

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE AND YORK INVESTMENT COMMITTEE
HELD ON WEDNESDAY, 21 MARCH 2018 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Peter Box CBE (Chair)
Roger Marsh OBE (Deputy Chair)
Councillor Barry Collins
Councillor Ian Gillies
Councillor Denise Jeffery
Councillor Peter McBride
Councillor Alex Ross-Shaw

Wakefield Council
Leeds City Region Enterprise Partnership
Calderdale Council
City of York Council
Wakefield Council
Kirklees Council
Bradford Council

In attendance:

Councillor Eric Firth
Paul McKeown
Melanie Corcoran
Mark Auger
Sara Brook
Chris Brunold
Charlotte Churnside
Caroline Farnham-Crossland
Tom Gifford
Jess McNeill
Ruth Chaplin

Deputy Chair, Transport Committee
Network Rail
West Yorkshire Combined Authority
West Yorkshire Combined Authority
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West Yorkshire Combined Authority

41. Apologies for Absence

There were no apologies for absence.

42. Declarations of Disclosable Pecuniary Interests

There were no pecuniary interests declared by members.

43. Exclusion of the Press and Public

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

44. Chair's Comments

In accordance with the Combined Authority's Procedure Standing Order 16.2, the Chair accepted the late report for Item 6, Capital Spending and Project Approvals, by reason of special circumstances. This was because at the time of the agenda publication the report was awaiting a number of late requests that needed to be considered before the end of the financial year.

45. Minutes of the Meeting of the West Yorkshire and York Investment Committee held on 3 January 2018

Resolved: That the minutes of the West Yorkshire & York Investment Committee held on 3 January 2018 be approved and signed by the Chair.

46. Leeds City Region Growth Deal Delivery

The Committee considered a report of the Director of Delivery which provided an update on progress made on the implementation of the Growth Deal programme and on the changes to the Leeds City Region Assurance Framework arising from its annual refresh.

The dashboards for the Growth Deal and West Yorkshire plus Transport Fund (the Transport Fund) were attached at Appendices 1 and 2 and detailed the latest forecast expenditure and RAG rating of each project.

In respect of annual targets and forecast spend, Members noted the projects where the most significant reductions in expected spend have occurred between original forecast expenditure and estimated outturn. They discussed the contingencies identified in order to address the predicted shortfall and noted the revised value of contingencies is £9.96million, bringing the forecast spend to £91.35million. It was noted that one of the contingencies was to have brought forward spend for the East Leeds Orbital Route Outer Ring Road Junctions but there were delays to the delivery of the scheme following Carillion going into liquidation. Members were advised that the Government would take this into consideration when reviewing performance as it was out of the Combined Authority and partners' control. It was agreed that a Member/officer workshop would be arranged to further consider the approach to over-programming to ensure future targets and forecast spend can be met.

The Committee was provided with details of the review being undertaken of future year expenditure forecasts on the Transport Fund projects and noted the update on project progress and performance.

It was reported that the 2018 review of the assurance framework had been completed and approved by the Combined Authority. Members were advised of the main change in respect of project approvals through Growth Deal and this was outlined in the submitted report.

Resolved:

- (i) That the progress towards the implementation of the Growth Deal and changes to the assurance process be noted.

- (ii) That the current position regarding forecast outturn on the Growth Deal programme and proposed contingencies be noted.

47. Capital Spending and Project Approvals

The Committee considered a report of the Director of Delivery on proposals for the progression of, and funding for, a number of West Yorkshire Combined Authority supported projects, including Transport Fund and Growth Deal at Stages 1, 2 and 3 of the Combined Authority's assurance process.

Members considered the following six schemes which were detailed in the submitted report:

- Rail Park & Ride Programme – Garforth Rail Station Car Park project
- Apprenticeship Grants for Employers (AGE) extension
- North East Calderdale Transformational Programme
- Inclusive Growth Corridors and the Transformational Programme
- LEP Loan 319
- The West Yorkshire Urban Traffic Management Control (UTMC) scheme

Members were advised that following feedback from the Combined Authority, a summary of associated risks for each scheme would be included in future reports.

The report also provided further details and outlined proposed recommendations for the following schemes which have had change request reports assessed in line with the Combined Authority's assurance process:

- Bradford to Shipley Corridor Improvement Programme
- A629 Phase 1b
- York Central Access
- Hard Ings Road Improvement, Keighley
- LEP Loan 209
- West Yorkshire and York Broadband Infrastructure Programme
- Halifax Town Centre – Northgate House

In respect of the West Yorkshire and York Broadband Programme, it was agreed that the Committee would recommend the approvals to be made by the Combined Authority and not delegated to the Managing Director.

The Committee was also provided with details of decisions made through delegation to the Combined Authority's Managing Director since the last meeting for the following schemes:

- Rail Park & Ride Phase 1 – Mytholmroyd
- GPF 113
- A6177 Outer Ring Road, Great Horton Road/Horton Grange Road Junction

Summaries of the schemes' business cases were attached as Appendices 1-6 of the submitted report.

Resolved:

- (i) In respect of **Rail Park and Ride Programme – Garforth Rail Station Car Park Project Decision Point 2 (Case Paper)**, the Investment Committee recommends to the Combined Authority that:
 - (a) The Garforth Rail Station Car Park project proceeds through Decision Point 2 and work commences on Activity 5 (full business case with finalised costs).
 - (b) An indicative approval to the total project value of £0.825 million is given from the Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to Decision Point 5 (full business case with finalised costs).
 - (c) Development costs of £0.045 million are approved in order to progress the scheme to Decision Point 5 (full business case with finalised costs), taking the total project approval to £0.059 million.
 - (d) The Combined Authority enter into a funding agreement (Section 56) with Arriva Rail North for expenditure of up to £0.045 million from the Transport Fund.
 - (e) Future approvals are made in accordance with the approval pathway and approval route outlined in this report including at Decision Point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (ii) In respect of **Apprenticeship Grants for Employers (AGE) Extension Decision Point 2 (Case Paper)**, the Investment Committee recommends to the Combined Authority that:
 - (a) The AGE Extension Programme proceeds through Decision Point 2 and work commences on Activity 5 (full business case with finalised costs).
 - (b) An indicative approval to the total grant fund value of £1.2 million is given to be funded from the unallocated AGE Programme 2015-2017 funds with full approval to spend being granted once the scheme has progressed through the assurance process to Decision Point 5 (full business case with finalised costs).
 - (c) Future approvals are made in accordance with the approval pathway and approval route outlined in this report including at Decision Point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation

by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

- (iii) In respect of **North East Calderdale Transformational Programme Decision Point 2 (Case Paper)**, the Investment Committee recommends to the Combined Authority that:
 - (a) The North East Calderdale Transformational Programme Study proceeds through Decision Point 2 (case paper) and work commences on the Strategic Case for the Programme.
 - (b) Full approval is given to the total study costs of £0.4 million.
 - (c) The Combined Authority enter into a funding agreement with Calderdale Council for expenditure of up to £0.4 million to be funded from the Transport Fund.
 - (d) Any change requests relating to the study are made in accordance with the approval pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (iv) In respect of **Inclusive Growth Corridors and the Transformational Programme Decision Point 2 (Case Paper)**, the Investment Committee recommends to the Combined Authority that:
 - (a) The Inclusive Growth Corridors and the Transformational Fund Phase 1 proceeds through Decision Point 2 (case paper) and work commences on the completion of the Corridor Plans and Connectivity Strategy.
 - (b) Indicative approval to the total programme value of £7 million is given and full approval of £2.395 million for Phase 1 is approved.
 - (c) Any change requests relating to Phase 1 are made in accordance with the approval pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (v) In respect of **LEP Loan 319 Decision Point 3 (Outline Business Case)**, the Investment Committee recommends to the Combined Authority that:
 - (a) The project proceeds through Decision Point 3 and work commences on Activity 5 (full business case with finalised costs).
 - (b) An indicative approval to the total project value of £1.5 million, and the Combined Authority contribution of a £1 million (to be funded from the Growing Places Fund) with full approval to spend being granted once the scheme has progressed through the assurance process to Decision Point 5 (full business case with finalised costs).

- (c) Future approvals are made in accordance with the approval pathway and approval route outlined in this report including at Decision Point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (vi) In respect of **West Yorkshire Urban Traffic Management Control UTMC) Decision Point 3 (Outline Business Case)**, the Investment Committee recommends to the Combined Authority that:
 - (a) The UTMC project proceeds through Decision Point 3 (outline business case) and work commences on Activity 4 (full business case).
 - (b) The project includes the re-organisation of the 4 existing district UTC services into a combined West Yorkshire UTC service.
 - (c) This new combined service will be based at the West Yorkshire Joint Services building in Morley, with Leeds City Council being the accountable body for the new service.
 - (d) An indicative approval to the total project value of £7.49 million is given from the West Yorkshire Transport Fund, with full approval to spend being granted once the scheme has progressed through the assurance process to Decision Point 5 (full business case with finalised costs).
 - (e) Development costs of £0.170 million from the Transport Fund are approved in order to progress the scheme to Decision Point 4 (full business case), taking the total project approval to £0.450 million.
 - (f) The Combined Authority enters into an addendum to the existing funding agreement with Kirklees Council for expenditure of up to £0.450 million from the Transport Fund.
 - (g) Future approvals are made in accordance with the approval pathway and approval route outlined in this report to include approval at Decision Point 4 and Decision Point 5 to be delegated to the Combined Authority's Managing Director. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (vii) In respect of **Bradford to Shipley Corridor Improvement Programme (Activity 3 Outline Business Case) Change Request**, the Investment Committee recommends to the Combined Authority's Managing Director that:
 - (a) The change request to the Bradford to Shipley Corridor project is approved to increase the timescale for Decision Point 3 (outline

business case) submission from 2015/16 to March 2019.

- (b) The change request to the Bradford to Shipley Corridor project is approved to increase the development costs from £0.341million to £1.597 million (additional £1.257 million) to be funded from the Transport Fund.
 - (c) An addendum to the existing funding agreement between the Combined Authority and Bradford be entered into for the additional expenditure of up to £1.257 million from the Transport Fund, taking the total funding agreement value up to £1.597 million.
 - (d) Future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (viii) In respect of **A629 Phase 1b (Activity 3 Outline Business Case) Change Request**, the Investment Committee recommends to the Combined Authority's Managing Director that:
 - (a) The change request to A629 phase 1b be approved to allow for additional funding to develop the full business case and progress to Activity 4 full business case and Activity 5 full business case with finalised costs on the revised programme as identified.
 - (b) The additional development costs of £4.545 million be approved in order to continue progressing the scheme to Decision Point 4 (full business case), and that the Combined Authority issue an addendum to the existing funding agreement with Calderdale MBC for this additional expenditure.
- (ix) In respect of **York Central Access (Activity 4 Full Business Case) Change Request**, the Investment Committee recommends to the Combined Authority's Managing Director that:
 - (a) The change request to the York Central Access project be approved to progress the western access (off Water End Bridge) to the York Central Development site as outlined in the submitted report.
 - (b) If required, an addendum to the existing funding agreement between City of York Council and the Combined Authority is signed to reflect the relocation of the highway access to the west of the site.
- (x) In respect of **Hard Ings Road Improvement, Keighley (Activity 4 Full Business Case) Change Request**, the Investment Committee recommends to the Combined Authority's Managing Director that:
 - (a) The forecast date for Decision Point 4 (full business case) approval is extended from May 2018 to December 2018.
 - (b) Additional development costs of £0.378 million are approved, to be

funded by the Transport Fund. This will take the total approved development costs to £1.142 million.

- (c) The Combined Authority enters into an addendum for £0.378 million to the existing funding agreement with Bradford Council for total development cost expenditure of up to £1.142 million to be funded from the Transport Fund. Future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (xi) In respect of **LEP Loan 209 (Activity 6 Delivery) Change Request**, the Investment Committee recommends to the Combined Authority's Managing Director that:
 - (a) The GPF loan 209 is converted to maturity terms with a final repayment date of 31 December 2021 with a modest increase in interest rate.
 - (b) That the Combined Authority enters into a variation to change the remaining loan sum to £0.248 million and adjust the repayment schedule in accordance with the recommendations above.
- (xii) In respect of **West Yorkshire and York Broadband Infrastructure Programme (Activity 6 Delivery) Change Request** the Investment Committee recommends to the Combined Authority that:
 - (a) The change request to the West Yorkshire and York Broadband Infrastructure Programme as set out in this report is approved.
 - (b) Expenditure of the increase in external funding from £7.25 million to £17.6797 million to be funded from BDUK, ERDF, BET and BT Contract 1 and Districts as detailed this report, in order to fund Contract 2 deployment of the West Yorkshire and York Broadband programme.
 - (c) That the Combined Authority enter into the Variation to Funding Agreement between the Combined Authority and the Department for Communities and Local Government (DCLG) covering funding from ERDF (current award is £7,299,918 million) for the Broadband Programme.
 - (d) That any future grant variation agreements which are the result of financial re-profiling and are within the total ERDF funding envelope of £7,299,918 million can be approved by the Combined Authority's Head of Legal Services.
- (xiii) In respect of **Halifax Town Centre – Northgate House (Activity 6 Delivery) Change Request**, the Investment Committee recommends to the Combined Authority's Managing Director that:
 - (a) The change request to the Northgate House project be approved to allow for the remaining balance (£0.095 million) of the advance

funds paid to Calderdale Council via an interest free loan (£0.300 million) to be used for pre-feasibility works to develop a strategic case for the project.

- (b) Future approvals are made in accordance with the approval pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

48. Ultra-Low Emission Vehicle (ULEV) Taxi Scheme - Project Progress Report

The Committee considered a report of the Director of Delivery which provided an update on progress of the Ultra-Low Emission Vehicle (ULEV) Taxi Scheme.

At the last meeting the Committee had recommended the approval of additional project development costs and a copy of a letter which had subsequently been sent to the Chief Highway Officers was attached at Appendix 1 to the submitted report. This set out the assistance required from partner councils in order to progress the procurement of a single supplier/operator for electric vehicle charge points (EVCPs) and site identification and preparation. An officer Project Board had been established and it was reported that the Combined Authority was leading the procurement tasks and the partner councils' site identification and preparation. The report provided an update on progress and outlined the key issues for both tasks.

It was noted that the partner councils had provided initial lists of potential charge point sites to the Project Board and further work was needed by them to develop these in detail to form part of the tender documents for a supplier/operator. It was hoped that this would be completed by 31 March 2018 to allow Tender Issue by June 2018 and enable a contract to be awarded by September 2018.

Resolved: That the report be noted.

49. Update on Leeds Station Gateway and Projects Working with Network Rail

The Committee considered a report of the Director of Delivery which provided updates on progress with:

- The Leeds Station Gateway scheme, led by Network Rail, with an approved delivery timeframe in 2018.
- Network Rail on future rail projects, including new rail stations, as part of the West Yorkshire plus Transport Fund (the Transport Fund) and Leeds Public Transport Investment Programme (LPTIP).
- The closure of final accounts for rail legacy projects including Apperley Bridge, Kirkstall Forge, Low Moor and Leeds Station Southern Entrance (LSSE).

Paul McKeown, Network Rail's Director of Route Sponsorship attended the meeting to answer members' questions.

The Committee discussed the proposals and options for the development and funding of new rail stations and Network Rail confirmed that for future schemes the Combined Authority will be able to contract on a fixed cost basis. It was proposed that an officer workshop with partners would be held in the near future to explore options and progress this with Network Rail, Leeds and Calderdale Councils.

Members were advised of the delays against the original timeframe for the Leeds Station Gateway scheme. It was reported that the scheme was included in the Government's 2019 review of the Growth Deal performance and Members expressed their concern that delays in delivering the scheme would have a serious impact on the Combined Authority's ability to drawdown future funding from Government. Details of the latest estimated timescales were outlined in the submitted report and it was reported that Network Rail was working with officers to set out a revised programme of works and understand the implications of any slippage to the scheme.

The Committee was disappointed with the delay to the closure of final accounts for rail legacy projects and the cost overruns anticipated for the new rail stations at Apperley Bridge, Kirkstall Forge and Low Moor and LSSE. Members noted that the financial position/final accounts were still being negotiated with Network Rail. It was noted that a report will be prepared for a future meeting once all contractual negotiations are nearing completion.

Members also asked that discussions be held with the new owners of Leeds Bradford Airport to consider opportunities for improving access by rail and road.

The Committee thanked Mr McKeown for attending and stressed the urgent need for Network Rail to work with the Combined Authority in order to quickly resolve all the issues discussed and outlined in the submitted report.

Resolved: That Mr McKeown be thanked for attending the meeting and the report be noted.

50. Business Planning and Budget 2018/19

The Committee considered a report of the Director of Resources which advised of the work undertaken with regard to business and budget planning for 2018/19.

Members were advised that the budget and outline business plan for 2018/19 were agreed by the Combined Authority on 1 February 2018. Further work was taking place to finalise the detailed business plans and associated key performance indicators which will form the content of the corporate plan due to be considered by the Combined Authority in April 2018.

The Committee noted summary of the approved revenue budget and

indicative three year capital programme which were attached at Appendix 1 and the draft business plans for each directorate which were attached at Appendix 2.

Resolved: That the draft business plan and approved budget for 2018/19 be noted.

51. Minutes of the Business Investment Panel held on 11 December 2017

Resolved: That the minutes of the meeting of the Business Investment Panel held on 11 December 2017 be noted.

52. Minutes of the Business Investment Panel held on 18 January 2018

Resolved: That the minute of the meeting of the Business Investment Panel held on 18 January 2018 be noted.