

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY, 6 APRIL 2017 AT COMMITTEE ROOM A, WELLINGTON
HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Tim Swift (Vice-Chair)	Calderdale Council
Councillor Keith Aspden	York Council
Councillor Andrew Carter	Leeds City Council
Councillor Simon Cooke	Bradford Council
Councillor Susan Hinchcliffe	Bradford Council
Councillor James Lewis	Leeds City Council (Substitute)
Roger Marsh OBE	Leeds City Region Enterprise Partnership
Councillor David Sheard	Kirklees Council
Councillor Jeanette Sunderland	Bradford Council

In attendance:

Councillor Keith Wakefield OBE	Chair, WYCA Transport Committee
Ben Still	WYCA
Caroline Allen	WYCA
Heather Waddington	WYCA (minute 106 only)
Ruth Chaplin	WYCA

93. Chair's Comments

The Chair advised that Item 8, Leeds City Region Infrastructure Investment Framework, had been deferred to a future meeting to allow for further work to be undertaken.

94. Apologies for Absence

Apologies for absence were received from Councillors Peter Box and Judith Blake.

95. Declarations of Interest

Councillor Simon Cooke declared an interest in Agenda Item 7, Leeds City Region Housing Policy Position Statement, as he is a Council appointed Director of Incommunities Ltd (Housing Association).

96. Exclusion of the Press and Public

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

97. Minutes of the meeting held on 2 February 2017

Further to minute 82, Devolution, it was reported that following the meeting there had been correspondence between WYCA and the Minister and copies of those letters are appended to these minutes.

Resolved: That the minutes of the meeting of WYCA held on 2 February 2017 be approved and signed by the Chair.

98. Capital Spending And Project Approvals

The Authority considered a report of the Director of Delivery which sought approval for the progression of funding for schemes from the West Yorkshire Plus Transport Fund and Local Growth Fund.

The report provided details of the projects which had been considered by the Investment Committee on 8 March 2017 and were recommended to WYCA for progression and approval of funding. The report mapped each of the projects across to the assurance process.

Members considered the following schemes which had proceeded directly to WYCA ahead of consideration by the Investment Committee due to time constraints of the funding streams:

- West Yorkshire Cycling & Walking to Work Fund – Case Paper (Activity 2)
- National Productivity Investment Fund (NPIF) – Case Paper (Activity 2)
- Global Shared Services Centre (Project Primrose) – Case Paper (Activity 2)
- Leeds City Region HS2 Growth Strategy Phase 2 (the funding stream for the scheme is revenue for strategy development)

The Authority also approved acceptance of the Department for Transport's (DfT) award of £700k and the spend of this for the Steeton and Silsden Active Travel Access Scheme.

Members discussed the proposed change request for the Leeds District Heat Network Scheme. Some concern was expressed in respect of the risks, strategic fit and the need to establish clear, deliverable benefits. Members were assured that the scheme would be closely monitored and considered further by both the Investment Committee and WYCA before funding was finally committed.

Resolved:

- (i) That the funding of £202k for the **A629 Halifax to Huddersfield Corridor Phase 5** scheme to progress through Decision Point 2 to Activity 3 (Outline Business Case) be approved. That the Approval Pathway be amended so that the scheme returns to the Programme Appraisal Team (PAT), Investment Committee and WYCA at Decision Point 3 to request further development and land acquisition costs. The project will be funded from the West Yorkshire Plus Transport Fund.
- (ii) That pre-feasibility funding of £165k for **Enterprise Zones Phase 2 Part 2** to enable the procurement of the feasibility work for the 4 identified sites be approved and that confirmation of the match funding and start of procurement be sent to the Department of Communities and Local Government (DCLG). That the full programme returns to the Programme Appraisal Team (PAT), Investment Committee and WYCA in June 2017 for consideration. The project will be funded from the Local Growth Fund.
- (iii) That the spending of the £1.5m **West Yorkshire Cycling and Walking to Work** DfT grant be approved and that the funding be included in the WYCA budget. That the scheme commences work on Activity 5 (Full Business Case with Finalised Costs) returning to the Programme Appraisal Team (PAT) for review at Decision Point 5. There is zero tolerance above the £1.5m funding limit. That approval be given to the Managing Director to use his delegation at subsequent Decision Points (pathway suggested DP5 (Full Business Case with Finalised Costs), 6 (Delivery) and 8 (Execution)) to accept the Full Business Case and signing all necessary contracts. That the scheme be allowed to twin track the completion of the Full Business Case whilst starting to procure the solution and advertise for FTE posts and that the Acceptance Letter be signed and returned to the Department for Transport (DfT).
- (iv) That inclusion of the **National Productivity Investment Fund (NPIF)** scheme within the Integrated Transport Block Programme – Implementation Plan 3 be approved.
- (v) That progression of the **Project Primrose** scheme through Decision Point 2 into Stage 2: Pipeline Development be approved. That approval be given to the Managing Director to use his delegation at subsequent Decision Points (Decision Points 4 and 5) following consideration by and a recommendation from the Leeds City Region Investment Panel.
- (vi) That spend of £625k for the **Leeds City Region HS2 Growth Strategy Phase 2** be approved. This will be funded entirely from the DfT grant received by WYCA on 21 March 2017.
- (vii) That acceptance of the DfT award of funding of £700k and the spend of this for the **Steeton and Silsden Active Travel Access** scheme be approved and

that an Expression of Interest be submitted for consideration by the Programme Appraisal Team (PAT) and the Investment Committee.

- (viii) That funding of £2.24m for the **York Outer Ring Road (A1237)** scheme to continue to progress through to Activity 4 (Full Business Case) be approved. The project will be funded from the West Yorkshire Plus Transport Fund.
- (ix) That funding of £2.2m for the **A629 Halifax to Huddersfield Corridor Phase 1a** scheme to progress from Activity 4 (Full Business Case) through Activity 5 (Finalise Costs) be approved. That approval for subsequent progression at Decision Point 5 to a maximum funding total of £8.5m be delegated to WYCA's Managing Director. The project will be funded from the West Yorkshire Plus Transport Fund.
- (x) That a grant of £10m to the **Leeds District Heat Network**, be conditionally approved subject to the full funding package being secured from other sources and robust evidence regarding anticipated levels of demand being provided to the next meeting of the Investment Committee. The project will be funded from the Local Growth Fund.
- (xi) That it be noted that the Investment Committee has recommended to WYCA's Managing Director that he exercises his delegated authority to approve the progression of the following projects and associated funding from the West Yorkshire Plus Transport Fund and Local Growth Fund:
 - Total cost increase (with no further grant increase) for **Leeds City College Quarry Hill** and an extension to the programme by 10 months and that assets from disposal are used to cover the increase in project costs, whilst any remaining surplus would return to WYCA.
 - To change the £1m loan at 2% interest for **Kirklees Housing Project** to an interest free loan of £800k and a £200k project development grant to bring Kirklees Housing Project in line with the other Local Growth Fund projects and allow for the claiming of staff time as eligible project development costs.

99. Inclusive Industrial Strategy

The Authority considered a report of the Director of Policy, Strategy & Communications which provided the draft response to the Industrial Strategy green paper and consultation on the Northern Powerhouse Strategy.

It was noted that WYCA had previously resolved to work towards a response to the Government's Industrial Strategy green paper from the city region which had a goal of improving productivity and living standards for all in city regions. Members discussed the major common themes represented in the emerging joint WYCA/LEP

response and noted the summary of key messages arising from the widespread consultation which were attached at Appendix A.

It was reported that Government had indicated an informal interest in working with the Leeds City Region to host a specialist workshop on med-tech and to explore a care sector deal with businesses, partners and the public.

The response was being prepared for the deadline of 17 April 2017 and it was agreed that the final submission be delegated to WYCA's Managing Director in consultation with the WYCA and LEP Chairs.

Resolved:

- (i) That sign off of the final response be delegated to WYCA's Managing Director, in consultation with the WYCA and LEP Chairs for a joint WYCA/LEP response.
- (ii) That Leeds City Region engages with Government to explore a potential place-based settlement that could serve as a jointly-owned plan to channel the combined efforts of national and city region leadership, drawing upon widespread engagement with local communities.
- (iii) That work be pursued to host a specialist workshop on med-tech and officers explore with partners potential to develop options for a sector approach to care.

100. LCR Housing Policy Position Statement

The Authority considered a report of the Director of Policy, Strategy & Communications on the draft Leeds City Region Housing Policy Position Statement developed by the City Region Land and Assets Board.

Members debated the draft revised housing policy position statement which was attached at Appendix 1 and noted the housing delivery performance figures which were above the SEP target. The resulting work programme and resource plan for undertaking the draft actions and activities set out in the Position Statement would be overseen by the Leeds City Region Land and Assets Board and reported to WYCA.

A joint WYCA consultation response was being prepared on the Housing White Paper in consultation with local authority planning authorities and other partners. It was agreed that the response be amended to include the points highlighted in the debate and the sign off of the Leeds City Region response on the Housing White Paper be delegated to WYCA's Managing Director in consultation with the WYCA Chair and Deputy Chair for submission before the 1 May 2017 deadline.

Resolved:

- (i) That the significantly improved housing delivery performance and the significant increases in planning permission being approved by Local Planning Authorities in the Leeds City Region be noted and welcomed.
- (ii) That the draft Leeds City Region Housing Policy Position Statement be endorsed.
- (iii) That the scope of the proposed WYCA/LEP response on the Housing White Paper as set out in the submitted report be noted and that final sign off of the response be delegated to WYCA's Managing Director in consultation with the WYCA Chair and Deputy Chair for submission before the 1 May 2017 deadline.

101. Leeds City Region Infrastructure Investment Framework (ITEM WITHDRAWN)

This item was deferred to a future meeting to allow for further work to be undertaken.

102. West Yorkshire Low Emission Strategy Adoption

The Authority considered a report of the Director of Policy, Strategy & Communications on the proposed adoption of the West Yorkshire Low Emission Strategy (WYLES).

It was noted that Local Authorities have a statutory duty to manage air quality and the WYLES had been developed in collaboration with the five West Yorkshire Districts with technical input from WYCA and financial support from the WY Local Transport Plan and DEFRA grant. All the West Yorkshire local authorities had adopted the WYLES which was largely concerned with transport and set out the case for intervention and provided a framework of objectives and recommendations to shape policy and actions to tackle harmful pollutants. The Transport Committee had endorsed the WYLES at their meeting on 22 February 2017 and were recommending it for formal adoption by WYCA. The Transport Committee had agreed that WYCA should work with the District Councils, transport industry partners and stakeholders to jointly develop an Action Plan for delivery of the WYLES.

Resolved:

- (i) That the West Yorkshire Low Emission Strategy (WYLES) be adopted.
- (ii) That WYCA works with West Yorkshire District Councils, transport industry partners and stakeholders to jointly develop a detailed Action Plan for delivery of the WYLES.

103. Better Homes - Eco Flexible Eligibility and Wakefield Affordable Warmth Charter

The Authority considered a report of the Director of Policy, Strategy & Communications on the proposed Leeds City Region Flexible Eligibility ECO (Energy Company Obligation) policy approach and criteria for funding.

It was reported that the draft policy, which was attached at Appendix 1 to the submitted report, had been developed in response to the Government's forthcoming Flexible Eligibility policy, within the national ECO regulations.

It was reported that Wakefield Council had joined the Better Homes Yorkshire programme and all city region districts were now signed up to the WYCA contract. Wakefield Council had developed the Wakefield Affordable Warmth Charter to facilitate and get a shared commitment to improving energy efficiency and tackling fuel poverty in their district. WYCA pledged their support to the Charter which reflected WYCA's policy approach to addressing fuel poverty.

Resolved:

- (i) That the announcement that Wakefield Council has joined the Better Homes Yorkshire programme be welcomed.
- (ii) That WYCA pledge support to the Wakefield Affordable Warmth Charter.
- (iii) That the proposed Leeds City Region wide policy approach and criteria for funding as set out in Appendix 1 of the submitted report, to facilitate access to ECO through the forthcoming Flexible Eligibility initiative be endorsed and further that it be noted that each district will also need to publish their own Statement of Intent as a pre-requisite to secure funding.

104. Leeds City Region Enterprise Zones Programme

The Authority considered a report of the Director of Resources and Director of Policy, Strategy & Communications which set out:

- The policy background to the successful bids to Government for Phase 1 and 2 Enterprise Zones (EZs).
- Proposals to enhance EZ governance arrangements.
- The principles underpinning the management of retained business rates to allow LEP/WYCA to deliver its leadership of delivery of the Leeds City Region EZs programme in line with the policy intent outlined in the submitted report.

The report also provided information on the emerging LCR EZs Strategy and Implementation Plan and set out a process for its development, approval and

submission to the Department for Communities and Local Government (DCLG) and Department for Business, Energy and Industrial Strategy (BEIS).

It was noted that the LCR EZs programme comprised of 10 sites which included the Phase 1 Leeds (Aire Valley) EZ and 9 sites in Phase 2 along the M62 corridor in Bradford, Calderdale, Kirklees and Wakefield. There was also an EZ at York Central which was managed by YNYER LEP and York City Council.

Members noted the key terms of the Memorandum of Understanding (MoU) which were highlighted in the submitted report. In order to formalise the required arrangements relating to the use of the increase in business rates, each district authority would enter into an agreement with WYCA. It was agreed that these be progressed including a provision specifying that the retained business rates increases will accrue to WYCA as accountable body for the LEP.

It was proposed that in addition to meeting the MoU requirements for a 5 year Implementation Plan and marketing plan that an overarching LCR EZs Strategy and Implementation Plan be developed. This would cover all 10 EZ sites under the responsibility of WYCA rather than just the 9 sites in Phase 2. It was agreed that this be developed in consultation with District Councils and approval of the final Plan be delegated to WYCA's Managing Director in consultation with the Chair of WYCA and the LEP Chair.

Consideration was also given to the proposed governance arrangements for decision-making in respect of the LCR EZs programme and details were set out in the submitted report.

Resolved:

- (i) That the policy background to the successful bids to Government for Phase 1 and 2 EZs be noted.
- (ii) That the proposals as set out in the submitted report to clarify governance arrangements for decision-making in relation to the EZs be agreed.
- (iii) That the principles underpinning the management of retained business rates to the LEP/WYCA be approved and the Head of Legal and Democratic Services be asked to progress an agreement between each relevant district authority and WYCA.
- (iv) That the preparation of the draft LCR EZs Strategy and Implementation Plan be noted and WYCA's Managing Director be delegated to develop the Implementation Plan element of the document in consultation with the districts and to approve the finalised Strategy and Implementation Plan in consultation with the Chair of WYCA and the LEP Chair.

105. Better Skills Outcomes - Delivery Agreements With West Yorkshire Colleges

The Authority considered a report of the Executive Head of Economic Services which provided an update on the progress of activity to develop delivery agreements with FE colleges in West Yorkshire in order to influence the alignment of activity – including that funded through the Adult Education Budget – with the ambitions set out in the Leeds City Region Employment and Skills Plan.

It was reported that delivery agreements have been developed in collaboration with each of the seven FE colleges in West Yorkshire and members considered the draft delivery agreement framework which was attached at Appendix 1. It was noted that the work is a crucial step to taking on a commissioning role if the Adult Education Budget (approximately £50m per year in West Yorkshire) is fully devolved in future. Colleges have taken a positive and proactive approach in the development of the agreements which build on the strong relationships already in place between WYCA, the LEP and the FE sector. It is also an important step in holding colleges to account to deliver the outcomes required by the Leeds City Region economy.

It was noted that the Employment and Skills Panel would have oversight of the agreements and monitoring and it was proposed that the agreements would be published in April 2017.

Resolved:

- (i) That the progress of the joint work with West Yorkshire colleges be noted and the draft delivery agreement framework be approved.
- (ii) That the Employment and Skills Panel oversee the workstream with delegation to WYCA's Managing Director where required.

106. European Structural & Investment Funds (ESIF) Sustainable Urban Development (SUD) Update

The Authority considered a report of the Director of Policy, Strategy & Communications which provided an update in respect of the Sustainable Urban Development (SUD) element of the European Structural and Investment Funds (ESIF) programme and the development of the SUD Call.

The report provided background information, progress to date and also outlined the agreed process for WYCA to take on Intermediate Body (IB) status to be able to receive delegated authority from government for a Sustainable Urban Development strategy.

Members noted the Memorandum of Understanding which was attached at Appendix 1 to the submitted report and the approach to developing the Call under SUD. The approach to the development of the Call was agreed and the

draft Call will be presented to WYCA at the next meeting prior to it being published by DCLG.

It was reported that the Department for Communities and Local Government (DCLG) were expecting to attend future WYCA and Investment Committee meetings where SUD was to be discussed and may contribute in an advisory capacity at the discretion of the Chair.

Resolved:

- (i) That the process, roles and responsibilities of the parties involved, including WYCA, as set out in Appendix 1 to the submitted report be noted.
- (ii) That the outline shape of a Call under SUD as outlined in the submitted report be agreed.

107. Integrated Transport Block Programme

The Authority considered a report of the Director of Policy, Strategy & Communications on the indicative West Yorkshire LTP Integrated Transport block funded programme 2017-22 (IP3) and 2017/18 National Productivity Investment Fund programme as part of the overall Transport Strategy Implementation Plan 3.

It was noted that the Transport Committee had endorsed a IP3 programme using:

- £1.615m of Y1 NPIF grant to fund an expanded LTP IP3 programme
- remainder to be used for discretionary spend by partners for schemes in line with the draft Transport Strategy and contribute to the NPIF objectives.

The new WYCA Portfolio Management Office (PMO) Assurance process will be applied to the WYCA led elements of the IT block and NPIF elements of the programme. (The NPIF programme has been recommended for approval by the PMO Programme Appraisal Team). District partners are being given the option to utilise the PMO assurance process as part of their scheme development and delivery.

Resolved:

- (i) That, following endorsement of the draft programme by the Transport Committee in February 2017, the indicative West Yorkshire LTP Integrated Transport funded programme for the 5 Year IP3 period (2017-22) be approved.

- (ii) That the detailed Year 1 (2017/18) and Year 2 (2018/19) programme of District led schemes, identified as part of the West Yorkshire LTP Integrated Transport funded programme and funded through a combination of funding from LTP Integrated Transport block and National Productivity Investment Fund be approved.
- (iii) That the proposal for approval of WYCA led or WYCA funded schemes to be sought from the Transport Committee under the current delegation in place for LTP IT block funded schemes up to £3m, and for the Transport Committee to oversee delivery of the West Yorkshire LTP Integrated Transport funded programme be noted.
- (iv) That the provisional programme and spend of the £6.925m National Productivity Investment Fund (NPIF) allocation be approved and that the funding is included in the WYCA budget.
- (v) That approval be given for WYCA's Managing Director to use his delegation at subsequent Decision Points in approving the reallocation of any funds between schemes, the Districts and WYCA. That the WYCA schemes are subject to the Assurance Process and that a Full Business Case for the package of schemes totalling £1.327m returns to the Programme Appraisal Team (PAT) at Decision Point 5 (Full Business Case Finalised Costs).

108. Governance Arrangements

The Authority considered a report of the WYCA Managing Director which:

- Sought agreement to progress a proposal to integrate LEP Panels into WYCA's decision-making structure, subject to further consultation with the LEP Board and its Panels.
- Requested WYCA to consider appointing 2 private sector representatives to the Transport Committee, at its annual meeting.
- Set out changes to WYCA's governance required by Order, mainly relating to WYCA's overview and scrutiny arrangements, and sought approval to amend standing orders to implement the new requirements and related changes.
- Set out new arrangements to address potential conflicts of interest arising in respect of business grants.

Members considered the proposal to integrate LEP Panels into WYCA's decision making structure in the context of the on-going review of Leeds City Region governance arrangements and noted the principal advantages of streamlining decision making, having direct private sector involvement in WYCA decision making and increased accountability and transparency. It was proposed that the Panels be appointed as WYCA committees or sub committees at the Annual

Meeting, subject to the outcome of further consultation including consultation with the LEP Board and LEP Panel Chairs.

It was also proposed that the LEP Board be asked to nominate 2 non-voting private sector representatives to the Transport Committee and the appointments would be made by WYCA at the Annual Meeting.

The report also set out changes to WYCA's overview and scrutiny arrangements which are required by Order of the Secretary of State with effect from 8 May 2017.

It was reported that a new requirement in the Order, was for WYCA to publish a Forward Plan of Key Decisions, similar to District Councils' Forward Plans. It was proposed to incorporate the notice provisions and the Key decision definition into the Access to Information annex to WYCA's Procedural Standing Orders which was attached at Appendix 1 to the submitted report. It was noted that currently officers' decisions were not subject to call-in and it was recommended that call-in should now also extend to any officer decision over £1 million. Should an urgent officer decision be required, this would be considered by the Managing Director in consultation with the Chair of Overview & Scrutiny Committee. The Scrutiny Standing Orders had been amended to reflect the Order's requirements and a copy was attached at Appendix 2.

It was also noted that WYCA must appoint at least one independent person to the Governance and Audit Committee and for WYCA to designate a Statutory Scrutiny Officer. It was proposed that this role be undertaken by the Director of Resources with a view to recruiting to a new post in due course.

In respect of conflicts of interest, it was noted that the Chair of Overview & Scrutiny Committee would be asked to review any application for a business grant made by a business where there is involvement by a LEP Board or Panel member, as an additional check and balance before any approval under delegated authority of the Managing Director. This would be an interim arrangement pending a more detailed review of conflicts of interest arrangements.

Resolved:

- (i) That WYCA's Managing Director be requested to progress the proposal to integrate LEP Panels into WYCA's decision-making structure as set out in the submitted report, including consulting with the LEP Board and engagement with the LEP Panels and relevant WYCA committees via their respective Chairs, with a view to considering revised committee arrangements at its annual meeting.
- (ii) That the LEP Board be asked at its meeting in May 2017 to agree the proposals set out in the submitted report in respect of revised committee

arrangements, including the proposal to appoint 2 non-voting private sector representatives to the Transport Committee.

- (iii) That the changes to governance arrangements required by Order of the Secretary of State as set out in the submitted report be noted, together with the definition of Key decision agreed by the Overview & Scrutiny Committee and further to these requirements, with effect from 8 May 2017:
 - (a) That the revised Access to Information Annex as set out in Appendix 1 of the submitted report be approved.
 - (b) That the revised Scrutiny Standing Orders attached as Appendix 2 to the submitted report, including the revised call-in provisions recommended by Overview & Scrutiny Committee be approved.
 - (c) That the Director of Resources be designated as Scrutiny Officer.
 - (d) That the Director of Resources establish a new post of Scrutiny Officer and progress recruitment to that post.
 - (e) That the Director of Resources progress the recruitment of an independent member (not Chair) for the Governance & Audit Committee.
 - (f) That the new arrangements to address potential conflicts of interest arising in respect of business grants be noted.

109. Transport For The North

The Authority considered a report of the Director of Policy, Strategy & Communications which provided an update on Transport for the North workstreams and on revised timescales for establishing Transport for the North as a statutory body.

The report updated members on progress being made by Transport for the North (TfN) in strategy development, Northern Powerhouse Rail, Major Roads Report, Highways England Route Strategies, International Connectivity and establishing TfN as a sub-national transport body.

Resolved:

- (i) That the report be noted.
- (ii) That the report be circulated to the Transport Portfolio Holders for information.