2012\)](#) - analysis of the advanced manufacturing sector in the City Region detailing the size and characteristics of the sector, and its prospects for growth.
- [Beyond Borders: Report on Leeds City Region Exports \(2012\)](#) – joint report with local Chambers of Commerce considering how to encourage more businesses to start exporting and support existing exporters in targeting new international markets. It includes the identification of potential new markets, and analysis of the barriers to exporting.

- [My Journey: West Yorkshire Local Transport Plan 2011-2026 \(2012\)](#) - outlines the West Yorkshire Local Transport Plan (LTP) for 2011 to 2026. The LTP is the statutory plan for transport in West Yorkshire and sets out the needs, ambitions and strategy over a relatively long period of time as well as detailed spending proposals in the first three years.
- [City of York Local Transport Plan 2011 – 2031 \(2011\)](#) - sets out the transport policies and measures that will contribute to the city's economic prosperity over the next 20 years, whilst meeting challenging national and local targets for reducing emissions.
- [Leeds City Region Mini-Stern Review \(2011\)](#) - reviews the cost and carbon effectiveness of a wide range of low carbon options. Explores the scope for their deployment, their associated investment needs, financial returns and carbon savings, and the implications for the economy and employment.
- [Leeds City Region Green Jobs report \(2011\)](#) - analysis of the green jobs sector in the City Region, including a summary of regional assets, renewable & low carbon energy capacity projections, existing green jobs, higher & further education sectors, growth opportunities and vulnerable sectors.
- [Leeds City Region Business Survey \(2011\)](#) – locally-commissioned survey of businesses across the City Region, providing analysis of business attitudes consistent with the National Business Survey.
- [Green Infrastructure Strategy \(2010\)](#) - analysis of the City Region's green infrastructure and natural assets, presenting a strategy focusing on how this green infrastructure can deliver our sustainable urban growth agenda.
- [Leeds City Region Transport Strategy \(2009\)](#) – identifies the main issues and priority challenges for transport in Leeds City Region, the wider policy and spatial outcomes that transport needs to support, and a framework for developing interventions.
- [Leeds City Region Key Sector Strategy \(2014, publication forthcoming\)](#) - identifies the key sectors which can play an important role in driving growth within the City Region, and the assets, leading businesses and opportunities within them.
- [Leeds City Region Smart Specialisation Strategy \(2014, publication forthcoming\)](#) - analysis of the City Region's innovation assets, strengths, weaknesses and opportunities, and sets out the City Region's strategy to drive greater levels of innovation and implement smart specialisation across the City Region.
- [Leeds City Region low carbon energy investment roadmap \(forthcoming\)](#) – analysis of the opportunities for low carbon energy generation in the City Region to define the LEP's investment priorities.
- [Leeds City Region Economic Assessment \(2014, publication forthcoming\)](#) – assessment of the economic situation across Leeds City Region, including analysis of trends over the past decade and comparison of economic performance against England and other areas.
- [West Yorkshire Local Aggregates Assessment \(2014\)](#) – Local Aggregate Assessment for West Yorkshire
- [North Yorkshire and York Local Aggregates Assessment \(2014\)](#) - Local Aggregate Assessment for the North Yorkshire Sub-region was also finalised and submitted to the (regional) Aggregates Working Party in May 2014.

Appendix H: Leeds City Region Planning Charter for Major Investment Proposals (2015)

LEEDS CITY REGION PLANNING CHARTER FOR MAJOR INVESTMENT PROPOSALS

SEPTEMBER 2015



THE CHARTER PLEDGE

The Leeds City Region Enterprise Partnership (the LEP) has developed this charter which sets out how the local planning authorities and developers will work together to ensure that proposals for major new investments will be dealt with in an efficient and effective way throughout the Leeds City Region. The Charter represents the first step towards creating a seamless service for investors wherever they choose to locate in the City Region.

Local authorities will:

- Work together to ensure and maintain a comprehensive and up to date Development Plan. This will:
 - Enable the delivery of the priorities in the Local Development Plan and the Strategic Economic Plan;
 - Provide certainty over development opportunities; and
 - Help inform investment decisions.
- The local authority will nominate a project co-ordinator to lead the process in conjunction with the developer. The local authority nominee will:
 - Agree with the developer a timetable and milestones for the application to deliver a decision in the shortest period of time practicable;
 - Set out requirements for consultation (internal and external) and work with the developer to ensure appropriate pre-application public consultation takes place;
 - Set out the local authority's aspirations for any legal agreement and land transactions;
 - Maintain a regular dialogue with the developer and ensure changes required by either the local authority or the developer are made promptly;
 - Work in partnership with customers and stakeholders to bring forward successful applications that deliver high quality sustainable development;
 - Work with customers to understand their business needs and development proposals to ensure that everyone involved understands scheme viability and deliverability; and
 - Undertake regular reviews, led by the local authorities, of the service we deliver in conjunction with customers giving all involved opportunity to shape future delivery.

**90% of major applications
were approved in the
Leeds City Region in 2014
(English average 85%)**

THE CHARTER PLEDGE

Developers will:

- Agree a project plan, including key stages and milestones, which take into account the need for discussion and review to take place, keeping the council informed of progress at all key stages;
- Undertake an urban design analysis to inform the evolution of the scheme and the subsequent development of the design and access statement;
- Engage in meaningful pre-application discussions, with adequate time allowed for the preparation of essential information and assessment proposals, including appropriate community consultation;
- Respond within the agreed timescales to requests for further information and/or revisions;
- Attend project meetings with relevant persons; and
- Submit a complete planning application with appropriate supporting information as agreed with the council, including a draft legal agreement where appropriate.

The LEP Board will receive regular reports on the performance of the agreement and will review it as required.

For further information please contact the LEP:

Colin Blackburn (Executive Officer – Infrastructure and Investment)
colin.blackburn@westyorks-ca.gov.uk

Justin Wilson (Policy and Implementation Officer - Spatial Planning)
justin.wilson@westyorks-ca.gov.uk

0113 348 1819

DEFINITIONS AND CONTACTS

What is a major investment proposal?

1. They are of major strategic significance in terms of one or more of the following; job growth, investment value and regeneration. Clearly the scale of this will be different in different parts of the City Region, for instance the scale of proposal that is strategically significant in Bradford or Harrogate would be different. Each authority will set out which applications will be subject to the charter; or
2. They are proposals that are eligible for large scale, time limited, public funds.

Leeds City Region local authorities and lead officers for implementing the charter:

- Barnsley Joe Jenkinson, Head of Planning and Building Control
E: joejenkinson@barnsley.gov.uk / T: 01226 774731
- Bradford John Eyles, Major Developments Manager
E: john.eyles@bradford.gov.uk / T: 01274 432484
- Calderdale Richard Seaman, Development Manager
E: richard.seaman@calderdale.gov.uk / T: 01422 392241
- Craven Ian Swain, Development Control Manager
E: iswain@cravendc.gov.uk / T: 01756 706465
- Harrogate Gary Bell, Chief Planner
E: Gary.Bell@harrogate.gov.uk / T: 01423 556542
- Kirklees Simon Taylor, Head of Development Management
E: Simon.Taylor@kirklees.gov.uk / T: 01484 225006
- Leeds Martin Sellens, Head of Planning Services
E: martin.sellens@leeds.gov.uk / T: 0113 2478172
- Selby Richard Sunter, Lead Officer (Planning)
E: risunter@selby.gov.uk / T: 01757 705101
- Wakefield Judy Jones, Development Manager
E: jjones@wakefield.gov.uk / T: 01924 306621
- York Jonathan Carr, Head of Development Services and Regeneration
E: jonathan.carr@york.gov.uk / T: 01904 551303 or 01904 551553

Appendix I: South Pennine Memorandum of Understanding on Renewable Technologies

PURPOSE

This Memorandum of Understanding establishes a framework for cooperation between South Pennine local authorities with respect to strategic planning and development issues relating to renewable energy, in particular wind energy. It is framed within the context of the Section 110 of the Localism Act 2011 and the duty to cooperate in relation to the planning of sustainable development. It sets out the way in which the authorities have, and will continue to, consult one another and work together on matters which affect the South Pennine area.

In line with the National Planning Policy Framework, particularly paragraphs 97 and 98, Planning Authorities will seek to take a positive approach to renewable energy development both in development planning and management. This will include taking opportunities to maximise strategic cross-border benefits as well as ensuring that any potential negative impacts are minimised or avoided.

PARTIES TO THE MEMORANDUM

The Memorandum is agreed by the following Local Authorities:

Insert names

OBJECTIVES

The Memorandum has the following broad objectives:

- To help secure a process and framework enabling a consistent strategic approach particularly to Wind Energy and also to other Renewable Energy issues as appropriate; including development management, strategic planning and monitoring between neighbouring local authorities
- To enable a sharing of information and views and, where appropriate, to facilitate joint working on strategic issues which affect more than one local authority area
- To facilitate joint research and procurement between neighbouring authorities
- To facilitate strategic cooperation and partnership on issues of shared interest with statutory consultees such as the Environment Agency, Natural England and English Heritage and other key consultees including planning, delivering, managing and mitigating renewable energy and its impacts

TOPIC ISSUES

The principal topics where cooperation are considered to be valuable are:

- Effective and timely consultation on planning applications, EIA Screening Opinions and Environmental Scoping Reports of cross-border significance in the South Pennines and related areas
- Development of mutually consistent databases on planning applications to enable “cumulative impact” issues to be addressed particularly on wind energy but also other technologies
- Consistent application of landscape character assessments such as the “Julie Martin Study” (or successor documents); the Peak District National Park Landscape Strategy and Action Plan and,

as appropriate, other evidence base documents or cross-border landscape studies, when assessing planning proposals

- Joint procurement of evidence base documents and professional expertise where this would bring economies of scale and be mutually beneficial
- An approach to Planning Policy development and Development Management that takes into account as appropriate cross border effects on:
 - Landscape and visual impact
 - Cumulative impact
 - Historic landscape character
 - Ecology including flora, fauna and peat
 - Water supply, hydrogeology and flood risk
 - Recreational assets, bridleways and footpaths
 - Green infrastructure
 - Noise
 - Cultural and built heritage
 - Shadow Flicker
 - Socio-economic benefits
 - Access and grid connections
 - Telecommunications and radar
- Cooperation on planning issues relating to the implementation of renewable networks such as District Heating schemes; energy from waste or biomass particularly where these are identified in studies such as the Greater Manchester, Yorkshire and Humber, Lancashire and East Midlands Renewable and Low Energy Studies and have clear cross-border affects
- Joint working as appropriate on policy development and implementation relating to low carbon development including Allowable Solutions and Zero Carbon development
- Consultation on Local Plan policies and SPD's on renewable energy beyond immediate neighbours where proposals are innovative or of wider interest
- Support as appropriate at Planning Inquiries
- Information sharing on current "good practice" at local and sub-regional level

MECHANISMS FOR COOPERATION

- Regular meetings will be held (at least 3 times per year) with special meetings if necessary, such as when triggered by an application of major cross-border significance or other specific issues of common interest
- Renewable energy databases will be regularly updated and circulated in particular to inform Local Authority Monitoring Reports
- Consultations on wind energy planning applications, Screening Opinions and Environmental Scoping opinions with neighbouring planning authorities will occur in the following circumstances:
 - Affected neighbouring authorities where the Zone of Visual Influence shows an impact on land outside the host authority area
 - Where there are significant impacts on Recreational Trails of sub-regional or greater significance

- Consultations on non-wind renewable energy applications and Environmental Scoping Opinions will be considered on a case by case basis
- Liaison on development of Planning Policy documents and SPD's
- Sharing of development management policies and validation requirements to facilitate a standardised approach to planning applications across the South Pennines

LIMITATIONS

The Local Authorities recognise that there will not always be full agreement with respect to all of the issues on which they have agreed to cooperate. For the avoidance of doubt, this Memorandum shall not fetter the discretion of any of the local authorities in the determination of any planning application, participation in evidence base studies or in the exercise of any of its statutory powers and duties.

Signed:

Organisation:

Position:

Date:

Annex One – Background Context

BACKGROUND

The South Pennine landscape straddles the borders of Greater Manchester, Derbyshire, Lancashire and North, West and South Yorkshire. Upland areas are particularly attractive for wind energy developments, ranging from very large wind farms to small individual turbines. While parts of the area such as the Peak District National Park, Forest of Bowland Area of Outstanding Natural Beauty and the South Pennine Special Protection Area/Special Area of Conservation are subject to national landscape or conservation designations substantial areas are not. Issues of cumulative visual impact from wind energy proposals are the major cross-border issue and were clearly identified in the "Landscape Capacity Study for Wind Energy Developments in the South Pennines" (2010) commissioned jointly from Julie Martin Associates by a number of authorities. There is a history of cross-border consultation on renewable energy dating back to the early 1990's through the Standing Conference of South Pennine Authorities (SCOSPA).

While wind power is the dominant cross-border energy issue other forms of renewable energy that are being developed in the area include solar power, biomass and small scale hydro. These can have localised cross-border impacts. Opportunities for development were identified in the jointly commissioned "Renewable and Low Carbon Energy Study" (Maslen 2010). Other separate studies exist for the East Midlands (LUC, CSE and SQW 2011) Greater Manchester (Aecom 2009), Lancashire (SQW/Maslen 2011/12) and Yorkshire and Humber Low Carbon and Renewable Energy Capacity Study (Aecom 2011).

ITEM 10

Report to: West Yorkshire Combined Authority

Date: 31 March 2016

Subject: WYCA Planning Consultations

1. Purpose

1.1 To consider two planning consultations as part of the West Yorkshire Combined Authority's (WYCA) role under the Duty to Cooperate.

2. Information

2.1 Strategic planning is overseen by the Leeds City Region (LCR) Planning Portfolios Board, which advises WYCA and the LCR Enterprise Partnership on strategic planning matters. The WYCA is not a local planning authority for purposes of the 2004 Planning and Compulsory Purchase Act 2004 (the 2004 Act) section 33, with amendments and additions inserted by the Localism Act 2011. However, it is "*a prescribed body*" which is subject to the same duty to cooperate in relation to maximising the effectiveness of "prescribed activities".

2.2 In September 2015, WYCA endorsed the recommendations of the LCR Planning Review which agreed for WYCA to be consulted by Local Planning Authorities on major planning applications of strategic significance; and to also respond on behalf of the LCR Enterprise Partnership. The key strategic policy documents which can be used as a basis for responses from WYCA are the LCR Strategic Economic Plan (SEP) and the West Yorkshire Local Transport Plan (LTP).

2.3 WYCA has been consulted by the Local Planning Authorities in Kirklees and Calderdale on the Kirklees Local Plan and a major planning application in Calderdale, respectively. Attached at **Appendix 1** is the WYCA response to the Kirklees Local Plan and at **Appendix 2**, the proposed WYCA response to major planning application consultation. A summary of the responses is set out below.

3. Kirklees Draft Local Plan Consultation

3.1 WYCA was consulted by Kirklees Local Planning Authority in February 2016 and a response was submitted within the required period. The Kirklees draft Local Plan sets out the vision for Kirklees until 2031 and provides a framework for developing

the district in a sustainable way balancing economic, social and environmental priorities. The Plan allocates land for 29,340 new homes and allocates or protects land for 262 hectares of employment land. The identified employment land is anticipated to accommodate 32,200 jobs. The Plan also protects mineral resources within the district and sets out a range of other policies to manage to the sustainable development of Kirklees.

- 3.2 WCYA's response to this consultation is set out at Appendix 1 and confirms that the draft Local Plan is aligned with the Strategic Economic Plan (SEP), Local Transport Plan (LTP) and emerging Single Transport Plan (STP). The response also notes that plans are aligned with the SEP priorities of supporting growing businesses, developing a skilled and flexible workforce, and delivering the infrastructure for growth. The response also welcomes the policy support for a range of SEP Spatial Priority Areas. These include the North Kirklees Growth Zone which is identified in the SEP as a Housing Growth Area and Cooper Bridge (Huddersfield) and Chidswell (Dewsbury) which are identified as SEP Employment Growth Areas.
- 3.3 The response provides support for Kirklees employment allocations at Lindley Moor and Moor Park, Mirfield as these sites are designated as Enterprise Zones and prioritised in the SEP.
- 3.4 The response confirms that the Kirklees Local Plan is in general conformity with the LTP as the Plan sets out that development should be concentrated in sustainable, accessible and safe locations. The response also provides support for the Local Plan in relation to delivery of strategic transport infrastructure, including schemes identified through the West Yorkshire plus Transport Fund.

4. Calderdale Planning Application Consultation

- 4.1 WYCA was consulted on 10th March 2016 by Calderdale Local Planning Authority on a planning application by Cummings Turbo Technologies (CTT) for a proposed new manufacturing facility at Ainley Top in Calderdale. The proposal is for the development of a single industrial building with a Gross Internal Area (GIA) of 19,060 sqm to accommodate the relocation of CTT's manufacturing element from their existing site at St Andrews Road, Huddersfield and their current offsite warehousing requirements. CTT's approximately 600 research and engineering employees will remain at the St. Andrews Road site. The applicant highlights that the proposal would retain over 400 skilled manufacturing jobs in the area which could otherwise be lost to the area.
- 4.2 The proposed site is approximately 3 miles from the existing St Andrews Road site adjacent to Huddersfield Town Centre. The applicant argues that this will allow for the retention of existing local jobs and local supply chains. The proposed site is located adjacent to Junction 24 of the M62 Motorway, north-west of Huddersfield Town Centre and is a greenfield site within the West Yorkshire Green Belt. Fifteen alternative sites were considered within a 10 mile 30 minute drive time radius of the existing facility and this site is the preferred site by the applicant following this process.

- 4.3 The Calderdale Unitary Development Plan 2006 (Amended August 2009) designates the proposed site as agricultural use, although the Plan is currently being revised. Calderdale's emerging Local Plan identifies the site as a 'new mixed use allocation' within its consultation documentation. However, the Local Plan is yet to be formally adopted. The applicant has submitted proposals through Calderdale's Local Plan consultation on Potential Sites and Other Aspects of the Local Plan (November-December 2015), to remove the site from the Green Belt and reallocate it for employment use, but no decision has yet been taken by the Local Planning Authority.
- 4.4 The proposed WYCA response set out in Appendix 2 confirms both WYCA and the LCR Enterprise Partnership's shared vision for economic growth throughout the Leeds City Region. The response highlights that support for the manufacturing sector is central to the ambitions of the Strategic Economic Plan noting existing sectoral strengths including over 135,000 people employed in manufacturing across the city region. The principle of retaining the significant number of skilled manufacturing jobs in the area is therefore supported.
- 4.5 The strategic importance of the M62 Corridor as a focus for manufacturing businesses within West Yorkshire, which is ideally suited to facilitate access to a wide pool of highly skilled workers and the efficient distribution of goods is emphasised.
- 4.6 The Combined Authority, as the Transport Authority for West Yorkshire, is responsible for ensuring an appropriate level of public transport connectivity, including to new development. The proposed site is located in close proximity to the A629 which is a key bus corridor between Huddersfield, Elland and Halifax. The A629 is also identified in the West Yorkshire Plus York Transport Fund a 'Multi Modal Corridor Improvement', with a scheme devised prior to the applicant's site being identified as a potential location for development, which includes improvements at the Ainley Top roundabout as well as associated road space and junction reorganisation; more efficient traffic lights; park and ride sites; an express bus service; and measures to assist priority vehicles along the A629.
- 4.7 In conclusion, the response proposes to confirm that the principle of retaining a major advanced manufacturing business with a significant number of highly skilled jobs in West Yorkshire aligns with the LCR SEP and the West Yorkshire LTP and, therefore, that the application be supported in principle on this basis. It is also proposed that WYCA and the LEP support the continuing strong presence of CTT within the existing site in Huddersfield as a Hub for CTTs research activities. The response also makes clear that the detailed planning and transport issues relating to the application are a matter for the Local Planning Authority.

5. Financial Implications

- 5.1 There are no financial implications for WYCA.

6. Legal Implications

- 6.1 There are no legal implications for WYCA. WYCA is responding to the Local Planning Authority consultations as a 'Prescribed Consultee' under the Duty to Cooperate legislation.

7. Staffing Implications

- 7.1 There are no staffing implications for WYCA.

8. Consultees

- 8.1 The WYCA Managing Director has been consulted on and supports the proposed draft consultation responses.

9. Recommendations

- 9.1 That the Authority supports the response to the Kirklees Local Plan consultation set out in Appendix 1.
- 9.2 That the Authority endorses the proposed response to Calderdale Local Planning Authority set out in Appendix 2, in relation to the Cummings Turbo Technologies manufacturing plant planning proposals.

APPENDIX 1

Richard Hollinson
Kirklees Council
Planning Policy Group
P O Box B93
Civic Centre 3
Huddersfield
HD1 2JR

4 March 2016

Dear Mr Hollinson

Kirklees Council: Alignment of Local Plan with the Leeds City Region Strategic Economic Plan and Emerging Single Transport Plan

The West Yorkshire Combined Authority (WYCA) and the Leeds City Region Enterprise Partnership (LEP) have a shared vision for economic growth throughout the Leeds City Region and work closely together to deliver a shared Strategic Economic Plan (SEP).

The Combined Authority endorses the self-assessment pro-forma completed by Kirklees as demonstrating that the draft Local Plan aligns with the SEP and the emerging West Yorkshire Transport Single Transport Plan (STP) that will update the current Local Transport Plan (LTP3, 2011-16), and is proposed to come into effect from 1 April 2017 to run to 2037.

The draft Plan sets out the vision for Kirklees until 2031 and outlines how development will be delivered in a sustainable way balancing economic, social and environmental priorities. The Plan forms a complete suite of local policies therefore it directly addresses many aspects of the strategies laid out in the SEP. The following SEP Strategic Priorities are addressed by the Plan:

- **Supporting Growing Businesses:** The Plan allocates or protects 262 hectares of land for employment purposes (Policy DLP 2 and 8) which will deliver 32,200 jobs and protects mineral resources within the district. The focus of most new development will take place within the urban areas taking advantage of existing services and high levels of accessibility. This is consistent with the SEP aspiration to attract inward investment into the City Region and LTP / STP objectives to promote sustainable accessible development.

The allocated sites are in prime locations that provide large areas of undeveloped land that are strategically located to take advantage of established business corridors. Generally, the policies within the Plan set out a presumption in favour of sustainable development that seeks to accelerate economic growth and attract inward investment.

- **Developing a Skilled and Flexible Workforce:** The Plan encourages the development of new jobs and aims to deliver 32,000 jobs over the plan period as part of a wider skilled and flexible workforce (Policy DLP 9). This will be provided by the allocation / protection of 262 hectares of employment land. This is consistent with the SEP aspiration to create more jobs and encourage job creation.

The Plan also recognises the strategic role of educational facilities across the district, including Kirklees College and the University of Huddersfield. This is consistent with the SEP aspiration to align skills and training investment with growth opportunities and sectors.

- **Building a Resource Smart City Region:** The Plan supports delivery of decentralised energy networks and wider energy efficiency by supporting the delivery of renewable and low carbon infrastructure. The consideration of low carbon technologies is supported as part of the master planning process for new development sites. The Plan also includes a criteria based policy (DLP 27) which expresses general support for freestanding renewable and local carbon proposals. These elements of the Plan are well aligned with the SEP, specifically its aim to promote energy efficiency and low carbon energy generation infrastructure.
- **Delivering the Infrastructure for Growth:** The Plan allocates land for 29,340 new homes over the plan period which will assist in accelerating housing growth across Kirklees. The Plan also sets out policies which seek to deliver affordable homes on 20% of new developments. These elements of the Plan support the SEP's ambitions to increase housing growth and increase provision of affordable homes.

The Plan sets out a range of policies (DLP 3-4 and DLP 19-24) to facilitate the delivery of new infrastructure, including provision for new strategic and sustainable transport facilities. These policies are also supported by an Infrastructure Delivery Plan (IDP). These policies and IDP support the SEP in delivering objectives for wider coverage of digital infrastructure and a transformed transport system across the north.

The Plan's support for the delivery of strategic transport infrastructure (Policy DLP 19) is also consistent with the SEP as it aims to capitalise on the opportunities presented by HS2 by linking communities and businesses within Kirklees to areas such as Leeds.

- **SEP Spatial Priorities:** The Plan proposes growth across Kirklees, including within Huddersfield which is identified in the SEP as a Growth Centre. The district also includes the North Kirklees Growth Zone which is identified in the SEP as a Housing Growth Area. The Plan supports the delivery of this location and identifies it as an area for significant growth.

The Plan allocates a range of employment sites, including Cooper Bridge, Huddersfield and Chidswell, Dewsbury, which are identified as being suitable for a significant quantum of new employment floorspace. The allocation of these locations supports the SEP as they are identified as Strategic Employment Areas of sub-regional significance.

The Plan also supports the delivery of new employment development at Lindley Moor and Moor Park, Mirfield. These sites have been designated as Enterprise Zones, as part of a wider suite of sites along the M62 corridor. Collectively Enterprise Zones are recognised within the SEP as playing a strategic role in meeting wider LCR ambitions such as supporting growth in priority sectors and attracting inward investment.

It is also noted that the Plan allocates a range of other large scale housing and employment sites. These include Bradley Park, South Dewsbury and M62 Chain Bar. These allocations support the wider growth narrative and aspirations within the SEP.

The current LTP3 policy advocates collaboration in strategic land use planning to ensure that Local Plans include the policy hooks to facilitate sustainable travel within development. LTP3 sets out that development should be concentrated in sustainable, accessible and safe locations in a way that encourages sustainable travel choices to be made. The draft plan sets out policies to deliver such sustainable development with a focus on developing existing urban areas (Policy DLP2). It also sets out a requirement for collaboration with partners to deliver infrastructure to facilitate the delivery development sites including seeking contributions from developers (Policy DPL3).

We are encouraged that strategic transport infrastructure will be sought from developments where they would directly benefit from the scheme and that development will not be permitted if it may prejudice the developer of strategic transport schemes or public transport facilities. This includes the schemes that have been identified through the West Yorkshire plus Transport Fund (Policy DLP19). Furthermore, the plan sets out specific policies relating to Sustainable Travel (Policy DLP 20 – 24) supporting measures to encourage the uses of sustainable travel options which is welcomed.

The emerging STP, which is proposed to replace LTP3 from 2017 is being developed in collaboration with Kirklees Council and is expected to strengthen transport policy and strategies in respect of delivering a modern, integrated transport system with appropriate capacity in road and public transport and investment in sustainable transport facilities and options.

The Combined Authority confirms that Kirklees Council's Draft Local Plan is in general conformity with the current SEP and LTP3 and that it is also aligned with the principles of the emerging SEP 2 and STP.

Yours sincerely



Colin Blackburn
Head of Infrastructure and Investment
On behalf of West Yorkshire Combined Authority

APPENDIX 2

Richard Seaman
Calderdale Council
Planning Services
PO Box 51
Halifax
HX1 1TP

31 March 2016

DRAFT

Dear Mr Seaman

Calderdale Council: WYCA Response to Planning Application 16/00272/FUL (Proposed Manufacturing Facility - Cummings Turbo Technologies)

Thank you for consulting the West Yorkshire Combined Authority on the planning application¹ for the Cummings Turbo Technologies' (CTT) proposed manufacturing facility. This response was endorsed by the West Yorkshire Combined Authority (WYCA) at its meeting on the 31st March 2016.

City Region Context

The West Yorkshire Combined Authority (WYCA) and the Leeds City Region (LCR) Enterprise Partnership (LEP) have a shared vision for economic growth throughout the Leeds City Region and work closely together with our partners to deliver a shared Strategic Economic Plan (SEP). The Combined Authority is also responsible for the West Yorkshire Local Transport Plan (LTP).

The LCR SEP is based on a vision to 'unlock the potential of the City Region, developing an economic powerhouse that will create jobs and prosperity'. Support for the manufacturing sector is central to this ambition. The SEP aims to build on the existing sectoral strengths and outlines a range of priorities to drive the growth of the manufacturing sector in the longer term. There is currently over 135,000 people employed in manufacturing across the city region, 25% more than any other LEP area in the Country, and in recent years the city region's manufacturing employment has outperformed national trends.

The M62 corridor is a strategic location ideally suited to facilitate access to a wide pool of highly skilled workers and the efficient distribution of goods. This strategic location comprises high quality manufacturing companies in sectors such as digital technology, automotive engineering, and textiles.

¹ 16/00272/FUL

Alignment with the SEP and LTP

Advanced manufacturing is identified as one of the six key priority sectors in the SEP, so promoting growth in the manufacturing sector and retaining a major manufacturing business within West Yorkshire aligns with the WYCA and LEPs policy ambitions as set out in the SEP. Further, the retention of c400 manufacturing jobs within the local area supports the objectives of the SEP's Pillar 2 'developing a skilled and flexible workforce' to retain and improve the skills of the LCR workforce and support the growth of the manufacturing sector, including associated supply chain businesses.

The West Yorkshire Local Transport Plan (LTP) covers the period 2011 to 2026 and is the statutory plan for transport in West Yorkshire. The Travel Choices component of the LTP includes policies to influence travel behaviour in a way that encourages sustainable travel choices to be made. This includes working with Local Planning Authorities to ensure that new development is focused in sustainable locations and the impact of new developments is properly planned for. From a transport perspective, the main spatial requirements for new developments is that they are focused on core or key centres and within a reasonable distance of a corridor that is well served by public transport.

The West Yorkshire Plus York Transport Fund totalling approximately £1bn specifically targets increasing employment and economic growth across the area. The Fund prospectus sets out the long term aims of the Fund and identifies a programme of measures over a 10-year period that will address pressing needs to support the creation of new jobs (e.g. tackling congestion hotspots and/or facilitating new development sites). The A629 is identified by the fund as a 'Multi Modal Corridor Improvement,' with a scheme devised prior to the applicant's site being identified as a potential location for development, includes improvements at the Ainley Top roundabout as well as associated road space and junction reorganisation; more efficient traffic lights; park and ride sites; an express bus service; and measures to assist priority vehicles along the A629.

It is noted that highway improvements are proposed at New Hey Road/Brighouse Road, comprising a 'ghost Island' priority junction. The consideration of these proposals is a matter for the Local Planning Authority.

It is noted that the applicant has included an appraisal for the site selection process which has considered, in part, the proximity of the new site to existing employees. However, the access criteria was primarily focused on access to the site by car as opposed to public transport. The Combined Authority, as the Transport Authority for West Yorkshire, is responsible for ensuring an appropriate level of public transport connectivity, including to new development. The proposed site does benefit from its proximity to the A629 which is a key bus corridor between Huddersfield, Elland and Halifax.

Therefore, the principle of retaining a major advanced manufacturing business with a significant number of highly skilled jobs in West Yorkshire aligns with the LCR SEP and the West Yorkshire LTP and is therefore, in principle, supported by the West Yorkshire Combined Authority and LCR Enterprise Partnership. WYCA and the LEP also support the continuing

strong presence of CTT within the existing site in Huddersfield as a Hub for CTTs research activities. The site is accessible to a main public transport corridor which will allow sustainable travel, alternative to the car, to be a viable. However, the detailed planning and transport issues relating to the application are a matter for the Local Planning Authority.

If you require any further information, please do not hesitate to contact me.

Yours sincerely

Colin Blackburn
Head of Infrastructure and Investment
On behalf of the West Yorkshire Combined Authority

ITEM 11

Report to: Combined Authority

Date: 31 March 2016

Subject: Transport Priorities and Transport for the North (TfN)

1. Purpose

1.1 The purpose of this report is to summarise recent progress from Transport for the North and propose the region's priorities in respect of the future role of Transport for the North as a Sub National Transport Body.

2. Information

2.1 The most recent Transport for the North (TfN) report was published in March. The headline messages were:

- The development of a first Independent Economic Review for the North identifying economic assets and sectors with the most potential for growth.
- For Northern Powerhouse Rail, options to reduce journey times and increase frequency and capacity between the largest cities and Manchester Airport, working towards preferred options for each part of the network.
- Rail North has demonstrated the potential of strong partnership working between the North's local authorities and Department for Transport (DfT).
- An implementation plan has been developed to deliver simplified fares, integrated smart ticketing, and improved online passenger information.
- Interim reports have been published for three strategic studies on the strategic highway network.
- John Cridland (the independent chair) has launched a Commission on the international connectivity needs of the North with key industry and sector representatives.
- TfN is working to identify the interventions to improve strategic freight connectivity and local connectivity to the strategic network.
- TfN is continuing to grow its capability and capacity towards statutory status by the end of 2017.

2.2 Also in March, Lord Adonis, as Chair of the National Infrastructure Commission, published a report '*High Speed North*'. The report states that 'the North needs immediate and very significant investment for action now and a plan for longer-term transformation to reduce journey times, increase capacity and improve reliability'. Lord Adonis recommended the 'kick-starting' of HS3, that investment should be brought forward for an early boost in capacity on the M62 and recognised the opportunities afforded by upgrading the Calder Valley Route. The National Infrastructure Commission report also recognises the importance of skills, trade and investment, enterprise and innovation, and housing. These have also been recognised by the Northern Leaders and Government with a joint commitment to phase two of the Northern Powerhouse agenda to develop proposals in each of these areas.

2.3 It will be important that, as the transport proposals are developed, the Leeds City Region (LCR) is able to set out a consistent and clear narrative to influence the northern and national agenda. The Transport Committee has already considered LCR's ambitions in the context of its role in the Northern Powerhouse, with the discussion suggesting six key messages, as set out below.

- LCR is critical to the North's and the Nation's success
 - As the largest city region outside London, our economic growth will be fundamental in rebalancing the economy.
 - Development of skills, investment in innovation, harnessing a culture of entrepreneurship and better connectivity are all needed.
- LCR needs better access to global markets to grow our exports and inward investment
 - Direct road and public transport access to Manchester and Leeds/Bradford Airports and northern ports.
- LCR should be at the heart of the Northern Powerhouse
 - Improved intra-regional connectivity to allow more people to travel, and more quickly, between the main economic centres in the LCR and the cities and growth areas across the North.
 - The whole region needs to benefit from the Transport for the North agenda, not just the big cities.
- The economic centres within LCR need better connecting
 - A cutting edge tram/train, or similar technology, to link up the cities and towns within LCR, and that runs right into the heart of our business districts.
 - Enhanced public transport choices through more capacity on the rail network, roll out of bus and rail P+R and better quality bus journeys.
- Investment in Local transport will make LCR a more attractive place to live, work and visit
 - Local transport should be accessible for all, affordable, help create the right conditions to attract businesses and new talent to LCR and be part of

improving the health and well-being of people.

- Technology advances should be fully exploited
 - There are opportunities to test new technologies and ensure that the benefits are felt here first – including digitalisation of the rail network, real time passenger and driver information, driverless cars and cleaner vehicles.

2.4 It is also suggested that WYCA should endorse regional priorities that can be delivered through Transport for the North. The following are suggested for consideration by WYCA.

A Northern Powerhouse Rail Network that radically improves journey times and frequencies without causing a detriment to the existing network

- A continued commitment to the full HS2 'Y' network with an acceleration of the Leeds to Sheffield route.
- A new line between Leeds and Manchester that achieves an approx. 30 minute journey time and a 15 minute frequency. An improved journey time from Leeds to Hull (approx. 45mins) and Leeds to Newcastle (approx. 60mins). Other key centres such as Bradford, York, Huddersfield and Wakefield need to be on the TfN network – directly or via a Network Rail route upgrade. An early focus on Leeds-Manchester (and suggested by the National Infrastructure Commission) should include York and provide wider benefits for the city region.
- Upgrades to the Calder Valley Line, which has pan-northern benefits, and existing connectivity for key population centres is retained.
- Leeds Station seen as the Yorkshire Hub with a phased plan for transformational development.
- Northern aspirations need to be aligned with the significant forecast growth in more local city region rail services. Solutions should include the digitisation (improved signalling to enhance capacity) of the rail network in LCR first to increase capacity.

A full review of Strategic Highway Network priorities

- The new TransPennine tunnel study ought to be viewed in the light of relieving pressure on the M62 and it should serve the areas of greatest economic activity.
- TfN should do a root-and-branch review of road priorities including creating more reliable and predictable journeys on the M62 and M1 and short term improvements such as acceleration of the smart motorway programme and associated junction improvements (e.g. Leeds/Huddersfield stretch of the M62).

Improved surface access to Manchester and Leeds/Bradford Airports that offer businesses more international destinations

- Improved direct rail services to Manchester Airport and improved surface access

(road and public transport) to Leeds/Bradford Airport.

Significant improvements to road and rail to transform the distribution network

- Recognition of the importance of M1 and M62 to freight and logistics.
- New rail infrastructure to allow greater movement of rail freight – particularly to the ports - to reduce congestion on the road network.

Smart ticketing and fare simplification with LCR leading the way

- LCR should be the test case for improved ticketing and customer information with simplified fares. Aligning this with the rest of the North to make it easier to travel across boundaries with less queuing and an easy to use, single system.

LCR schemes that have pan-northern benefits are prioritised and supported

- LCR metro system – including new approaches such as tram/train to alleviate capacity at Leeds station and link up key economic centres and hence help TfN strategic objectives.
- Improved links into the new NPR rail network such as the electrification of the lines prioritised by the Electrification Taskforce.

2.5 There are likely to be trade-offs when more detailed work is carried out. For example, it may be hard to achieve journey time reductions whilst having intermediate stops on new rail lines between cities.

3. Financial Implications

3.1 TfN has secured funding from central government for the next three years and budgets have been identified for scheme development. It is important to ensure that Government will fund the necessary infrastructure investment to transform the north's economy.

4. Legal Implications

4.1 Following changes to primary legislation through the Cities and Local Government Devolution Act, TfN is progressing its aim of being the first statutory Sub-Regional Transport Body. Work is underway to consider the devolution of powers and responsibilities from central Government to TfN to deliver that agenda. All the constituent authorities will be asked to give their consent to the governance arrangements in the summer. A report to a future meeting will set out the extent of devolution and how the proposed governance arrangements will allow the Leeds City Region to shape the future strategy development and implementation.

5. Staffing Implications

- 5.1 At present, WYCA's input to the TfN work is through existing staff. It is suggested that WYCA should ensure adequate resource to properly shape and influence future strategy development.
- 5.2 The Smart and Integrated Travel work-stream is being led by WYCA, with the team based in Leeds. It is important that TFN is partially hosted in Leeds as well as Manchester.

6. Consultees

- 6.1 WYCA's Managing Director and Leeds City Council staff were consulted, and provided input, in the preparation of this report.

7. Recommendations

- 7.1 It is recommended that WYCA consider this report and, subject to comment, endorse the proposed key messages and priorities.

8. Background Documents

- 8.1 TfN Strategy Report March 2016.
- 8.2 National Infrastructure Commission report 'High Speed North' – March 2016.

Originator: Angela Taylor,
Director, Resources



ITEM 12

Report to: West Yorkshire Combined Authority

Date: 31 March 2016

Subject: Minimum Standards Charter for Construction Industry Employees

1. Purpose

1.1. To seek support to the Minimum Standards Charter for employees in the construction industry.

2. Information

2.1. The WYCA will be aware that the constituent West Yorkshire authorities are signing up to a Minimum Standards Charter for their authorities with a view to encouraging the adoption of and adherence to a set of minimum standards of employment on construction projects procured by their authorities.

2.2. For some time trade unions have been concerned regarding the use of false self-employment or 'umbrella' companies in the construction industry where the nature of the work lends itself to the use of temporary workers.

2.3. These arrangements can be very complex, however in general under such arrangements, the worker is an employee of an umbrella company, and it is subject to tax and national insurance under PAYE. The umbrella company invoices the client for the worker's services, and handles pay and tax matters for the worker in return for a weekly or monthly fee. The worker usually arranges temporary work directly with the end-client or through an employment agency. The umbrella company may therefore be several steps removed from the end-client. Trades unions have expressed the following issues that they consider arise:

- Workers paying their own and the employers' NI contributions, which are deducted from their pay;
- Workers being paid the minimum wage, boosted by expenses/performance related pay;
- Holiday pay being "rolled up" into weekly pay so the worker is not paid during annual leave, potentially resulting in workers not taking all their leave entitlement;

- Zero hours contracts;
- Complex payslips, with deductions that are difficult to understand;
- Service charges (potentially unreasonable) by the umbrella company.

2.4. It is anticipated that the promotion of the vital role of the trade unions in the construction industry, and the employment of operatives under the national agreement employment terms, will facilitate relevant trade unions with the opportunity to monitor the actions of employers and their compliance with the Minimum Standards Charter, and provide support to employees.

3. Financial implications

3.1. None arising directly from this report.

4. Legal Implications

4.1. As set out in the report. WYCA will ensure that the approach set out in the Charter is reflected in its procurement.

5. Staffing Implications

5.1. None arising directly from the report.

6. Consultees

6.1. The Charter has been discussed by the West Yorkshire Leaders and agreed by a number of the local authorities.

7. Recommendations

7.1. That the WYCA approve its support to the Minimum Standards Charter, namely it:

- 7.1.1. pledges that the Authority will adopt the minimum standards in all construction projects procured;
- 7.1.2. underlines that Health & Safety of workers is paramount, and that appropriate welfare facilities should be provided;
- 7.1.3. expects that skilled operatives are used in order to achieve the high standard finished product that is demanded;
- 7.1.4. expects major contractors to offer apprenticeships to the youth of the city region, and generally supports initiatives to improve the education/training of construction employers and employees;
- 7.1.5. reiterates the belief that workers should be fairly rewarded, and should be entitled to holiday, sickness, pension, accident compensation and death in service rights; and

- 7.1.6. promotes the vital role of trade unions, including inviting construction employers to agree to employ operatives under the terms and conditions of relevant national agreements.

Originator: Angela Taylor
Director, Resources



ITEM 13

Report to: West Yorkshire Combined Authority

Date: 31 March 2016

Subject: Organisational Arrangements

1. Purpose

1.1. To seek approval to a number of organisational and internal control matters.

2. Information

2.1. Internal audit plan 2016/17

2.2. The Authority is required to have in place an internal audit plan for 2016/17 setting out the work to be undertaken by internal audit to enable them to provide assurance on the internal control environment. Input from the Governance and Audit Committee has been sought and it has endorsed the plan that is attached as **Appendix A**. The Authority is asked to approve the plan but note that it is flexible and, under the view of the Governance and Audit Committee it may be adjusted during the year to reflect any organisational changes or emerging risks. It should be noted that the plan at this stage requires more resource than is available within the team; the actual days required will be monitored alongside those budgeted with appropriate resourcing solutions identified by the Internal Audit Manager and Managing Director.

Further budget approvals

2.3. The WYCA has been successful in securing further funding for a number of its projects. The Growth Deal award for 2016/17 is £128m and the approval to spend on specific schemes on housing, skills and transport projects will be progressed as usual through the appraisal processes including the Investment Committee before coming to the full Authority for approval.

2.4. Within the award is further funding for ongoing projects and approval is sought to a further £6m for the business growth programme in 2016/17. Approval is also sought for the £15.7m Access to Capital Grants programme, a further £625k for the LEP Growth Service and a further £62k for the Better Homes project.

Treasury management arrangements

- 2.5. The Authority approved the treasury management strategy at the budget meeting in February, including the approval of investment parameters within which the Authority would operate. Any investments undertaken by the Combined Authority follow the guidance of DCLG having regard to the concept of Security, Liquidity and then Yield with emphasis being placed on the “return **of** funds” rather than the “return **on** funds.”
- 2.6. Over recent weeks it has become apparent that there are stresses within the economic markets; with the continuing and sustained reduction in oil prices and lack of growth in emerging economies there have a number of downgrades to bank ratings. WYCA’s current treasury arrangements include placing of money for terms up to one year with banks with a suitably robust rating but there is now some concern that this is becoming a riskier position. This could be further impacted in due course with the outcome of the referendum in June on membership of the European Union; this situation will be closely monitored.
- 2.7. The WYCA will be receiving £128m in April 2016 as Growth Deal payment and needs to ensure this funding can be safely invested. Following discussions with treasury advisors it is proposed that the investment limits with local authorities in respect of timeframes be extended to increase the options available to manage these sums and recognise the potential enhanced risk to longer term banking investments. It is proposed that limits be set in accordance with the Prudential Code for each of the next three years, and that those limits be, for investments for a period greater than 364 days, that no more than £20m will mature in each of 2016/17, 2017/18 and 2018/19.

European Investment Bank

- 2.8. As part of the Growth Deal WYCA has secured significant funding for its West Yorkshire plus Transport Fund, to which local contributions are also required. The ambition is to deliver a programme of schemes over the next ten years, rather than over the twenty years for which funding has been granted. Borrowing will be required in order to achieve this and discussions have been underway for some time with the European Investment Bank (EIB) who can offer a flexible facility that could be utilised alongside traditional Public Works Loan Board type lending. Many of the schemes within the WY+TF provide a good strategic fit to the EIB requirements.
- 2.9. Contract negotiations are continuing and upon their conclusion the Authority is requested to authorise the Director, Resources to enter into a finance contract with the EIB, to the value of £100m which would enable WYCA to undertake disbursements over a five year term. The EIB require a specific approval to this effect; the Authority should note that the Director, Resources as the s73 finance officer, already has authority to enter into appropriate borrowing and investment arrangements within the approved treasury management strategy.

Monitoring Officer

- 2.10. The Authority is required by law to designate an officer as the statutory Monitoring Officer. The post of Assistant Director Legal (now renamed Head of Legal and Democratic Services) is designated to fulfil the Monitoring Officer functions. As the recruitment of a replacement for the Head of Legal and Democratic Services is ongoing (with interviews taking place in late March) this designation is proposed to subsist until a replacement has been appointed to that post.

Committee arrangements

- 2.11. A request has been made by the Overview and Scrutiny Committee that the Chair be enabled to speak at meetings of the Combined Authority in order to share any views of that Committee. It is proposed that, pending a full review of Committee arrangements in due course, the Chair of Overview and Scrutiny Committee circulate a note of any points to be raised after each meeting and the Chair of the Combined Authority will determine the best way to progress the points raised.
- 2.12. At the most recent meeting of the Transport Committee Members requested that the Combined Authority be made aware of the lack of opportunity for a full discussion of Local Transport Plan funding and allocations. The former LTP Committee provided this forum but this no longer forms part of the WYCA's governance arrangements. It is proposed that this requirement is considered as part of any future governance review.

3. Financial implications

- 3.1. As set out in the report.

4. Legal Implications

- 4.1. The Authority must designate an officer to be the statutory Monitoring Officer. Combined Authorities may designate that the Head of Paid Service may be the designated Monitoring Officer.
- 4.2. The Finance Handbook contains proposed delegations as set out in paragraph 2.13.

5. Staffing Implications

- 5.1. None arising directly from this report.

6. Consultees

- 6.1. The Directors have provided input to this report.

7. Recommendations

- 7.1. That the internal audit plan for 2016/17 be approved.

- 7.2. That further budget approvals be approved as follows: a further £6m for the business growth programme in 2016/17, £15.7m for the Access to Capital Grants programme, a further £625k for the LEP Growth Service and a further £62k for the Better Homes project.
- 7.3. That the treasury management arrangements be amended as set out in paragraph 2.7 to enable longer term investments to be placed with local authorities.
- 7.4. That the Director, Resources be authorised to enter into a facility with the European Investment Bank to the value of £100m which would enable WYCA to undertake disbursements over a five year term.
- 7.5. That the Managing Director as Head of Paid Service be the designated Monitoring Officer of the Authority from the date upon which the current Assistant Director Legal leaves that post until the date upon which the post is filled following recruitment.
- 7.6. That upon commencement of employment the new Head of Legal and Democratic Services become the designated Monitoring Officer of the Authority.
- 7.7. That the Authority consider the means by which views from the Overview and Scrutiny Committee can be shared with the Combined Authority.

APPENDIX A



Audit Plan 2016/17

Priorities are assigned in accordance with the Risk Assessment approach below

	FACTOR
MR = Materiality/value risks	2
CR = Control weakness or none existence/operation – (CAKE)	3
PR = Political risk of failure or none performance and adverse publicity	1
LR = Legislative risks, illegal operations	3
OR = Opportunity risks, missed opportunities for improvements.	1

Risk Score Key

>5 = High

4 - 5 = Moderate

1 - 3 = Low

ACTIVITY	PRIORITY	OUTLINE DESCRIPTION	RESOURCE
Core Business Activities			332 days
Prepaid Tickets & Concessionary Travel	MR, PR, LR 6 HIGH	Arrangements for accounting for stocks, cash, Haven system controls and reporting, calculations of prepaid ticket pool and distribution, concessionary fares reimbursements. Controls for smartcard transactions and use of smart data/provision of service monitoring information. Payzone sales system.	25
Metro Travel Centre Operations	MR, PR, LR 6 HIGH	Ticket sales, stock, cash collection/handling security. Fraud prevention controls and associated back-office operations.	15
Tendered Subsidised Contracts	MR, PR, LR 6 HIGH	Tendering arrangements, batches, de minimis contracts, insurance, operator's licences, lost mileage, payment calculations and processes. Arrangements support and provide contract compliance. Public and education services.	15
Contract Monitoring - CDM	LR, PR, CR, MR 9 HIGH	Compliance with The Construction (Design and Management) Regulations 2015	25
English National Concessions Travel Scheme (ENCTS)	MR, PR, PR 6 HIGH	Data handling and protection requirements, access rights to ENCTS database, agreements with the third parties concerning the handling and maintenance of ENCTS data. Validation rules for applicants to provide evidence of identity, residency. System is secure and backed up at frequent intervals with limited access rights. Awareness and communication of requirements of Concessionary Bus Travel Act.	20

ACTIVITY	PRIORITY	OUTLINE DESCRIPTION	RESOURCE
Business Growth Programme	LR, PR, CR, MR 9 HIGH	Project management controls, authorisation of expenditure, review of business processes. WYCA expenditure - over £110k Compliance with SLA for schemes administered by LCC – less than £100k	20
Growing Places Fund	LR, PR, CR, MR 9 HIGH	Administration of loans, evaluation criteria and monitoring procedures.	10
Access to Capital Grants Programme	LR, PR, CR, MR 9 HIGH	Project management controls, authorisation of expenditure, review of business processes	10
Skills Capital Projects	LR, PR, CR, MR 9 HIGH	Project management controls, authorisation of expenditure, review of business processes Compliance with conditions of grant, evaluation of eligibility of claims.	25
Resource Efficiency Fund including ESIF + LGF	LR, PR, CR, MR 9 HIGH	Processes & procedures, assessment of grant applications Compliance with funding agreements	10
Energy Accelerator Projects including European Investment Bank funding (ELENA)	LR, PR, CR, MR 9 HIGH	Processes & procedures, loans provided through EIB Eligibility criteria Compliance with funding agreements	10

ACTIVITY	PRIORITY	OUTLINE DESCRIPTION	RESOURCE
Employment Ownership Pilot (Skills Service)	LR, PR, CR, MR 9 HIGH	Processes & procedures, assessment of grant applications Compliance with funding agreements	10
Apprenticeship Grant	LR, PR, CR, MR 9 HIGH	Processes & procedures, assessment of grant applications Compliance with funding agreements	10
Central Heating Fund	LR, PR, CR, MR 9 HIGH	Processes & procedures, assessment of grant applications Compliance with funding agreements – provided through 3 rd party	10
Housing & Regeneration Projects	LR, PR, CR, MR 9 HIGH	Provision of funding for; <ul style="list-style-type: none"> - Barnsley Town Centre - Brownfield, Leeds - Kirklees Housing Sites - Northgate House - Redhall 	35

ACTIVITY	PRIORITY	OUTLINE DESCRIPTION	RESOURCE
West Yorkshire Broadband	LR, PR, CR, MR 9 HIGH	Processes & procedures Certification of expenditure Compliance with funding agreements Compliance with partnership agreements/claw back provisions	25
Local Transport Plan Capital Programme Management	Mandatory	Review of arrangements to identify, monitor, control and report on the Capital Programme.	15
Transport Fund	Mandatory	Scheme evaluation – NTEM forecasts, compliance with WEBTAG Review of operation of Strategic assurance framework	30
Procurement	LR, MR, OR 6 HIGH	Review of the operation of key controls including tendering, ordering, commitments, compliance with Standing Orders and Financial Regulations, e- procurement, purchasing cards.	12
Financial Systems			57 days
Main Accounting – General Ledger	Mandatory	Review of the operation of key controls including System user rights, review, control, adequacy and timeliness, budgetary control, systems interface – education, Haven, and payroll. VAT.	8

ACTIVITY	PRIORITY	OUTLINE DESCRIPTION	RESOURCE
Creditors	Mandatory	Review of the operation of key controls including segregation, authorisation, reconciliation of supplier statements, BACS controls, and sub-contractors records.	8
Debtors	Mandatory	Test arrangements for write offs, requisitioning, reporting, review of accounts, debt age monitoring and reporting.	6
Payroll	Mandatory	Review of the operation of key controls including arrangements for starters, leavers, pay points, member's allowances, expenses & deductions.	12
Treasury Management	Mandatory	Review of the operation of key controls including treasury management, segregation, review, authorisation, third part services and assurances, prudential code.	15
On-line Payments	LR, MR, OR 6 HIGH	Review of controls for the processing of on-line payments and credit/debit card payments received.	8
Corporate Governance			65 days
Risk Management	Mandatory	Effectiveness of risk management processes, risk management guidance and support, Identification of risk, risk evaluation, risk mitigation and control, monitoring risks, reporting the status of key risks and controls, recording the management of risks, including the effectiveness of the controls and other responses to them, risk awareness and training.	15

ACTIVITY	PRIORITY	OUTLINE DESCRIPTION	RESOURCE
Health & Safety	LR, PR, MR 6 HIGH	Health & Safety Policy meets legal requirements as provided in the Health & Safety at Work Act and other relevant Acts. Workplaces and welfare requirements, recording accidents, illness and first aid, use and maintenance of work equipment, control of exposure to hazardous substances, electrical equipment, noise and radiation, (RIDDOR).	15
Transparency	PR, LR, OR 5 HIGH	Compliance with principles of the Local Government Transparency Code 2015	10
Code of Corporate Governance	LR, PR, MR 6 HIGH	Arrangements to ensure compliance with applicable statutes and assessment against SOLACE/CIPFA principles framework including appropriate arrangements for the safeguarding and accountability of public funds, clear and effective communication with WYCA's stakeholders, clearly defined roles and responsibilities at the head of the organisation. The framework of strategic control including matters reserved for the collective decision of the Board and arrangements for delegated decision making.	10
Business Contingency/Disaster Recovery	LR, PR, CR, MR 9 HIGH	Review of plan to be implemented in the event of incident(s) which impact on WYCA being able to operate.	10
Annual Governance Statement	Mandatory	Financial reporting including compliance with relevant standards and codes of corporate governance. The establishment, monitoring and reporting on the systems of internal control.	5

ACTIVITY	PRIORITY	OUTLINE DESCRIPTION	RESOURCE
Safeguarding of Assets			30 days
Data Security/ Protection	MR, CR, PR, LR, 9 HIGH	System penetration testing -arrangements to protect WYCA ICT systems from attack	15
Data Hosting	LR, PR, CR, MR 9 HIGH	To provide assurance on the delivery of robust service in line with contract and ensure adequate management controls exist relating to operations and the security of data including recovery if necessary.	15
Counter Fraud, Bribery & Corruption			27 days
Fraud Investigations	Mandatory	Contingency for fraud investigation.	20
Pro –Active Anti- Fraud Exercise	PR, LR, OR, CR 8 HIGH	Statistical analysis for duplicate payments, data matching for creditor payments into inappropriate bank accounts. Sample review of changes to bank payment master records.	5
Fraud Awareness	PR,LR 4 MODERATE	Maintaining employees’ awareness of WYCA’s counter- fraud arrangements.	2
Programmes & Projects			90 days
Growth Deal – Economic Development	Mandatory	Scheme Evaluation Criteria (SAF)	25

ACTIVITY	PRIORITY	OUTLINE DESCRIPTION	RESOURCE
		Gateway Review Compliance (SAF) Third-Party Assurances Certification of Expenditure Governance Arrangements – Consultation/Compliance	
Smart Card & Information Programme (SCIP)	MR, CR, PR, OR 8 HIGH	Provision of independent, 3 rd line of defence programme assurance. (Smart transactions Web Customer Hubs and Service Experience (CHASE))	15
LTP	Mandatory	Head of IA assurance. Periodic report and claim review and certification. Systems and procedures to control the allocation of payments and provide evidence of eligible expenditure.	10
Interreg Carbon Responsible Transport Strategies (SHARE NORTH)	Mandatory	Head of IA assurance. Periodic report and claim review and certification.	5
Interreg HORIZON project	Mandatory	Head of IA assurance. Periodic report and claim review and certification.	5

ACTIVITY	PRIORITY	OUTLINE DESCRIPTION	RESOURCE
Green Deal Communities Fund	Mandatory	Head of IA assurance. Periodic report and claim review and compliance with MOU with LCC.	3
Better Bus Area Fund	Mandatory	Head of IA assurance. Periodic report and claim review and certification.	3
Smartcard Enabling Gateline Huddersfield	Mandatory	Head of IA assurance. Periodic report and claim review and certification.	3
Cycle City Grant	Mandatory	Head of IA assurance. Periodic report and claim review and certification.	3
Growth Deal - WY+Transport Fund	Mandatory	Head of IA assurance.	10
Bus Services Operator Grant	Mandatory	Head of IA assurance.	3
ERDF & ESF Technical Assistance Project	Mandatory	Head of IA assurance. Periodic report and claim review and certification.	5
Audit Follow-up		Follow up on implementation of key audit recommendations.	20 days

ACTIVITY	PRIORITY	OUTLINE DESCRIPTION	RESOURCE
Audit Plan Contingency		Contingency for any requirement for additional audit assurance and for other unplanned audit work identified in year.	30 days
Total			651

Available Resources 2016/17

Days per annum

480¹

Less	Professional development	(14)
	Consultancy/advice (ad-hoc)	(12)
	Office administration	(12)
	Corporate, functional support and other off-plan requirements	<u>(35)</u> ²
	Available 2016/17	407
	Planned days	651
	Bought – in technical audit specialism	<u>(40)</u> ³
		611
		204

¹ excludes annual and statutory holidays and includes days planned for work assigned for Head of Internal Audit.

² includes corporate business planning, updating knowledge of business processes and input/consultation in respect of IA strategy and other functional policies.

³ audit specialism for data security, hosting and penetration testing. plus technical support concerning scheme appraisal webtag and NTEM forecasts

DRAFT

**MINUTES OF THE MEETING OF THE
GOVERNANCE & AUDIT COMMITTEE
HELD ON TUESDAY 9 FEBRUARY 2016 IN WELLINGTON HOUSE, LEEDS**

Present: Councillor G Hussain (Chair)

Councillors N Barnes, S Benton and H Richards

In attendance: S Appleton and M Kirkham (Mazars)

21. Apologies for Absence

An apology for absence was received from Roger Marsh (WYCA/LEP).

22. Declarations of Disclosable Pecuniary Interests

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

23. Minutes

Resolved: That the minutes of the meeting held on 19 November 2015 be approved.

24. External Audit Update

The Committee considered a report which provided an update on external audit matters.

External Audit 2014/15

At its meeting on 19 November 2015, the Committee had received the Annual Audit Letter from Deloitte completing the final element of the 2014/15 audit.

It was reported that all external audit issues were now the responsibility of the Authority's new auditors, Mazars, who had commenced their planning process for the 2015/16 audit and had met with officers to understand the organisation and its risks. A progress report from Mazars was attached as Appendix A to the submitted report. Members noted that an interim audit was planned for February following which Mazars would compile their Audit Strategy Memorandum setting out their approach to the work, the scope of the work to be undertaken, the risks to be

addressed and the expected audit fee. The Audit Strategy Memorandum would be presented by Mazars to the next meeting of the Committee on 19 April.

It was reported that the Department for Transport (DfT) had carried out an audit of the Special Rail Grant for 2014/15 which had previously been undertaken by the external auditors but, under new arrangements, would be the responsibility of the DfT. Verbal confirmation had been received indicating that there were no issues arising from the DfT's audit and written confirmation was expected to follow.

Resolved: That the position with regard to external audit work be noted.

25. Internal Audit Progress Report

The Committee considered a report on work undertaken by the Internal Audit Section from 1 November 2015 to 31 January 2016 and the key issues which had been identified were outlined in paragraphs 4.3.1 to 4.3.8 of the submitted report.

Review

Treasury
Purchasing
Low Moor Rail Station Project Healthcheck
Castleford Bus Station Development Project
Healthcheck
Health & Safety Management
Payroll & Personnel Records
Debtors
Payzone System – Follow Up

Opinion

Well Controlled
Requires Improvement
Requires Improvement

Well Controlled
Requires Improvement
Controlled
Well Controlled

The Committee was given a brief overview of the key elements of each of the Audit Reviews, the purpose of which was to:-

- (i) identify the objectives and key risks associated with the Audit entity;
- (ii) determine controls which Internal Audit would expect to be present to mitigate risk;
- (ii) review the existence and operation of controls through a combination of substantive and compliance testing.

Purchasing

It was reported that the objective of the review had been to look at the reliability of systems in operation for the procurement of goods and services and the arrangements in place for the disposal of assets. The review had identified issues around the provision of evidence to demonstrate the appropriate approval of tenders and the development of arrangements for the capture and maintenance of information required for the control of contractors. It was recommended that evidence concerning the award of tenders should be improved and it was reported that procedures were being developed to hold tender documents and decision making records in one place.

Low Moor Rail Station Project Healthcheck

It was reported that the objective of the review had been to assess project management arrangements against the PRINCE2 framework. The review had identified that a number of PRINCE2 strategy documents were not available (although it was recognised that the project commenced prior to PRINCE2 being adopted) and it was recommended that guidance be produced for rail infrastructure projects which mapped PRINCE2 strategies and documentation to the equivalent GRIP framework items.

Health & Safety Management

It was reported that the objective of the review had been to assess the existence and operation of a framework of measures to enable Health & Safety functions to be provided to WYCA. A number of recommendations had been made including the need to update procedures for reporting, monitoring and resolving actions required as a result of risk assessments and infringements, to update fire and bomb procedures and to develop a communications protocol to ensure employees were aware of the Health & Safety policy.

Members discussed WYCA's Business Continuity Plan and ability to respond to emergency situations such as a security alert in a bus station. It was suggested that it may be prudent to re-visit the Plan to ensure it was fit for purpose.

Members noted the arrangements which were in place to monitor the implementation of audit recommendations and considered the information, contained in Appendix B, relating to a number of overdue high priority recommendations. It was reported that all of the recommended actions in Appendix B had now been completed. Members queried the timescales involved in implementing the recommendations set out in Appendix B. In response, it was acknowledged that due to the complexity of the working relationship between WYCA and Yorcard, the timescales set had been quite ambitious and that in future it would be prudent to set more realistic timescales.

Details of progress made to date in completing the Audit Plan 2015/16 were provided in Appendix A of the submitted report. It was noted that the performance of individual audit assignments was substantially in line with the Plan with a forecast overrun of 31 days which was mainly due to the intentional over-programming approved by the Combined Authority at their March 2015 meeting.

It was reported that in addition to completion of the above audit reviews, audit testing work had been concluded in relation to Tendered Subsidised Bus Services, Risk Management, ICT Data Security, Prepaid Tickets & Concessionary Travel, Creditors and CHASE CRM Audit Follow-up. A summary of the results from those reviews would be provided to the Committee at the next meeting.

Resolved:

- (i) That the report be noted.

- (ii) That a report on the Business Continuity Plan be submitted to the next meeting of the Committee.

26. Internal Audit Plan 2016/17

The Committee considered a report on the Internal Audit Plan 2016/17.

It was reported that the International Auditing Standards required the Head of Internal Audit to establish a risk based plan to determine the priorities of the internal audit activity consistent with the Authority's objectives.

The draft Audit Plan for 2016/17 was attached at Appendix 1 and set out the elements of the audit universe, showing audit assignments to be included in the plan and provisional assessments which gave each auditable entity a high, medium or low risk rating. It was reported that some of the work required was essential to ensure compliance with legislative requirements and the production of statements in published annual accounts. These areas had been identified as fundamental and audit assurance in these areas would be prioritised.

Members were advised that a final version of the Internal Audit Plan would be circulated to the Committee for comment prior to the document being considered by the Combined Authority at its meeting on 31 March 2016.

Members discussed the potential for fraud, particularly in relation to concessionary fares and prepaid tickets and were given assurances that procedures and checks were in place to identify any misuse/malpractice and that developments with smart ticketing software should bring about significant improvements in identifying fraudulent activity.

Members sought assurances that Internal Audit had adequate resource to undertake the work in respect of Growth Deal funding. It was reported that discussions had been held and were ongoing with the LEP teams about the scope and extent of the work involved and, should it emerge that additional resource would be required to undertake the work, the Committee would be made aware and other means of carrying out the work would be explored, including co-sourcing and buying-in of audit services.

It was suggested that an additional work stream be included in the Audit Plan to look at governance arrangements and transparency in relation to the substantial sums of external funding managed by WYCA.

Resolved:

- (i) That the feedback provided by the Committee be noted.
- (ii) That further work be done on the Audit Plan to widen the scope of some of the audit assignments including external funding and economic development activities.

- (iii) That the final version of the Plan be circulated to members prior to it being considered by WYCA on 31 March 2016.
- (iv) That the requirement for Internal Audit to be allocated independent and adequate budget provision in 2016/17 to deliver the Audit Plan be noted.
- (v) That the Committee carry out a quarterly review of the Action Plan.

27. Internal Controls and Financial Monitoring

The Committee considered a report on any changes to the internal control arrangements since the last meeting and the current financial position of WYCA.

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. Members noted that 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. Members noted that some amendments to the treasury management arrangements had been approved at the meeting of the WYCA held on 4 February 2016. These were detailed in Agenda Item 9 on the agenda.

Key Indicators

The Committee considered the 'key indicators' specifically with regard to accidents to date in 2015 and noted that there were no matters of concern. Since the Committee last reviewed the data available for the period to 30 September 2015, there had been no reportable accidents to the HSE and no accidents or near misses which would require further work/investigation.

Financial Monitoring – Revenue Budgets

Members were provided with a summary of the forecast position for the 2015/16 budget which had been reported to the WYCA on 4 February 2016 as part of the budget report. The budget for 2016/17 was set out in Agenda Item 9 which also provided detail on the individual budget blocks and the position in respect of reserves.

It was reported that the main changes to the 2015/16 outturn since the last meeting of the Committee were the receipt of a one off sum arising from an option exercised by a supplier to extend an advertising contract in place, and a change in the expected level of Enterprise Zone receipts.

Financial Monitoring – Capital Budgets

It was reported that delivery of the Transport Fund and Local Growth Fund projects was being monitored by the Investment Committee and dashboards indicating progress on these were available on the WYCA website. The budget report at Agenda Item 9 provided

full details of the capital expenditure in 2015/16, expected expenditure in 2016/17 and the funding available to the Authority and how it was proposed to be utilised.

Risk Management

Members noted that there had been no significant changes to risk management arrangements since the last meeting of the Committee and the detailed risk registers and corporate risk register continued to be monitored.

As reported to the last meeting of the Committee, a key element of risk previously identified related to the delivery of the Local Growth Deal and the need to ensure expenditure was achieved and properly managed. Measures in place to support this, including the Assurance Framework and Single Appraisal Framework were currently under review to ensure that they remained relevant as delivery of the Growth Deal developed and would bring together the Transport Assurance Framework and LEP Assurance Framework into one document.

To further support this, work had been undertaken to develop a Finance Handbook setting out details of how schemes (transport and non-transport) within the Growth Deal should be costed, how to seek approvals and how funding would be advanced and the responsibilities and accountabilities of different parties working on Growth Deal schemes. Development of the handbook, a draft of which was attached at Appendix A to the submitted report, had been a collaborative piece of work, led by Bradford Council and involving finance and senior highways officers from all West Yorkshire Districts. The handbook would provide a robust way for the Authority to demonstrate compliance with central government requirements for control of funding and contained a suggested scheme of delegation to enable projects to progress more rapidly through the gateway process.

Members were informed that the intention was that the Assurance Framework, Single Appraisal Framework and Finance handbook would form part of a suite of guidance documents intended to assist in mitigating the risks to delivery of complex projects and input would be sought from the Committee at a future meeting once the documents had been further developed. Subject to further refinements, a final draft of the handbook would be considered at a future meeting of the West Yorkshire & York Investment Committee prior to submission to the WYCA for approval.

Resolved:

- (i) That the report be noted.
- (ii) That progress made on the development of the Finance Handbook be noted.

28. 2016/17 Budget and Treasury Management Policy

The Committee considered a report on the budget for 2016/17, the treasury management policy and the latest draft of the Service Level Agreement for treasury management purposes.

It was reported that the 2016/17 budget had been considered and approved by the WYCA at its meeting on 4 February 2016. A copy of the budget report to the WYCA, together with the prudential statement setting out the treasury management arrangements was attached as Appendix A to the submitted report.

Reserves

Members were asked to note that forecast reserves for the end of 2015/16 were higher than those required by the reserves policy and the approach of utilising an element of the reserves to support the 2016/17 budget had previously been endorsed. In addition, it had been established that there were likely to be timing delays in the receipt of business rates income from the Enterprise Zone that had been earmarked to support the trade and inward investment work. Whilst there had been a strong uptake from businesses at the site, the timing of the actual receipt of the rates was likely to be delayed until late into 2016/17 and beyond. It was proposed that WYCA manage this through the use of cash balances and reserves and that the funding received in full in subsequent years be repaid to reserves.

Capital Budget

The budget report set out the challenges of managing significant Growth Deal funding and the need to ensure it was utilised in the year as it was not permissible to carry forward any unused funding to future years. The budget report set out how Growth Deal funding could be applied to other elements of WYCA's overall capital portfolio rather than utilising Local Transport Plan Integrated Transport block funding which it is permissible to carry forward and can then be applied to Growth Deal expenditure in 2016/17. This approach had been endorsed by both WYCA's Investment Committee and by the Department for Business, Innovation and Skills who had made the award.

Treasury Management

At the November meeting of the Committee, members received a presentation on the Service Level Agreement (SLA) in place between WYCA and Leeds City Council, who were responsible for undertaking the day to day treasury management responsibilities on behalf of the Authority. The Agreement had been re-drafted to recognise that LEP funding was now the responsibility of the Authority and the latest draft was attached as Appendix B to the submitted report for the consideration of the Committee.

It was reported that, in order to manage the significant increases in cash balances that had arisen as a result of the timing of receipt of Growth Deal funds, a number of specific changes to treasury management arrangements had been approved by the Authority, and were set out in paragraph 14 of the Prudential Funding Statement appended to the submitted report. The changes provided further opportunities to place funds without increasing the risk above acceptable levels.

Resolved:

- (i) That the report be noted.
- (ii) That the draft Service Level Agreement be noted.

DRAFT

**MINUTES OF THE MEETING OF THE
OVERVIEW & SCRUTINY COMMITTEE HELD ON
TUESDAY 16 FEBRUARY 2016 AT WELLINGTON HOUSE, LEEDS**

Present:	Cllr Robert Light (Chair)	-	Kirklees MC
	Cllr Ferman Ali	-	Calderdale MBC
	Cllr Mohammed Amran	-	City of Bradford MC
	Cllr James Baker	-	Calderdale MBC
	Cllr Barbara Boyce	-	City of York Council
	Cllr Andrew Cooper	-	Kirklees MC
	Cllr Ian Cuthbertson	-	City of York Council
	Cllr Helen Douglas	-	City of York Council
	Cllr Mike Ellis	-	City of Bradford MC
	Cllr Peter Harrand	-	Leeds City Council
	Cllr Albert Manifold	-	Wakefield MDC
	Cllr Jonathan Pryor	-	Leeds City Council
	Cllr Betty Rhodes	-	Wakefield MDC
	Cllr Fozia Shaheen	-	City of Bradford MC
In attendance:	Cllr Keith Wakefield	-	Chair, WYCA Transport Committee (to minute 31)
	John Henkel	-	WYCA (to minute 31)
	Ben Still	-	WYCA
	Angela Taylor	-	WYCA
	James Flanagan	-	WYCA
	Ruth Chaplin	-	WYCA

27. Apologies for Absence

Apologies for absence were received from Councillors S Benton, M Isherwood and M O'Neill.

28. Chairman's Remarks

The Chair welcomed Ben Still, WYCA's Managing Director to the meeting.

29. Declarations of Disclosable Pecuniary Interests

Councillor Ellis declared an interest in Agenda Item 7, Floods Response, as he is a member of the Regional Flood and Coastal Committee and Airedale Drainage Commission.

30. Exclusion of the Press and Public

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

31. Minutes of the Meeting held on 2 December 2015

Further to minute 24, Budget and Business Plan 2016/2017, members were advised that Rail North did not have a scrutiny function. However any issues or concerns could be referred to Councillor Keith Wakefield who is WYCA's representative on the Board of Rail North Ltd.

Resolved - That the minutes of the meeting held on 2 December 2015 be approved and signed by the Chair.

32. Transport Issues and Priorities

The Committee considered a report which set out the background to WYCA's transport functions.

Councillor Keith Wakefield, Chair of WYCA Transport Committee attended the meeting and provided members with an overview of the work of the Transport Committee. He highlighted the current transport issues, priorities and challenges and the opportunities from working closely with Rail North and Transport for the North.

The Committee discussed the transport priorities outlined in paragraph 2.6 of the report and the development of the Single Transport Plan which was being overseen by the Transport Committee. This included a refreshed Bus Strategy to reflect the Buses Bill which was needed to allow for the introduction of London style bus franchising to replace the current deregulated system with one that could be controlled locally and designed to meet people's needs and would provide greater accountability. Members welcomed the approach and reiterated their comments and concerns raised at previous meetings regarding the need to improve transport links to ensure that local communities could connect with employment, skills, training and health services. The importance of providing local public transport services was recognised as well as links with cities across the wider Northern economic area.

It was acknowledged that one of the challenges was ensuring air quality in West Yorkshire was improved. The Committee welcomed the work being done to reduce emissions which included the investments being made in cycling and new buses and also securing funding to update older vehicles to provide a cleaner fleet across West Yorkshire. It was suggested that better interaction with the Highways Agency should also be pursued. Councillor Cooper raised the issue regarding car manufacturers

falsifying information in respect of vehicle emissions, the impact this could have on air pollution and the possibility of fines being imposed on local authorities and it was suggested that a report be prepared for consideration by the Transport Committee

In response to concerns raised regarding the proposals to improve links to Leeds Bradford Airport and the impact this could have on air pollution and local communities, Councillor Wakefield updated members on the options being considered. The Committee discussed the growth in air travel and why there was a need to provide better access to the airport by public transport. Members were advised that a feasibility study and business case for a fixed link to the airport had been commissioned and the outcomes would be reported to a future meeting of the Transport Committee.

In respect of the West Yorkshire Low Emissions Strategy, it was reported that WYCA and the 5 West Yorkshire District Councils had developed a draft strategy which had been led by Wakefield MDC. Following the consultation undertaken in Autumn 2015, it was expected that each District Council would consider the draft strategy in the Spring.

The Committee was advised that extensive consultation of the Bus Strategy and Single Transport Plan was to be undertaken and would involve West Yorkshire members, the LEP, bus users and non-users, businesses, neighbouring authorities, transport operators and interest groups. Members requested further information in respect of the investment plan arising from the Single Transport Plan and Bus Strategy together with the outcome of the consultation.

Councillor Wakefield was thanked for attending the meeting and for the discussion which members had found informative. It was requested that the Committee be kept informed of progress on transport issues and priorities at future meetings.

Resolved - That the information provided in respect of transport plans and priorities be noted.

33. Devolution Update

The Committee considered a report and were given a verbal update on the latest position with regard to devolution.

Members noted the principal amendments which had been made to the Cities and Local Government Devolution Act since their last meeting held in December 2015. The Committee was updated on matters relating to governance and functions and noted that discussions were continuing with Government. It was noted that any transfer of Police and Crime Commissioner functions to a CA Mayor would not be progressed for 2017.

It was reported that approval of a Deal was separate to the statutory process for changing CA arrangements. However it was anticipated that any Deal would have to be approved by the WYCA and West Yorkshire District Councils and officers were working with the Department for Communities and Local Government (DCLG) to clarify the process.

The Committee was assured that formal consent would be required by the constituent Councils to move to a Mayoral Combined Authority (CA), devolve functions to the CA and revise regulations for CA levies and borrowing functions. Any changes to CA membership would also require formal consent by each constituent Council and the CA and Mayoral functions would be subject to scrutiny by an Overview and Scrutiny Committee. An Audit Committee would also be required. Members discussed their concerns regarding proposals for spending powers being given to a Mayor and they were advised that it was expected that two thirds of the CA would need to approve the Mayor's budget.

In respect of timescales, indications from DCLG were that any Order would be laid before Parliament by September 2016, approved by October 2016 and Mayoral elections would then take place in May 2017.

It was reiterated that key discussions and final decisions in respect of a Deal would need to be taken within each constituent Council and WYCA. However the Overview and Scrutiny Committee would be given the opportunity to discuss it once the full details were known and it was suggested that this could be at their next meeting on 23 March 2016. Members referred to the discussions held at the Governance Task & Finish Group in September 2015 regarding a Deal and the subsequent agreement of their recommendations by the Overview & Scrutiny Committee. They asked that these be recirculated to WYCA, Chief Executives and Group Leaders at each District Council.

Resolved -

(a) That the update on the Devolution Deal be noted.

(b) That the recommendations of the Governance Task & Finish Group be circulated to WYCA, Chief Executives and the Group Leaders at each District Council.

34. Floods Response

The Committee considered a report which provided information on the recent floods in West Yorkshire and York.

It was reported that at its meeting on 4 February 2016, WYCA had supported using up to £5m of Growth Deal funding to assist businesses in the Leeds City Region affected by the flooding and had also discussed the need to prevent such further devastation in the future. A taskforce had been established to look at the preventative measures that need to be put in place and WYCA had suggested that the Overview and Scrutiny Committee may wish to consider the scope of this work and provide a useful input into the consideration of flooding issues.

It was noted that the District Councils had been looking at the measures needed to prevent any future recurrences and members discussed the need for a co-ordinated approach to flood resilience to be developed and for authorities to work together and develop the basis of a West Yorkshire Flood Plan. It was suggested that each District Council submit the impact and lessons learnt from the recent floods and a report be

prepared for the next meeting and input would also be sought from relevant agencies such as the Environment Agency and Yorkshire Water. A report would be prepared for the next meeting of the Committee and it was suggested that representatives from the Environment Agency and Yorkshire Water also be invited to attend.

Resolved –

- (a) That input be sought from the Environment Agency and Yorkshire Water and they be invited to attend the next meeting of the Committee.
- (b) That a report be prepared for the next meeting of the Committee setting out the responses from the District Councils with regard to the lessons to be learnt from the recent flooding.

35. Forward Programme of Work

The Committee considered the work programme for the coming year.

It was reported that a calendar of meetings for 2016/17 was being prepared but it was anticipated that the Committee would meet on a similar frequency to the current schedule. The task and finish groups would also continue to meet as and when required.

The details of the Devolution Deal would be discussed at the next meeting to be held on 23 March 2016. It was also proposed that a further report on flood prevention be considered and representatives from the Environment Agency and Yorkshire Water be invited to attend.

It was also requested that regular updates on transport plans and priorities be provided to future meetings and items for reporting back to the WYCA should now be a standard item on each agenda.

Members were reminded that the work programme could be amended to incorporate any further requests.

Resolved - That the forward programme of work be noted.

36. Reporting to WYCA

The Committee considered a report on the most appropriate means by which the views of the Committee could be communicated to the WYCA.

It was noted that the minutes of the Overview and Scrutiny Committee were taken to WYCA meetings. However due to the timing of the cycle of meetings, this may not always be the most timely and effective way in which to report back any views.

Members considered that in future any issues or views raised at meetings of the Committee should be circulated to WYCA after the meeting and that a formal request should be made for the Chair of the Overview & Scrutiny Committee to be given speaking rights at meetings of WYCA.

Resolved -

- (a) That any issues or views raised at meetings of the Overview and Scrutiny Committee be circulated to the WYCA Board after the meeting.
- (b) That a formal request be made to WYCA for speaking rights to be given to the Chair of the Overview & Scrutiny Committee at their meetings.

37. Items for Information:

- (a) **Minutes of the meeting of the WYCA held on 20 November 2015**
- (b) **Notes of the meeting of the Priorities Task & Finish Group held on 19 January 2016**

Resolved –

- (a) That the minutes of the meeting of the WYCA held on 20 November 2015 be noted.
- (b) That the notes of the meeting of Priorities Task & Finish Group held on 19 January 2016 be noted.

DRAFT

**MINUTES OF THE MEETING OF THE
TRANSPORT COMMITTEE
HELD ON FRIDAY 26 FEBRUARY 2016 IN WELLINGTON HOUSE, LEEDS**

Present: Councillor K Wakefield (Chair)

Councillors N Buckley, E Firth, M Johnson, D Kirton, G Lloyd, M Lyons,
A Pinnock, R Poulsen, L Smaje, A Stubley, D Sutherland, T Swift, C Towler and
M Ward

In attendance: Councillors P McBride (Kirklees), V Slater (Bradford) and
I Gillies (York)

43. Apologies for Absence

Apologies for absence were received from Councillors B Collins, A Hussain, R Lewis
and T Salam.

44. Declarations of Disclosable Pecuniary Interests

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

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

Minute 37 – Items referred by the Finance Working Group

In relation to the report which members had previously asked to see setting out a
comparative analysis of young persons' concessionary travel, it was reported that
this would be brought before the Committee in the new financial year to ensure that
the impact of any change to concessionary arrangements in other areas were
reflected.

Resolved - That the minutes of the Transport Committee held on 11 December 2015
be approved and signed by the Chair.

46. Single Transport Plan Update

The Committee considered a report providing an update on the development of the draft Single Transport Plan (STP) reflecting Growth Deal investments, the Strategic Economic Plan refresh and developments such as HS2 and Transport for the North.

The Committee had previously endorsed the four core principles, as set out in paragraph 2.4 of the submitted report, as the building blocks of the STP. It had been agreed to include Inclusion as a cross cutting principle along with environmental considerations, including air quality and low carbon, health and well-being. Furthermore, following feedback at the Transport Committee Workshop held on 22 January, a draft set of policy proposals, as detailed in paragraph 2.7 of the submitted report, had been formulated to provide a framework for making future investment decisions.

A number of 'daughter' documents to the Plan were to be developed, including an updated Bus Strategy, which would provide the basis of any future decision on delivery methods in the context of the Buses Bill and devolution and would set out how local bus services should contribute to the achievement of the growth ambitions set out in the SEP. In the short term, a programme of measures which could be delivered quickly to improve buses had been proposed and WYCA officers were working with the Association of Bus Operators in West Yorkshire (ABOWY) on the delivery of those measures.

Members provided the following feedback:

- It was considered that air quality and health and well-being should be given more prominence to address issues surrounding air quality and health.
- Reference was made to rural transport in the 'Cross Cutting' principle – it was felt that more emphasis should be placed on the provision of transport in rural and semi-rural communities.
- Members felt that a common policy should be developed across the Districts Councils on the use of bus lanes, gates and bus clearways (ie who is able to use them and at what times) and that enforcement be tightened up,
- Integration should be included in the Strategy.
- The Committee asked to see the outcome of the gap analysis work being undertaken.
- The Committee asked to be provided with feedback on the meetings being held to communicate WYCA's expectations of the Buses Bill referred to in paragraph 2.9 of the submitted report.

- Members agreed that it was important to recognise why the legislation to introduce Quality Contracts had not been successful and agreed that a list of WYCA's aspirations for the Buses Bill be formulated.
- It was agreed that it was essential to feed back any priorities identified into the work being carried out by Transport for the North and Rail North.

It was proposed that the Committee should consider the draft Single Transport Plan and Bus Strategy documents at its meeting on 15 April prior to a 12 week period of public consultation following which a seminar would be held for members to discuss and agree the draft submission to Transport for the North. It was hoped to be able to finalise and approve the Plan by the end of 2016.

It was reported that, following the publication of the agenda papers, the DfT had launched a new revenue funding opportunity for Local Transport Authorities, a £20m 'Sustainable Travel Transition Year' fund which was part of the £80m Access Fund that had been announced in the November 2015 Spending Announcement. The Local Sustainable Transport Fund (LSTF) was coming to an end on 31 March and the new £20m fund was an opportunity to bridge the gap in funding. The first £20m would be awarded in 2016/17 with the remaining £60m to be formally launched later in 2016 for award in 2017/18. The initial fund would focus on improving access to employment, education and services and particularly encouraged low carbon travel and actively promoting increased levels of physical activity through walking and cycling. Submissions were expected to demonstrate how they would build on previously successful sustainable transport initiatives such as the successful LSTF proposal but were also expected to look towards the future implementation of Local Growth Fund Scheme. WYCA, as a consortium of constituent authorities, was eligible to submit a bid up to a maximum of £2.5m with a requirement for 10% local match funding. It was proposed that, as the deadline for submission of bids was 29 March, the Committee delegate authority to the Chair and the Director of Passenger Services, to submit a bid.

Resolved -

- (i) That the report be noted.
- (ii) That a seminar be arranged for members of the Committee to discuss the implications of, and WYCA's aspirations for, the Buses Bill.
- (iii) That a report be submitted to a future meeting of the Committee on the use of bus lanes, gateways and clearways.
- (iv) That delegated authority be given to the Chair of the Transport Committee and the Director of Passenger Services, to submit a bid to the Sustainable Travel Transition Year Fund by the deadline of 29 March 2016.

47. Rail Projects Update

The Committee considered a report providing an update on current WYCA rail projects.

Members were provided with updates on the following projects as set out in paragraphs 2.1 to 2.23 of the submitted report:-

- Leeds Station Southern Entrance
- Apperley Bridge Rail Station
- Kirkstall Forge Rail Station
- Low Moor Rail Station
- Elland Station
- East Leeds Parkway
- Leeds Bradford Airport Public Transport Access
- Leeds City Region 'Metro'

Leeds Station Southern Entrance

Members asked to be kept informed of any slippage on the Little Neville Street works.

Elland Station

Members welcomed that pre-detailed feasibility work was underway on Elland Station and discussed the importance of the development of a station at Elland along with the required improvements to the Calder Valley Line, including signalling at Milner Royd. Despite the fact that the schemes were being financed via different funding streams, members were keen to ensure that they were delivered as a single programme.

East Leeds Parkway

Members discussed the East Leeds Parkway project, particularly the importance of the station location. It was agreed that in order to deliver maximum benefits, in terms of employment, and transporting people, the station would be best located at Thorpe Park which would help to relieve road traffic congestion in the east of Leeds. It was proposed that options for the East Leeds Parkway station be reviewed, particularly in view of the ambition for the station to serve the Thorpe Park development area.

Leeds Bradford Airport Public Transport Access

It was reported that the recent study which had been undertaken to look at the feasibility of fixed link options to the Airport had concluded that gradients made a heavy rail link unachievable and therefore the most viable option would appear to be light rail or tram/train technology. There was currently no funding identified for a

fixed public transport link and further work would be required to develop the investment business case for a preferred option. Members expressed disappointment that topography had ruled out a heavy rail link to Leeds and Bradford but were keen to see other options explored.

Resolved –

- (i) That progress with the projects, as set out in the submitted report, be noted.
- (ii) That further options for a Parkway station to the east of Leeds be explored, including how best to serve the significant development of Thorpe Park, and a report be brought back to the Committee at the earliest opportunity.

48. Local Transport Plan Approvals

The Committee considered a report which sought approval for Quarter 4, 2015/16 payments for the following programmes:

- Local Transport Plan (LTP) Integrated Transport and Highway Maintenance Blocks
- Cycle City Ambition Grant

Approval was also sought for the following Implementation Plan 2 (IP2) schemes:

- AccessBus Enhancement Programme
- Desktop Computer Replacement

Integrated Transport Block and Highways Maintenance Block Quarter 4, 2015/16 Allocations

Members considered the Integrated Transport Block and Highways Maintenance Block payments to be made to partners in Quarter 4 of 2015/16 as set out in Table 1 of the submitted report.

Cycle City Ambition Grant (CCAG) Funding

At the December meeting of the Committee, approval had been given to combine the City Connect 1 and 2 projects which would be managed by way of a single quarterly payment to each partner. Members considered the payments to be made to partners in Quarter 4 of 2015/16 which were set out in Table 1 of the submitted report.

Local Transport Plan – Implementation Plan 2 Approvals

AccessBus Enhancement Programme (Clean Bus Technology Fund)

It was reported that WYCA had been successful in a bid to the DfT 'Clean Bus Technology Fund' to part fund the refurbishment, re-livery and fitting of catalytic convertors and NOx filtration to 26 Accessbus vehicles owned by the Authority. Approval was sought for £895,000 of capital expenditure in 2016/17, comprising £422,000 DfT grant and £473,000 to be funded through the Local Transport Plan.

Desktop Computer Replacement

In line with WYCA's ICT Strategy, approval was sought for £195,000 to replace WYCA's desktop computers with more cost effective devices and to purchase 70 tablet computers to enable more effective mobile working to be funded from the Local Transport Plan.

Members commented that the Local Transport Plan Working Group, which had been a member/officer working group of the former West Yorkshire Integrated Transport Authority, had played a valuable role in overseeing the allocation of LTP funding. Members felt that a similar mechanism would ensure both member/officer input into the distribution of funding. Members were keen to ensure that their views be fed back to the Combined Authority. As WYCA's representative on the Transport Committee, Councillor Swift undertook to report back the comments of the Committee but advised that there would be implications for transport spending as a result of the proposed Devolution deal.

Resolved –

- (i)** That the quarterly payments set out in Table 1 be approved.
- (ii)** That expenditure of £895,000 for the refitting and refurbishment of 26 Accessbus vehicles (£422,000 to be DfT grant funded, and £473,000 to be funded from the Local Transport Plan) in 2016/17, be approved.
- (iii)** That expenditure of £195,000 from the Local Transport Plan over a three year period commencing in 2015/16 for Desktop Computer replacement be approved.
- (iv)** That the comments of members in relation to the mechanisms in place for determining the distribution of Integrated Transport Block and Highways Maintenance Block funding be reported back to the WYCA.
- (v)** That a report setting out the implications for transport spending as a result of the Devolution deal be submitted to the next meeting of the Committee.

49. Transport for the North

The Committee considered a report providing an update on Transport for the North work-streams and the Independent Economic Review.

It was reported that the establishment of Transport for the North (TfN) as a Statutory Sub National Transport Body had now received Royal Assent and David Brown had been appointed as Chief Executive and John Cridland as Chair. Funding for TfN in 2016/17 was subject to the preparation of a formal business case to be submitted to the Department for Transport in March 2016 and clarity on the funding announcements and gateway processes to draw-down the funds would be required.

Members noted that, at a meeting held on 10 February with David Brown and John Cridland, WYCA members had the opportunity to set out the Authority's priorities, including the Calder Valley Line and Integrated Ticketing. The TfN Partnership Board had also met on 25 February and had considered the March progress report and the submission relating to the Integrated and Smart Travel work-stream being led by WYCA.

Members made the following observations:

- They supported the need to develop a strong, coherent message about the city region's priorities and expectations from national and Transport for the North investment programmes.
- It was recognised that more work was needed to advance the Leeds City Region position, including ensuring that Transport for the North has a base in Leeds as well as Manchester.
- The Calder Valley Line, city region connectivity (including access to Leeds Bradford Airport) and HS2/NPR Hub should be advanced as Transport for the North priorities.
- Members felt that it was important to shape input to the roads and freight work-streams, particularly looking at ports, in order to address congestion on roads such as the M62.
- It was important to ensure that any local smart ticketing developments complemented the Transport for the North programme. Members hoped to see some quick wins on some of the integrated ticketing projects.
- The role of Leeds Bradford Airport should be reflected in the international connectivity work-stream.
- The expectations and priorities identified for Transport for the North should be fed into the draft Single Transport Plan.

Members discussed integrated ticketing and their aspirations for the both the long and short term. It was reported that Sir Peter Hendy had offered help with a review from Transport for London to see whether it may be possible accelerate the implementation of integrated, smart ticketing. The Committee would be kept up to date on any developments.

Members noted the an Independent Economic Review had been commissioned with the intention of strengthening the evidence base for transport investment to transform the economy of the north and that the National Infrastructure Commission were considering how best to connect the cities of the north.

Resolved –

- (i) That the developments with Transport for the North be noted.
- (ii) That the feedback provided by members be reported to the Authority

50. West Yorkshire Safer Roads Partnership

The Committee considered a report providing an update from the West Yorkshire Safer Roads Partnership on casualty data for 2015.

The West Yorkshire Safer Roads Partnership comprising of West Yorkshire District Councils, WYCA, West Yorkshire Police, West Yorkshire Fire and Rescue, West Yorkshire Ambulance and Highways England, were responsible for overseeing the delivery and effectiveness of road safety measures in West Yorkshire including engineering, education, training, publicity, and safety cameras.

Members noted that overall, the number of fatally injured people on West Yorkshire's roads fell in 2015 compared with the previous year. Those people who suffered serious injury remained static and the number of people with slight injuries increased, as set out below:

- Fatalities – 48 in 2015, down by 25% from the 61 recorded in 2014
- Serious Injuries – 868 in 2015, same as in 2014
- Slight injuries – 6,276 in 2015, an increase of 5% from the 6,013 recorded in 2014.

It was reported that the 2015 data would be considered in the development of the Safer Roads Programme and Schemes for 2016/17, and would include a detailed examination of each District Authority's casualty data. It was recognised that, going forward, a sustained and substantial effort should be made to focus on education programmes and speed limit reductions, as well as reducing the severity of injuries.

Resolved – That the work of the West Yorkshire Safer Roads Partnership be endorsed.

51. Minutes of the Workshop on the Single Transport Plan held on 22 January 2016

Resolved - That the minutes of the Workshop on the Single Transport Plan held on 22 January 2016 be approved and signed by the Chair.

52. Minutes of the meeting of the Leeds Bradford Airport Public Transport Access Working Group held on 18 December 2015

Resolved - That the minutes of the meeting of the Leeds Bradford Airport Public Transport Access Working Group held on 18 December 2015 be noted.

53. Minutes of the meeting of the Leeds Bradford Airport Public Transport Access Working Group held on 29 January 2016

Resolved - That the minutes of the meeting of the Leeds Bradford Airport Public Transport Access Working Group held on 29 January 2016 be noted.

54. Minutes of the meeting of the Calder Valley Line Development Group held on 29 January 2016

Resolved - That the minutes of the meeting of the Calder Valley Line Development Group held on 29 January 2016 be noted.

55. Minutes of the meetings of the District Consultation Sub-Committees

Resolved:

- (i) That the minutes of the meeting of the Calderdale District Consultation Sub-Committee held on 12 January 2016 be approved.
- (ii) That the minutes of the meeting of the Kirklees District Consultation Sub-Committee held on 13 January 2016 be approved.
- (iii) That the minutes of the meeting of the Bradford District Consultation Sub-Committee held on 15 January 2016 be approved.
- (iv) That the minutes of the meeting of the Leeds District Consultation Sub-Committee held on 18 January 2016 be approved.
- (v) That the minutes of the meeting of the Wakefield District Consultation Sub-Committee held on 21 January 2016 be approved.