

## **WEST YORKSHIRE COMBINED AUTHORITY**

**MEETING TO BE HELD AT 10.30 AM ON THURSDAY, 9 DECEMBER  
2021**

**IN COMMITTEE ROOMS 6&7, CIVIC HALL, LEEDS. THE MEETING  
WILL ALSO BE LIVESTREAMED HERE:**

**<https://www.youtube.com/channel/UCazjNSGpgZZT41Vibn2ZK9A/live>**

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### **A G E N D A**

This meeting will be held in Committee Rooms 6&7, Civic Hall, Leeds LS1 1UR.

There will be very limited capacity for observers of the meeting. If you would like to attend to observe the meeting in person, please email: [governanceservices@westyorks-ca.gov.uk](mailto:governanceservices@westyorks-ca.gov.uk) to request a place, clearly stating the name, date and start time of the committee and include your full name and contact details, no later than 24 hours before the meeting begins. Please note that the pre-booked places will be allocated on a 'first come, first served' basis and once pre-booked capacity has been reached there will be no further public admittance to the meeting. On receipt of your request, colleagues will provide a response to you. The meeting will be livestreamed and can be viewed via the link at the top of the agenda and a recording will be uploaded to our YouTube channel following the meeting.

Coronavirus is still circulating so please follow all the Covid safe rules. Even if you have had the vaccine but have Coronavirus symptoms: a high temperature; a new, continuous cough; or a loss or change to your sense of smell or taste, you should NOT attend the meeting and stay at home and get a PCR test. For those who are attending the meeting, you are encouraged to bring a face covering.

This meeting will be filmed for live or subsequent broadcast via the Combined Authority's internet site. If you have any queries regarding this, please contact Governance Services on 0113 251 7220.

#### **1. APOLOGIES FOR ABSENCE**

## **2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**

## **3. EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**

1. To highlight Agenda Item 8 Appendix 2 and Agenda Item 10 Appendix 2, which officers have identified as containing exempt information within the meaning of Schedule 12A to the Local Government Act 1972, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the reports.
2. To consider whether or not to accept the officers' recommendation in respect of the above information as set out in Agenda Item 8 Appendix 2 and Agenda Item 10 Appendix 2.
3. If the recommendation is accepted, to formally pass the following resolution:-

**RESOLVED** – That in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, the public be excluded from the meeting during consideration of Agenda Item 8 Appendix 2 and Agenda Item 10 Appendix 2 on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the reports that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

## **4. MINUTES OF THE MEETING OF THE COMBINED AUTHORITY HELD ON 22 OCTOBER 2021**

(Pages 1 - 12)

### **For Decision**

## **5. BUS ENHANCED PARTNERSHIP**

(Lead Member: Cllr S. Pandor, Director: Liz Hunter)

(Pages 13 - 38)

## **6. COP26 AND THE WEST YORKSHIRE CLIMATE AND ENVIRONMENT PLAN**

(Lead Member: Cllr T. Swift, Director: Liz Hunter)

(Pages 39 - 46)

## **7. INTEGRATED RAIL PLAN**

(Lead Member: Cllr S. Hinchcliffe, Director: Dave Pearson)

(Pages 47 - 64)

## **8. WEST YORKSHIRE BUSINESS ACCELERATOR FUND**

(Lead Member: Cllr S. Pandor, Director: Liz Hunter)

(Pages 65 - 92)

**9. BUDGET, BUSINESS PLAN AND GAINSHARE**

(Lead Member: The Mayor, Director: Angela Taylor)

(Pages 93 - 108)

**10. CAPITAL SPENDING AND PROJECT APPROVALS**

(Lead Member: The Mayor, Director: Melanie Corcoran)

(Pages 109 - 160)

**11. CITY REGION SUSTAINABLE TRANSPORT SETTLEMENT AND CONNECTIVITY INFRASTRUCTURE PLAN NEXT STEPS**

(Lead Member: Cllr S. Hinchcliffe, Director: Liz Hunter)

(Pages 161 - 174)

**12. UK COMMUNITY RENEWAL FUND**

(Lead Member: Cllr D. Jeffery, Director: Alan Reiss)

(Pages 175 - 186)

**13. GOVERNANCE ARRANGEMENTS (LEP BOARD APPOINTMENTS AND TFN NOMINATIONS)**

(Lead Member: The Mayor, Director: Angela Taylor)

(Pages 187 - 210)

**For Information**

**14. ECONOMIC RECOVERY**

(Lead Member: The Mayor, Director: Liz Hunter)

(Pages 211 - 216)

**15. STATE OF THE REGION**

(Lead Member: The Mayor, Director: Alan Reiss)

(Pages 217 - 234)

**16. MINUTES FOR INFORMATION**

(Lead Member: The Mayor, Director: Angela Taylor)

(Pages 235 - 236)

**Signed:**



**Managing Director  
West Yorkshire Combined Authority**

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**MINUTES OF THE MEETING OF THE  
WEST YORKSHIRE COMBINED AUTHORITY  
HELD ON FRIDAY, 22 OCTOBER 2021 AT COMMITTEE ROOMS 6&7,  
CIVIC HALL, LEEDS.**

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**Present:**

Mayor Tracy Brabin (Chair)	West Yorkshire Combined Authority
Councillor Susan Hinchcliffe	Bradford Council
Councillor John Lawson	Kirklees Council
Councillor James Lewis	Leeds City Council
Councillor Shabir Pandor	Kirklees Council
Councillor Rebecca Poulsen	Bradford Council
Councillor Matthew Robinson	Leeds City Council
Councillor Tim Swift MBE	Calderdale Council
Councillor Andrew Waller	City of York Council

**In attendance:**

Ben Still	West Yorkshire Combined Authority
Brian Archer	West Yorkshire Combined Authority
Liz Hunter	West Yorkshire Combined Authority
Dave Pearson	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Craig Taylor	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Dominic Martin	West Yorkshire Combined Authority

**43. Chair's Comments**

The Chair reported that she had attended the Global Investment Summit 2021 earlier in the week, and highlighted that many investors, including large global companies, were interested in investing in the region. The Chair noted her thanks to the Combined Authority Trade and Investment team who had supported herself and Sir Roger Marsh during this trip.

**44. Apologies for Absence**

Apologies for absence were received from Cllr Jeffery and Sir Roger Marsh, as well as both their substitutes.

#### **45. Declarations of Disclosable Pecuniary Interests**

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

#### **46. Exempt Information - Possible Exclusion of the Press and Public**

**Resolved:** That in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, the public be excluded from the meeting during consideration of Appendix 1 to Agenda Item 10 on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

#### **47. Minutes of the Meeting of the Combined Authority held on 9 September 2021**

**Resolved:** That the minutes of the meeting of the West Yorkshire Combined Authority held on 9 September 2021 be approved.

#### **48. Covid-19**

The Combined Authority received an update on developments around the COVID-19 pandemic and work to support economic recovery in West Yorkshire.

The number of Covid-19 cases in the region had increased by 15% and was approaching the November 2020 peak, particularly in the 10-14 years age group. Calderdale was particularly affected, with the 9<sup>th</sup> highest rate of infections in England.

Retail spending in the region had fallen since the previous meeting – feedback had been received that rising energy prices were disproportionately affecting retail businesses, the Bank of England had forecast that inflation may rise up to 5%, and it was expected there would be pressure to increase interest rates. To address this the Combined Authority had made attempts to address skill shortages across all sectors, and part of the adult education budget would be repurposed to help with the national driver shortage. An increase in referrals to the Combined Authority's employment hubs from Jobcentre Plus had been received since the furlough scheme had ended, and the Combined Authority was working with Local Authorities to match these referrals with employment opportunities. A new business start-up offer was also due to be launched to support those considering self-employment as well as existing business.

The support offered to businesses in the region was welcomed by Members, and targets aiming to ensure fair access to support for groups such as BAME residents, women, and those with disabilities were praised, but it was also noted that place-based inequalities existed, with some areas of the region having been hit harder by the pandemic than others, and it would be important to consider this to achieve fully inclusive growth. Members also questioned

how this support was tracked in relation to the Help to Grow grant scheme, to ensure that funding was being used to the best effect in regards to the resilience of the economy and particularly small and medium-sized enterprises (SMEs); officers advised that any businesses engaged would always be directed to appropriate resources such as Help to Grow as part of a wider portfolio of linking businesses with available support. It was also requested that details on any council tax support be included in future reports on this topic.

Members cautioned that the recovery would be a challenging time for many in local communities, with the end of the furlough scheme, cuts to universal credit, rising energy costs and high property prices all contributing to this, and that it may be some time before the situation stabilised into a 'new normal'. To avoid adding a further burden for families already being stretched by these factors, the Mayor would not be introducing a mayoral precept for the current year.

The link between the health of the region's residents and the health of the economy was discussed, with it being noted that children from low-income families were more likely to suffer from poor nutrition, leaving them more susceptible to other conditions. With over a third of West Yorkshire children living in poverty, addressing these inequalities was noted as being vital. Similarly, people who were ill or looking after an ill family member may need to take increased time off of work, and were less likely to spend money in their local economies.

Members noted it would be important to support the Government's vaccination and booster programmes, and it was suggested that low-level interventions by the Government now, such as increasing social distancing in schools, could prevent more serious interventions such as another lockdown. Concerns were also raised over adult social care funding, which faced serious upcoming challenges, and Members expressed disappointment over a lack of Government support other than an assumption of a continuing social care precept on council tax.

The importance of funding for skills as a path toward a strong and inclusive recovery was highlighted. Members questioned if the capacity to deliver the needed training was available, and what measures were in place to ensure the right people were provided with opportunities for skills and training. Officers advised that the capacity and capability was there, with many excellent colleges and other training providers throughout the region, but with the total devolved Adult Education Budget having fallen by over 50% over the last ten years funding and resources were the limiting factor in supplying this training.

The Chair noted that she and Sir Roger Marsh had recently held a roundtable event with businesses on the driver shortages currently impacting the HGV industry and invited Members to share their concerns and suggestions on this issue.

Councillor Waller joined the meeting during discussion of this item.

**Resolved:** That the Combined Authority notes the update on Covid-19

support in West Yorkshire.

#### **49. WY Climate and Environment Plan**

The Combined Authority considered a report on the climate emergency. It asked them to approve the West Yorkshire Climate and Environment Plan, which would be the Mayor and Combined Authority's response to address the climate emergency, to protect the environment, and to achieve net zero carbon emissions in West Yorkshire. The Combined Authority was also asked to endorse plans for the Mayor to bring forward a Climate and Environment Fund and to secure £85 million in funding for carbon reduction projects, with sources for this funding to be identified after the publication of Comprehensive Spending Review.

The importance of the plan was noted, with increasing occurrence of flooding events such as that of Boxing Day 2015 highlighted as examples of the significant impact of climate change in the region, and the approval of this plan would be particularly timely due to the upcoming attendance of the Mayor and the Managing Director at the 2021 United Nations Climate Change Conference (COP-26). As part of efforts to raise awareness of these climate issues and the important role of the bus service in combatting them, Sunday 31 October had been announced as 'Free Bus Sunday', where travel on buses throughout the region would be free. Encouragement toward greater use of public travel would be vital in combatting the climate emergency, and it was hoped that the event would support this.

The Government's Net Zero Carbon Strategy had been launched earlier in the week, and Members welcomed announced initiatives such as greater support for electric vehicles and grants to replace gas boilers with zero-emission heat pumps, but it was felt that the ambition of the Strategy was not sufficient to achieve a full, inclusive and just recovery from the Covid-19 pandemic, with it being noted that any incentives to support reducing emissions had to be accessible to all, rather than only those who were already wealthy. It would be important to support Government in tackling the crisis, but it was noted that MCAs and Local Authorities could use their knowledge and experience in local communities to be a leading voice in encouraging a change in priorities and behaviour.

The Plan had been developed with the support of the Climate, Energy and Environment Committee. Three potential pathways toward net zero emissions had been explored in the Plan; it was noted that the early actions set out within the Plan were consistent with all three pathways, and did not preclude any future decisions regarding this. The Committee would be happy to take a further role in the monitoring of the progress of the Plan and in discussions regarding which pathway would be taken, as well as timescales surrounding this.

The Committee had also raised the importance of ensuring that the carbon impact of existing road schemes was being robustly measured within the Plan; a piece of work was currently underway to improve technical guidance for developing schemes and improve analysis for investors and stakeholders, as well as to assess the impact of schemes currently in the pipeline. This was a

complex task, as factors such as potential modal shift could be difficult to measure, but a report would be shared when the work had been completed.

Members questioned what work was being undertaken with private developers in the region to encourage them to work in an environmentally-conscious way now, prior to any legislation being implemented. Although retrofitting homes with environmentally-friendly technology was noted as typically being more difficult and costly than new builds, building new carbon zero homes could also be extremely difficult to achieve in certain regions with low margins and viability without costs being passed on. Further Government funding was highlighted as needed in order to incentivise this.

It was also noted that the Mayor's pledge for 5000 sustainable homes aimed to work in partnership with developers, and work would also be done in the social housing sector to lower carbon emissions. A project currently underway in retrofitting Kirklees homes was mentioned as a positive example of the work already underway, and lessons learned from this pilot would be useful going forward. It was hoped that use of the existing technology, such as heat pumps, would lead to further innovation and a reduction of costs.

Mentions in the report about the reduction of parking were discussed, and Members raised concerns over the impact this could have on tourism, as well as the difficulties faced by some in charging electric cars. Officers advised that any approach toward parking would be carefully considered and multi-faceted to ensure people had different options for travel where possible. The Combined Authority would be working in close partnership with district councils, and it was noted that it would be important to gather further evidence about the impact of parking charges, in order to find most effective path toward encouraging modal shift. The use of Mayoral powers to introduce electric vehicle charging points at filling stations was also under consideration.

Members raised the following other comments and questions:

- Investment into heat insulation was highlighted as vital, as it would allow residents to simultaneously lower emissions while reducing the impact of cost of living increases.
- The report's discussion of digital infrastructure investment and pension divestment was welcomed, but further progress was needed, and a more targeted investment of pension funds could be an important next step.
- The idea of a Mayoral 'gold standard' for developers was raised, highlighting developers with environmentally-conscious practices and encouraging building new homes with green technology.
- Members raised concerns around residents on lower incomes facing difficulties with the costs of switching over to electric/hybrid vehicles, or with supplementary charges including parking.
- Further investment was also noted as being needed in social housing stock, and Members questioned what could be done to develop this into a sustainable market.
- It was noted that the impact of works on biodiversity was not frequently discussed, despite the onus of Combined Authorities to deliver a net gain in this in its residential planning and civil engineering. Officers

would explore what further action could be taken in this area.

- The importance of preserving river cleanliness was discussed, and it was requested that the Plan include further detail on this.

**Resolved:** That the Combined Authority:

- a) Approves the West Yorkshire Climate and Environment Plan and agrees to delegate, if required, any final changes to the Managing Director in consultation with the Mayor.
- b) Endorse the Mayor to bring forward a Climate and Environment Fund and to secure the £85m funding needed for the actions for the Combined Authority. The Combined Authority would work with partner local authorities to design the delivery mechanisms for this fund.
- c) Endorse the Mayor to identify potential funding sources for the Fund, including the Single Investment Fund. Decisions would be taken after the Comprehensive Spending Review, which would indicate whether and when there would likely be further national funding available to support this work.

## **50. Capital Spending and Project Approvals**

The Combined Authority considered a report on proposals for the progression of, and funding for, a number of Combined Authority supported projects that had been considered at stages 1, 2 or 3 of the Combined Authority's assurance process. The report also listed approvals that had been made by the Managing Director in delegation.

Three projects had been submitted for approval at the meeting:

- The Green Jobs Taskforce and Gateway scheme requested £500k from the Single Investment Fund (SIF) to research the future demand of green skills, investigate availability, and develop an action plan.
- The Creative New Deal project also requested £500k from the SIF to support two strands of delivery for support to creative industries across West Yorkshire. One strand focused on boosting capacity for the Mayor's Creative New Deal pledge (including the continuation of the Beyond Brontës programme) and another would progress the concept of a 'Town of Culture' award for West Yorkshire. The use of Langthwaite Enterprise Zone for creative industry purposes would also be explored.
- A bid had been submitted for £12.36 million from the third tranche of funding from the Emergency Active Travel Fund. This would be used to provide delivery of permanent schemes building off of the temporary schemes funded by the earlier two tranches of funding. It was requested that approval for this spending, as well as approval for the Leeds A660 Otley Road full business case, be delegated to the Managing Director of the Combined Authority in order to allow flexibility, particularly if the awarded funding differed from the expected amount.

Members discussed the 'night-time Czar' role proposed under the Creative

New Deal and questioned whether its focus would be on supporting the economic recovery of businesses operating at night or on the safety of women and girls. Officers advised that funding was often aimed to link between multiple pledges; the primary focus of the role would be the safety of women and girls, but it was hoped that both aspects could be fulfilled as the role was developed. These issues and others, such as how the 'Town of Culture' award would link to the 'UK City of Culture', would be further discussed as part of the work of the Culture, Arts and Creative Industries Committee.

It was highlighted that a large proportion of the Green Jobs Task Force and Gateway funding was proposed to be spent on three roles within the Combined Authority, rather than on delivering skills training. Officers advised that this was necessary to increase capacity within the team for the next stage of work, particularly for strengthening links between businesses and those exiting the education system. It was requested that future reporting be made more clear in tracking where Combined Authority funding was being used to create new jobs, rather than only supporting the business in what it had already been doing.

Approval was also sought for the delegation to the Climate, Energy and Environment Committee to approve the Social Housing Decarbonisation Fund scheme, in order for delivery to meet Government timeframes.

**Resolved:**

- a) That in respect of the Social Housing Decarbonisation Fund, and in order to ensure that schemes can be delivered within the tight timescales, the Combined Authority approves the delegation of authority to the Climate, Energy and Environment Committee to accept the Social Housing Decarbonisation Fund and approve the scheme in accordance with the Assurance Framework (decision point 4 (Final Business Case)), so that delivery can commence in line with government's delivery timeframes.
- b) That in respect of the Green Jobs Taskforce and Gateway, the Combined Authority approves that:
  - i) The Green Jobs Taskforce and Gateway scheme proceeds through decision point 2 (Strategic Outline Case) and decision point 4 (Full Business Case) with Approval to Proceed to activity 5 (Delivery).
  - ii) Approval to the Combined Authority's contribution of £500,000 (which will be funded from the Single Investment Fund to progress the mayor's pledges) be granted. The total scheme value is £500,000.
  - iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report and any change requests are delegated to the Employment and Skills Committee. This will be subject to the scheme remaining within the tolerances outlined in the submitted

report.

- c) That in respect of the Creative New Deal, the Combined Authority approves that:
- i) The Creative New Deal project proceeds through decision point 2 (strategic outline case) and decision point 4 (full business case) and work commences on activity 5 (delivery).
  - ii) Approval to the Combined Authority's contribution of £500,000, funded from the Combined Authority's Single Investment Fund is given. The total scheme value is £500,000.
  - iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report and any change requests are delegated to the Culture, Arts and Creative Industries Committee. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- d) That in respect of Local Authority Capital Funding 2021/2022, the Combined Authority approves that, subject to a successful bid to DfT:
- i) The allocation to the Combined Authority of the Active Travel Fund: Local Authority Capital Funding for 2021/22, subject to a successful bid, for expenditure of up to £12,361,310 and that the programme proceeds through decision point 4 (full business case) and work commences on activity 5 (delivery) for all schemes except the Leeds A660 Otley Road scheme which commences work on activity 4 (full business case)
  - ii) Delegation to the Managing Director to approve the Leeds A660 Otley Road full business case.
  - iii) The allocation of the Active Travel Fund: Local Authority Capital Funding for 2021/22 funding, should it be secured, between the Combined Authority and the five West Yorkshire partners as set out below:
    - Bradford - £3,056,300
    - Calderdale - £475,000
    - Kirklees - £2,260,000
    - Leeds - £4,785,000 including development costs of £470,000
    - Wakefield - £585,000
    - Combined Authority - £850,000 (for Cycle Parking and School Streets Programmes across all five districts with a further £350,010 for programme costs
  - iv) Development costs of £470,000 to progress the Leeds A660 Otley Road scheme to full business case.

- v) In order to ensure that schemes can be delivered within the tight timescales, the Combined Authority delegates authority to the Managing Director to amend the approval and allocation of Active Travel Fund: Local Authority Capital Funding for 2021/22 if the DfT award differs from £12,361,310, or if further changes to individual allocations is required, as a result of changes to the programme and approaches to delivery.
- vi) The Combined Authority enters into a funding agreement with Bradford, Calderdale, Kirklees, Leeds and Wakefield for expenditure as set out above, including potentially the Canal and River Trust, in agreement with the relevant partner council.
- vii) Future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report and any change requests are delegated to the Place, Regeneration and Housing Committee, which will be subject to the scheme remaining within the tolerances outlined in the submitted report.

## 51. Corporate Matters

The Combined Authority considered a report from the Director of Corporate and Commercial Services seeking approval of outstanding appointments of private sector members to several committees, noting work done toward of the 2022/2023 budget, and seeking acceptance of the proposed debt cap for 2021/2022 of £248 million offered by Her Majesty's Treasury.

Members questioned how the proposed debt cap compared to that of other Combined Authorities across the UK. It was advised that there was significant variation regarding debt caps, ranging from under £100 million to nearly £1 billion in some cases for longer-established Combined Authorities. It was noted that the cap request was above the amount that had been set out in the budget for the current year for borrowing, so should not impact on any decision-making regarding borrowing before its expiration in March 2022.

**Resolved:** That the Combined Authority:

- a) Appoints private sector members to the Culture, Arts and Creative Industries Committee as set out in Appendix 1 attached to the submitted report.
- b) Appoints Sam Keighley as a private sector member of the Place, Regeneration and Housing Committee.
- c) Appoints Karl Oxford as a private sector member of the Business, Economy and Innovation Committee.
- d) Accepts the debt cap of £248.326 million for 2021/22 as offered by HM Treasury.
- e) Notes the work underway on the 2022/23 budget.

## 52. Trans Pennine Route Upgrade

The Combined Authority considered a report on the current position regarding the Transport and Works Act Order pertaining to the upgrade of the Trans Pennine rail route, and its implications for land and assets operated by the Combined Authority. The report included recommended actions to safeguard the operation and redevelopment of Huddersfield Bus Station

Although the Combined Authority was supportive of the planned Trans Pennine route upgrade there were some technical issues that remained to be resolved with Network Rail. The Combined Authority was asked to approve delegation to the Managing Director to enter into an agreement with Network Rail to obtain safeguards to ensure the proposed work did not significantly negatively impact on the operation of Huddersfield Bus Station and bus network in Huddersfield. If this agreement was reached, the Combined Authority would submit a supportive letter to the upcoming Public Inquiry for the Transport and Works Act Order noting that the issues had been resolved; otherwise, the Combined Authority would participate in the Public Inquiry. It was noted that officers felt an agreement was close and would likely be reached within the next few days.

Members requested further information on improvements on the Trans Pennine more generally, particularly in light of uncertainty surrounding previous transport commitments. However, it was noted that further useful information would likely not be available until the Integrated Rail Plan was published by Government.

**Resolved:** That the Combined Authority:

- a) Delegates to the Managing Director, authority to enter into a binding legal agreement which safeguards the Authority's interests in and around Huddersfield Bus station and provides appropriate measures to manage travel disruption during the construction phase of the Trans Pennine Route Upgrade.
- b) Approves that, in the event that a binding legal agreement cannot be made with Network Rail, the Combined Authority shall participate in the Public Inquiry regarding the Transport and Works Act Order (TWAO) application to the Secretary of State for Transport for the proposed improvements to the railway between Huddersfield to Westtown (Dewsbury) to present the specific matters relating to impacts in and around Huddersfield Bus Station.
- c) Approves that, in the event that a binding legal agreement can be made with Network Rail, the Managing Director submits a letter to the Public Inquiry reaffirming the Combined Authority's support for the Trans Pennine Route Upgrade and advises that the matters relating to Huddersfield Bus Station have now been resolved.

## 53. Bus Service Improvement Plan

The Combined Authority considered a report providing an overview of the

content included in the Bus Service Improvement Plan (BSIP) and requesting approval for its submission to the Department for Transport.

The Mayor's pledge to improve the bus service and bring it back under public control was noted, with the BSIP intended as a first step toward this, creating a safe, accessible and fully inclusive bus system. It presented an ambitious picture for bus travel in the region, but this would be vital for the Combined Authority's decarbonisation and sustainable travel agenda and in achieving the net zero carbon by 2038 target, particularly with 90% of transport emissions currently coming from cars and vans.

Members welcomed the strong ambition demonstrated in the BSIP, particularly regarding the capped fare of £4.50 and the Flexibus and Demand Responsive Transport (DRT) schemes, noting it was an opportunity for the region to significantly improve bus service. However, it was cautioned that bus operators were in the process of cutting some services, and it was important that BSIP not become a means to simply fill the gap left by this.

It was noted that the BSIP funding was short-term, so the Combined Authority would need to ensure it did not find itself in the position of having to withdraw any improvements made due to being unable to find continued funding. In this vein, it would be vital to keep lobbying the Government on the importance of levelling up the region, and on providing funding for other important aspects of improving service such as new buses. Members noted their disappointment on being required to go through multiple rounds of competitive bidding to access this funding, as it took up considerable time and resources.

The free bus pass scheme for elderly and disabled passengers was discussed, with Members questioning whether the permitted hours of use could be extended to help those with early or late shifts. A possible extension was under consideration, but this would need to be funded from the budget rather than in the context of the BSIP. The need to support these passengers making journeys before the cut-off was noted, but a cost/benefit analysis would need to be undertaken to determine the best approach.

Members discussed the connection difficulties faced by more rural communities, which typically required more complex journeys, or where services ended earlier in the day. However, it was noted that urban communities also often faced similarly difficult or infrequent journeys, and that aspects such as poverty, health inequalities, and other things needed to be also considered. Further work was needed on making different modes of transport more interchangeable, and this would hopefully make a positive impact across the region.

Members also raised the following comments and questions:

- It was questioned why Park and Ride schemes were not mentioned; officers advised that Park and Ride schemes tended to be dealt with in the context of each local council's parking strategy.
- The report's description of a 'gender-neutral' bus system was discussed as part of efforts to ensure the connectivity of the bus network were not biased toward any one gender. The possibility of offering a reduction in fares for passengers on maternity or paternity leave was also

mentioned, but it was noted that funding would need to be found for this.

- The condition of school buses, which were cited as often old and had poor emissions compared to newer models, was raised. As these were often the first experience of independent travel for young people, a positive experience here could encourage future use of public travel as opposed to private car usage.
- The need for interventions to ensure that all residents were able to access vital locations such as healthcare and educational facilities was emphasised.

It was highlighted that comments had been received throughout the week on the exempt appendix; these were not reflected in the version included with the papers distributed for this meeting, but had been taken into due account.

The Chair noted her thanks to Cllr Groves, as well as to the Transport officers involved in producing the BSIP, for their hard work in showcasing the region's ambitions for its bus service.

**Resolved:** That the Combined Authority approves the BSIP and agrees to delegate any final changes to the Managing Director in consultation with the Mayor. The BSIP will be submitted to DfT before the deadline of 30th October 2021.

#### **54. Minutes for information**

**Resolved:** That the minutes of the Combined Authority's committees and panels be noted.



**Report to:** West Yorkshire Combined Authority

**Date:** 9 December 2021

**Subject:** **Bus Enhanced Partnership**

**Director:** Dave Pearson, Director of Transport Services

**Author:** Noel Collings, Interim Bus Policy Manager

Is this a key decision?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this report

- 1.1 To provide an overview of the content included in our draft West Yorkshire Bus Enhanced Partnership Plan and Scheme and request approval to begin consultation with bus operators and statutory consultees.
- 1.2 To approve the publication of the Notice of Intent to 'make' an EP Plan and Scheme for West Yorkshire.
- 1.3 To gain delegated approval for the Managing Director, in conjunction with the Mayor, to approve the West Yorkshire Zero Emission Bus Regional Area (ZEBRA) bid to the Department of Transport.

## 2. Information

### Background

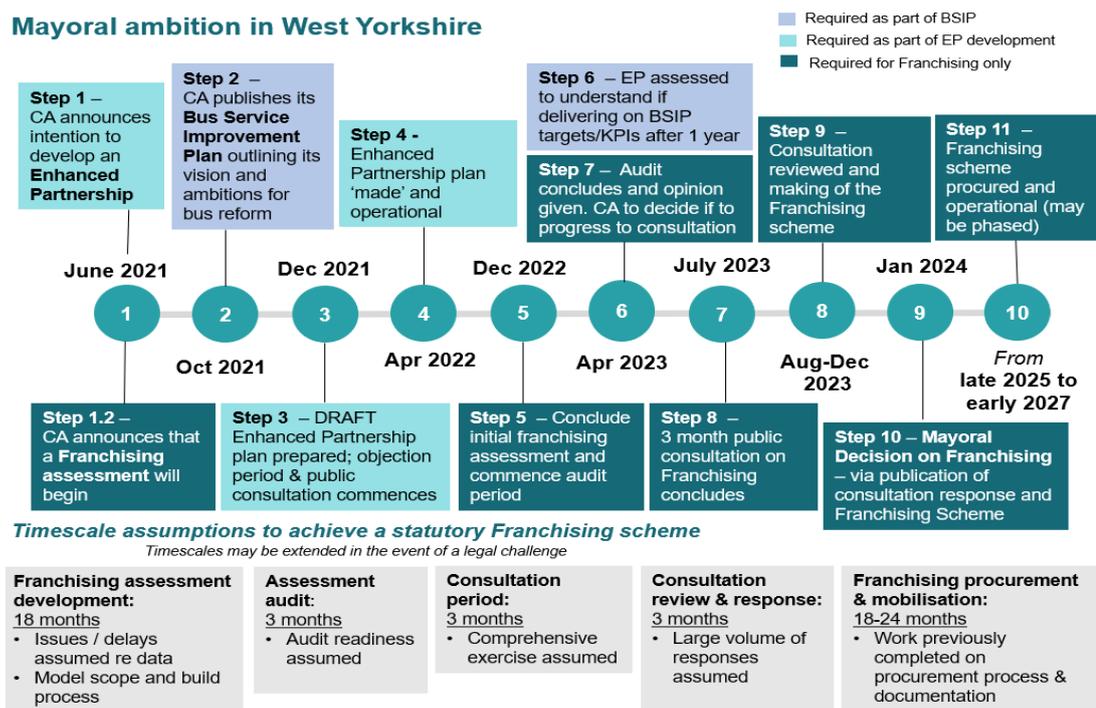
- 2.1 The National Bus Strategy, [Bus Back Better](#), published in March 2021 signalled a strong commitment from Government to bus. It acknowledges the failures of deregulation and looks to strengthen the role of Local Transport Authorities (LTAs) through the devolution of funding. It also sets out that for Local Transport Authorities (LTAs) to access funding from April 2022 there is a

requirement to be in an Enhanced Partnership (EP) or actively pursuing bus franchising by the end of March 2022.

2.2 In May 2021 West Yorkshire elected its first mayor. Of several mayoral manifesto pledges was the ambition to 'bring buses back into public control'. In response the Combined Authority has set out a "roadmap" to achieving this pledge and the process and draft timescale for delivery is set out in Figure 1 along with the time needed to meet the requirements of the legislative process.

2.3 In addition to the "roadmap" the Combined Authority served notice in June 2021 of its intention to prepare an Assessment of a Proposed Franchising Scheme. Alongside this Notice the Combined Authority also served notice of its intention to establish an EP with operators to improve local bus services and invited all operators running services in West Yorkshire to participate in the formulation of the EP Plan and its associated Scheme(s).

**Figure 1: Proposed Timescale for Enhanced Partnership and an Assessment for a Bus Franchising scheme**



2.4 While bus franchising is a longer-term proposition to enact bus reform in the region the EP will, at least until a decision on franchising has been made, deliver benefits to passengers in the short term.

2.5 The EP will set clear targets and standards to ensure it furthers the overall bus strategy aims to increase patronage and through that secure the wider goals of inclusivity and carbon reduction. As the Assessment of a Proposed Franchising Scheme will be developed alongside the EP then if the EP does not achieve its aims, then this would provide evidence to support a decision to

progress with a franchising scheme. It is expected that the EP will be included as part of the Assessment of a Proposed Franchising Scheme.

- 2.6 While the National Bus Strategy set out the different ways LTAs could access future bus funding it also set out a requirement to submit a Bus Service Improvement Plan (BSIP) to Government by 31 October 2021.
- 2.7 The [BSIP](#) was submitted to Government following approval by the Combined Authority on 22 October and sets out the Combined Authority's ambition for bus, regardless of the delivery model. It identifies a wide range of interventions that will enable the ambition to be achieved, with those that can be delivered over the short-term potentially being delivered by the EP, and those longer-term actions being delivered as part of the wider bus reform process.
- 2.8 The EP will be the mechanism for the delivery of the early stages of the BSIP. It provides details on the Combined Authority's, West Yorkshire local authorities, and operator's shared plan to improve bus services and provision in West Yorkshire and must build on the ideas and interventions set out in the BSIP in much more granular detail.
- 2.9 It is a statutory partnership between the Combined Authority as the LTA, West Yorkshire local authorities and all operators running bus services in the region and needs to be approved by all these parties to come into operation. Each of the Local Authorities of West Yorkshire will be signatories to the EP.
- 2.10 The EP will be overseen by the West Yorkshire Bus Alliance. The governance arrangements that are currently established for the Bus Alliance will be strengthened and adapted for the EP. The Bus Alliance Executive Board will be chaired by the Chair of Transport Committee or Lead Member Public Transport to ensure the electorate is fully represented in the governance of the bus service through the EP.
- 2.11 A statutory EP must be made up of two distinct elements:
  - **EP Plan:** the strategic document setting out the vision and objectives for the EP reflecting the ambitions and contents of the BSIP and providing more detail on proposed interventions where appropriate. It would also set out the governance arrangements for the partnership.
  - **EP Scheme(s):** linking the commitments around specific interventions that will deliver the EP Plan and identify facilities and/or measures<sup>1</sup> within a defined geography. At least one EP Scheme must be in place at all times in addition to the EP Plan. Successive iterations of the scheme would be planned, across West Yorkshire.
- 2.12 The initial West Yorkshire EP (comprising of an EP Plan and one EP Scheme) needs to be in place by April 2022. This is to ensure West Yorkshire can access the discretionary bus funding that will be available from April 2022,

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<sup>1</sup> Facilities are new or existing physical assets and measures are everything else deemed suitable for inclusion in an EP Scheme.

without the EP the region will not be able access this funding. The EP also needs to be in place to ensure the passenger benefits that can be achieved through bus reform are delivered prior to a decision being made on bus franchising. Prior to it coming into force a number of statutory processes need to have been completed. These are:

- **Operator Objection Period (OOP):** statutory 28-day period where bus operators can make a formal objection in writing if they disagree with the content of the EP. Subject to Combined Authority approval this will begin in December 2021.
  - **Formal Consultation Exercise:** consultation with statutory consultees. Subject to Combined Authority approval this will begin in January 2022.
- 2.13 Prior to beginning the statutory consultation on the EP a Notice of Intention to 'make' an EP Plan and Scheme needs to have been published. The Notice is contained at Appendix 1 and the Combined Authority are asked to approve its publication.
- 2.14 Subject to the statutory consultation being completed and no substantial objections being received the final EP will be brought for approval to Transport Committee on 4 March 2022 and the Combined Authority on 17 March 2022.
- 2.15 Details on the content of the EP Plan and Scheme are set out below and the Combined Authority are asked to approve their use in consultation with stakeholders.

### **West Yorkshire EP Plan**

- 2.16 As set out in 2.8 above the EP Plan should reflect the ambitions and content of the BSIP, the content of which was considered and approved by the Combined Authority at its [23 October 2021 meeting](#).
- 2.17 Given the close alignment with the BSIP a large proportion of the content of the EP Plan will be familiar to Members with further information available via the published [BSIP](#). As an example of where close alignment has occurred the vision and objectives of the BSIP have been retained for the EP.
- 2.18 Where the EP Plan departs from the BSIP is in relation to the timescales that it covers. While the BSIP is the long-term strategic approach to improving bus services and the network in the region, the initial EP Plan takes a shorter-term view, focussing on what improvements can be made in the period up to 2027. This reflects the indicated timescales for deciding on and implementing a bus franchising scheme (if bus franchising is determined to be the preferred option for delivering bus reform in West Yorkshire).
- 2.19 Due to the close alignment with the BSIP the EP Plan must be clear on how it will help to deliver the themes and workstreams of the BSIP. Table 1 demonstrates how the key themes of the BSIP will be delivered through the EP. Appendix 2 provides an overview of the types of outputs and outcomes

that the EP will help progress to deliver the interventions identified in the BSIP workstreams.

**Table 1. Approach to delivery of BSIP themes through the EP**

BSIP Theme	EP Approach
A safe and inclusive bus system	Seeks to implement measures / facilities to support the safety of all passengers throughout their journey, particularly women and girls, and also deliver interventions to support a wide range of different travel behaviours and user needs, including the provision of greater flexibility and choice and ensuring accessibility.
Better connected communities	Seeks to grow and enhance the regional bus network, including by improving frequency and service hours, so that communities across the region, particularly those that economically deprived and in non-major urban areas, are better connected by bus services and, where appropriate, other models such as demand responsive transport (DRT).
Decarbonisation and integrated sustainable travel	<p>Seeks to retain and work towards existing commitments for a zero carbon bus system by 2036, with significant progress by 2030, and for all vehicles to be EURO VI clean air zone compliant by 2036.</p> <p>Seeks to explore opportunities for improved integration with other modes of public transport and forms of travel, such as walking and cycling, so people can travel sustainably from door-to-door.</p>

- 2.20 The EP plan sets out the requirement to deliver a number of overarching EP schemes, which will embed key principles across West Yorkshire. These EP schemes include delivery of clear principles for the core bus network and a customer charter for all passengers. The mechanism for delivering the outputs and outcomes identified in the EP Plan is via the different EP Schemes that are implemented alongside the EP Plan. Information on the approach to the development and delivery of EP Schemes, including the first EP Scheme is set out in the section below.

### **West Yorkshire EP Scheme**

- 2.21 The EP Plan alone does not constitute an EP. For the EP to come into force the EP Plan must be accompanied by at least one EP Scheme at all times.
- 2.22 Due to the timescales laid down from Government for the EP to be 'made' it has not been possible to produce the full suite of EP Schemes that would be required to meet the ambitions and content of the BSIP. As such a modular approach to the delivery of EP Schemes is being taken, whereby an initial EP

Scheme has been produced to meet the initial timescales, with other EP Schemes being developed throughout 2022 and 2023. Appendix 4 sets out the indicative delivery plan for the variations to the EP scheme and the new EP schemes that are proposed to be developed.

2.23 To fully deliver the ambition of the BSIP a suite of EP Schemes will need to be produced. They are focussed on:

- Bus infrastructure (first EP Scheme to come forward) - each new bus priority project will be added to the EP scheme as a variation
- Bus core network -to contractualise delivery of the high frequency network including the provisions of the network navigation colour coded system across West Yorkshire
- Fares and ticketing -this will sit alongside the Statutory Ticketing Scheme (which obligates operators to accept multi operator tickets) and the Concessionary Fare Schemes (which remain a Combined Authority responsibility outside the EP).
- Customer services and information -contractualising an agreement on information provision across the Combined Authority and operators
- Bus connecting network- to establish standards for lower frequency commercial and CA funded services to rural and less populated communities
- Air quality and decarbonisation - agreement on delivery of Euro VI and zero emission buses
- Communications and marketing – including a unified branding for the bus network
- Agreement around the Urban Traffic Management Control delivery and operation

2.24 All of the EP schemes set out in the list above will be West Yorkshire wide. Using the Network Navigation colour coded system for the core bus network as a worked example, obligations regarding displaying the route names and colours on infrastructure and buses will sit in the Core Network and Bus Infrastructure schemes with obligations regarding incorporating the colour coding map on buses and customer facing material services in the Customer Services and Information and Communications and Marketing schemes. This approach has been launched in Leeds and will be rolled out over West Yorkshire from 2022.

2.25 In terms of the Air Quality and Decarbonisation EP Scheme the Combined Authority is due to submit its final West Yorkshire Zero Emission Bus Regional Area (ZEBRA) bid to the Department of Transport on 31 January 2022. The ZEBRA Programme aims to increase the number of zero emission buses operating on the bus network to 10% of the total fleet and is working with the three main operators (Arriva, First Bus and Transdev) to realise this objective. These zero emission buses will form a key obligation under the Air Quality and Decarbonisation EP Scheme, therefore, to ensure their inclusion in the first iteration of this EP Scheme (to be brought forward in 2022), the Combined Authority are asked to delegate the approval of the final ZEBRA bid

documents for submission to the Department of Transport to the Managing Director in conjunction with the Mayor.

- 2.26 Appendix 4 sets out the delivery timescale for each EP scheme, further definition of each EP scheme will come forward early in 2022. The initial EP Scheme that will come forward through the EP is a Bus Infrastructure EP Scheme. The purpose of this EP Scheme is to contractualise both existing and future bus priority infrastructure to ensure this infrastructure is implemented and maintained to provide a consistent, quick and high-quality bus service on the routes which it is applied to.
- 2.27 Across West Yorkshire there are a high number of bus priority infrastructure projects that have either been delivered, are in delivery or are to be developed which ultimately will be included and contractualised within this EP Scheme. For example, bus priority infrastructure projects featuring in programmes such as the Leeds Public Transport Improvement Programme (LPTIP), Transforming Cities Fund (TCF) and City Region Sustainable Transport Settlement (CRSTS) will be included in the Bus Infrastructure EP Scheme overtime covering projects in all five West Yorkshire districts.
- 2.28 The high volume of bus infrastructure projects that the Bus Infrastructure EP Scheme applies to, and the timescales imposed on the production of the initial EP by Government, has necessitated a proportional approach to be applied to the development and delivery of this EP Scheme initially. Considering this, the first bus infrastructure project to be included in this EP Scheme is the A61(South) in Leeds with other bus infrastructure projects in the other West Yorkshire districts added rapidly post March 2022.
- 2.29 In the first instance formal agreement to the provisions outlined will only apply to those obligated parties on the A61 (South) e.g. bus operators, Leeds City Council and the Combined Authority, however the other four West Yorkshire local authorities will be asked to sign-up to the principles of the Bus Infrastructure EP Scheme to facilitate bus infrastructure projects to be added from the other four local authority areas.

#### A61 South

- 2.30 The A61(South) is identified as a bus priority corridor in LPTIP and for the purposes of the provisions that are included in the Bus Infrastructure EP Scheme applies to the stretch of the A61(S) from Hunslet Road / South Accommodation Road Junction to A639 Wakefield Road / Queen Street Junction.
- 2.31 A variety of provisions are included in the Bus Infrastructure EP Scheme relating to the A61(S). These are to be delivered by Leeds City Council, the bus operators running services on the corridor (Arriva and First Bus) and the Combined Authority. An overview of these provisions is highlighted in Appendix 3.

- 2.32 While the provisions outlined in Table 3 are those which will be included in the Bus Infrastructure EP Scheme from April 2022, they do not represent the extent of the provisions that will eventually apply to the A61(S). It is the intention to add additional provisions post April 2022 through negotiations with the bus operators and Leeds City Council.
- 2.33 To make variations to the Bus Infrastructure EP Scheme i.e. to add additional provisions to the A61(S) aspects covered or to add other bus priority corridor projects, a variation mechanism will be used that only requires the Combined Authority to formally consult with bus operators running services on the corridor(s) affected. For all other EP Scheme the statutory consultation process will be applied when these are first 'made'.

### **3. Tackling the Climate Emergency Implications**

- 3.1 A well-used and attractive bus service will support the shift in travel from private cars to more sustainable modes needed to reduce carbon emissions from transport. The EP is one of the mechanisms that will deliver bus reform in West Yorkshire, a key area of focus for the West Yorkshire Climate and Environment Plan over the next three years, by putting in place measures that will help transition journeys from the private car to public transport and active travel.

### **4. Inclusive Growth Implications**

- 4.1 Buses are important in providing and enabling access to employment and training opportunities across West Yorkshire. Interventions outlined in the BSIP which transition into the EP will consider the needs of communities with higher levels of deprivation and those of less affluent travellers.

### **5. Equality and Diversity Implications**

- 5.1 The BSIP seeks to identify options which make travel by bus an attractive and viable option for all members of the community. Where interventions relating to this transition into the EP they will consider the needs of all prospective bus users and will identify actions to promote inclusion. An equality impact assessment will be made on the finalised EP.

### **6. Financial Implications**

- 6.1 There are no financial implications directly arising from this report, however it is worth noting that future EP Schemes may obligate the Combined Authority and/or its EP partners to fund specific facilities and/or measures. Where this is the case for the Combined Authority separate reports will be brought to the relevant Committee for approval.

### **7. Legal Implications**

- 7.1 The process proposed by this report is in line with the provisions of the Bus Services Act and associated guidance.

## **8. Staffing Implications**

- 8.1 The approach to the production of future EP Schemes depending on scope and breadth, could increase the burden on the bus policy team necessitating the need to recruit additional resources to service their production, engagement and consultation. Where this is found to be the case a separate report will be brought to the relevant Committee for approval.

## **9. External Consultees**

- 9.1 Informal consultation has taken place via the Bus Alliance and their opinions and feedback have been integrated into the draft West Yorkshire EP Plan and Scheme.

## **10. Recommendations**

- 10.1 That the Combined Authority approves the publication of the Notice of Intent to 'make' an EP Plan and Scheme.
- 10.2 That the Combined Authority approves the content of the draft EP Plan and Scheme for use in statutory consultation.
- 10.3 That the Combined Authority delegates the decision to submit the West Yorkshire Zero Emission Bus Regional Area (ZEBRA) bid to the Department of Transport to the Managing Director in conjunction with the Mayor.

## **11. Background Documents**

There are no background documents referenced in this report.

## **12. Appendices**

Appendix 1 – Notice of Intent to 'make' an EP Plan and Scheme

Appendix 2 – EP outputs and outcomes to deliver BSIP workstream interventions

Appendix 3 – A61(S) local authority, bus operator and Combined Authority provisions

Appendix 4 – Draft indicative variations to the EP scheme and new EP schemes 2022 to 2023 and 2023 to 2027

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December 2021

Dear operator,

## **Notice that the Combined Authority has prepared an Enhanced Partnership Plan and Scheme for West Yorkshire**

This is a notice to confirm that the West Yorkshire Combined Authority has prepared a draft Enhanced Partnership (EP) Plan and Scheme for the region's bus system. This is now subject to a **28-day operator objection period, commencing on 20<sup>th</sup> December 2021 until 16<sup>th</sup> January 2022.**

An EP is a legal agreement between a transport authority and all qualifying local operators to work together to improve local bus services, and places new requirements on all parties concerning the delivery of these services.

This draft EP Plan and Scheme work towards delivering the Combined Authority's [Bus Service Improvement Plan](#) (BSIP) which sets out an ambitious vision and targets for buses in West Yorkshire. Specifically, the draft EP Plan and Scheme includes:

- The West Yorkshire BSIP's vision, objectives, and strategic approach to delivering a **'safe and inclusive bus service'**; **'better connected communities'**; and **'supporting decarbonisation and integrated, sustainable travel'**.
- The ambition to deliver a range of outputs and outcomes across six key workstreams, subject to appropriate funding and resource, that will **work to improve local bus services for all passengers** – these are detailed in Appendix A.
- **The provision of specified facilities and assets to support bus priority and improved bus services on the A61 (South)**, from Hunslet Road / South Accommodation Road junction to A639 Wakefield Road / Queen Street junction – which will serve as a template to contractualise all existing and future bus priority infrastructure schemes across the region.

All operators of “qualifying local services” have a right to provide feedback and / or formally object to this EP plan and scheme. A service is a “qualifying local service” for objection purposes if it is a registered local bus service which has one or more stopping place within the geographical area of the plan or scheme concerned (in this case the entirety of West Yorkshire region, as defined by the boundaries of Bradford, Calderdale, Kirklees, Leeds and Wakefield local authority areas) and it is not an excluded service. The definition of an “excluded service” as per section 4.2 of the Department for Transport's [Enhanced Partnership guidance](#) is included as Appendix B. You have been sent this letter as the Combined Authority understands you to be an operator of a “qualifying local service”.

Should a certain level of operators' object to the draft EP plan it will not be able to proceed to public consultation or be made legally binding. This level is reached when:

- The combined registered distance of all the qualifying local services operated by objectors in the relevant EP area is at least 25% of the total registered distance of all local bus services operated by all the bus operators in that area and there at least three are objectors; or
- At least 50% of the total number of operators of qualifying local services within the relevant plan or scheme area and the combined registered distance of qualifying local services operated by the objectors in the relevant area is at least 4%.

As per guidance provided by the Department for Transport operators are required to provide justification for any objection. To object without giving reasons would run against the requirement of the BSIP to co-operate with the EP process in order to receive discretionary funding, including the Covid-19 Bus Service Support Grant (CBSSG).

Any objections should be sent to the Combined Authority 16<sup>th</sup> December 2022. These can be sent to myself via email at [dave.pearson@westyorks-ca.gov.yk](mailto:dave.pearson@westyorks-ca.gov.yk) or post to:

**Wellington House,  
40-50 Wellington Street  
Leeds  
LS1 2DE**

The Combined Authority is required by law to publish the names of operators making any objections within 14 days of the last day of the period during which objections can be made.

The Combined Authority would like to thank all operators for their engagement and collaboration to date throughout the development of this draft EP Plan and Scheme. We look forward to continuing to work with you in this spirit to ensure the ongoing delivery of services and wider transformation of the local bus network for the benefit of West Yorkshire's travelling public.

Yours faithfully,

Dave Pearson, Director of Transport and Property Services

## Appendix A

**Table 1 - A table to show what the Enhanced Partnership will aim to deliver.**

<b>BSIP Workstream</b>	<b>Output</b>	<b>Outcome</b>
Bus Network Design	<ul style="list-style-type: none"> <li>• Development and delivery of a five-year network plan</li> <li>• Superbus pilots (subject to funding)</li> <li>• Expansion of the 'FlexiBus' DRT offer (subject to outcome of the East Leeds DRT trial)</li> </ul>	<ul style="list-style-type: none"> <li>• Radically enhanced bus network with improved frequencies and longer service hours on the core network in the early mornings and evenings</li> <li>• More consistent regular service provision across the wider networks which takes people where they want to go, when they need to go, and caters for the complexity of modern travel patterns</li> </ul>
Bus Priority	<ul style="list-style-type: none"> <li>• Region-wide approach to improving bus journey times and reliability</li> <li>• Development and delivery of bus priority infrastructure pipeline</li> <li>• Improvements to the management of roads and streets, particularly regarding disruptions</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent, cross-regional approach to bus priority</li> <li>• Extensive network of bus lanes and other traffic management measures</li> <li>• Buses move quickly and reliably across the road network without getting stuck in congestion, improving bus journey times and representing a viable alternative to the private car</li> </ul>
Fares & Ticketing	<ul style="list-style-type: none"> <li>• Continued participation in the MCard ticketing schemes and establishment of a common framework</li> <li>• Introduction of a multi-operator contactless 'tap and go' capping system</li> </ul>	<ul style="list-style-type: none"> <li>• Clear simple multi-operator fares and ticketing system that makes paying for bus travel more affordable, convenient and flexible</li> <li>• A fares and ticketing system that meets a wide range of different passenger needs and</li> </ul>

BSIP Workstream	Output	Outcome
	<ul style="list-style-type: none"> <li>Reduction in the price of the MCard DaySaver (subject to funding)</li> <li>Trial of time-limited barcode tickets</li> <li>Mobility credits scheme to support access to employment, training and education</li> </ul>	<ul style="list-style-type: none"> <li>offers value for money for all</li> </ul>
Customer Service & Information	<ul style="list-style-type: none"> <li>Rollout of colour coded bus stops, maps and flags across the Core Network and other services (Network Navigation)</li> <li>Enhancements to the MCard ticketing app including live journey planning information</li> <li>Better coordinated system to manage customer queries and complaints</li> <li>Further rollout of onboard audio-visual technology and other accessible information</li> </ul>	<ul style="list-style-type: none"> <li>Improved, more inclusive customer service and support so passengers have the tools to travel with confidence and the help they need if their journey does not go to plan</li> <li>Step change in the information available to passengers, with more live, real-time and digital information that supports passengers both when planning and during their journeys</li> </ul>
Air Quality & Decarbonisation	<ul style="list-style-type: none"> <li>Increased number of zero emission buses in line with net-zero commitments (subject to funding)</li> <li>All buses Euro VI emission standard or better by 2026</li> </ul>	<ul style="list-style-type: none"> <li>More green and better vehicles operating across the network helping the region to meet its environmental objectives and net-zero targets</li> </ul>
Communications & Marketing	<ul style="list-style-type: none"> <li>Greater visibility of the Metro brand at all stages of the passenger journey / communications channels</li> <li>Shared marketing and comms campaigns /</li> </ul>	<ul style="list-style-type: none"> <li>Metro brand unifies the West Yorkshire bus network and signifies a high standard of service a passenger can expect on</li> </ul>

BSIP Workstream	Output	Outcome
	messaging to promote bus travel <ul style="list-style-type: none"> <li>• Behaviour change activity programme</li> <li>• More incentives, partnerships and promotional deals to encourage bus travel</li> </ul>	any and all buses in the region <ul style="list-style-type: none"> <li>• Operators and authorities speak to passengers with one voice that demystifies and attracts people to bus and instils them with confidence to choose to travel by bus and other sustainable modes</li> </ul>

## **Appendix B**

### **Definition of an ‘excluded service’, as per the Department for Transport’s Enhanced Partnership guidance.**

An excluded service:

- Is a service run under sections 89 to 91 of the Transport Act 1985 where the authority retains all the revenue from that service;
- is a registered local service which is an excursion or tour<sup>32</sup>; • Is a service operated under Section 22 of the Transport Act 1985 (a community bus service). An EP does not apply to this type of registered service - although there is nothing to prevent the operator from voluntarily complying with some or all of the EP requirements that would otherwise apply to that service; or
- The service has 10% or less of its overall distance (not just the distance within the EP plan or scheme) registered as a local bus service. (This might include interurban or other long-distance scheduled services that are not generally used for local journeys within the EP area, but may use bus stops within it).

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**Report to:** Combined Authority

**Date:** 9 December 2021

**Subject:** **Bus Enhanced Partnership – Appendix 2 - EP outputs and outcomes to deliver BSIP workstream interventions**

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BSIP Workstream	Output	Outcome
Bus Network Design	<ul style="list-style-type: none"> <li>• Development and delivery of a five-year network plan</li> <li>• Superbus pilots (subject to funding)</li> <li>• Expansion of the ‘FlexiBus’ DRT offer (subject to outcome of the East Leeds DRT trial)</li> </ul>	<ul style="list-style-type: none"> <li>• Radically enhanced bus network with improved frequencies and longer service hours on the core network in the early mornings and evenings</li> <li>• More consistent regular service provision across the wider networks which takes people where they want to go, when they need to go, and caters for the complexity of modern travel patterns</li> </ul>
Bus Priority	<ul style="list-style-type: none"> <li>• Region-wide approach to improving bus journey times and reliability</li> <li>• Development and delivery of bus priority infrastructure pipeline</li> <li>• Improvements to the management of roads and streets, particularly regarding disruptions</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent, cross-regional approach to bus priority</li> <li>• Extensive network of bus lanes and other traffic management measures</li> <li>• Buses move quickly and reliably across the road network without getting stuck in congestion, improving bus journey times and representing a viable</li> </ul>

BSIP Workstream	Output	Outcome
		alternative to the private car
Fares & Ticketing	<ul style="list-style-type: none"> <li>• Continued participation in the MCard ticketing schemes and establishment of a common framework</li> <li>• Introduction of a multi-operator contactless 'tap and go' capping system</li> <li>• Reduction in the price of the MCard DaySaver (subject to funding)</li> <li>• Trial of time-limited barcode tickets</li> <li>• Mobility credits scheme to support access to employment, training and education</li> </ul>	<ul style="list-style-type: none"> <li>• Clear simple multi-operator fares and ticketing system that makes paying for bus travel more affordable, convenient and flexible</li> <li>• A fares and ticketing system that meets a wide range of different passenger needs and offers value for money for all</li> </ul>
Customer Service & Information	<ul style="list-style-type: none"> <li>• Rollout of colour coded bus stops, maps and flags across the Core Network and other services (Network Navigation)</li> <li>• Enhancements to the MCard ticketing app including live journey planning information</li> <li>• Better coordinated system to manage customer queries and complaints</li> <li>• Further rollout of onboard audio-visual technology and other accessible information</li> </ul>	<ul style="list-style-type: none"> <li>• Improved, more inclusive customer service and support so passengers have the tools to travel with confidence and the help they need if their journey does not go to plan</li> <li>• Step change in the information available to passengers, with more live, real-time and digital information that supports passengers both when planning and during their journeys</li> </ul>

BSIP Workstream	Output	Outcome
Air Quality & Decarbonisation	<ul style="list-style-type: none"> <li>• Increased number of zero emission buses in line with net-zero commitments (subject to funding)</li> <li>• All buses Euro VI emission standard or better by 2026</li> </ul>	<ul style="list-style-type: none"> <li>• More green and better vehicles operating across the network helping the region to meet its environmental objectives and net-zero targets</li> </ul>
Communications & Marketing	<ul style="list-style-type: none"> <li>• Greater visibility of the Metro brand at all stages of the passenger journey / communications channels</li> <li>• Shared marketing and comms campaigns / messaging to promote bus travel</li> <li>• Behaviour change activity programme</li> <li>• More incentives, partnerships and promotional deals to encourage bus travel</li> </ul>	<ul style="list-style-type: none"> <li>• Metro brand unifies the West Yorkshire bus network and signifies a high standard of service a passenger can expect on any and all buses in the region</li> <li>• Operators and authorities speak to passengers with one voice that demystifies and attracts people to bus and instils them with confidence to choose to travel by bus and other sustainable modes</li> </ul>

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**Report to:** Combined Authority

**Date:** 9 December 2021

**Subject:** **Bus Enhanced Partnership – Appendix 3 - A61(S) local authority, bus operator and Combined Authority provisions**

Provision	Description	Obligated party
Existing and future vehicle standards	Commitment to providing onboard facilities e.g. WiFi, USB charging, and EURO VI or better vehicles	Bus Operators
Service Disruption Protocol ('Husky')	Shared ticket acceptance during unplanned disruption and tender changes	
Network Navigation	Comply with the requirements of the Network Navigation project	
Timetable Changes	Comply with updated Network Stability Agreement	
Safety of Women at Night	Supporting MCard campaign and distribution on services crime prevention materials and tools	
Frequency	Commitment to maintaining frequency of services on the corridor	
Provision and maintenance of facilities	Commitment to provide and maintain facilities such as bus lanes, pedestrian crossings, bus lay-bys	

Provision	Description	Obligated party
Operator reporting procedures	Protocol for operators to contact local authority on highways and parking enforcement issues, and works on the highway	
Bus lane design and operation	Compliance with WY Bus Lane Design Policy	
Managing roadworks	Protocol for communicating process for managing roadworks to operators	
Provision and maintenance of facilities	Commitment to provide and maintain facilities such as real-time information screens, bus shelters and furniture	West Yorkshire Combined Authority
Operator reporting procedures	Protocol for operators to contact the Combined Authority on bus stop / shelter issues	
Network Navigation	Comply with the requirements of the Network Navigation project for bus stops / shelters	
Safety of Women at Night	Provision of campaign promotional materials on services operating on the corridor	

**Report to:** Combined Authority

**Date:** 9 December 2021

**Subject:** **Bus Enhanced Partnership – Appendix 4 – Draft future EP Schemes and variations list**

Year to be added	EP Scheme / Programme	Project	District
2022/23	Bus Infrastructure / LPTIP	A660 Corridor A647 Corridor A58 Corridor A61(N) Corridor A639 Corridor City Centre Gateways (Albion Street / Woodhouse Lane, Corn Exchange, Headrow, Infirmary Street, Park Row)	Leeds
	Bus Infrastructure / WYTF	Harrogate Road New line A6177 Thornton Road and Great Horton Road	Bradford
		Corridor Improvement Programme Phase 1 - A646/A6003, A58 A672, Sowerby Bridge Station Road	Calderdale
		Corridor Improvement Programme Phase 1 - A62 Smart Corridor Corridor Improvement Programme Phase 1 – Holmfirth Town Centre Access Plan	Kirklees
		Corridor Improvement Programme Phase 1 – Dyneley Arms, Dawsons Corner, Fink Hill	Leeds
	Fares & Ticketing		West Yorkshire-wide

Year to be added	EP Scheme / Programme	Project	District
		Customer Services & Information	West Yorkshire-wide
		Bus Core Network (incl. Network Navigation)	West Yorkshire-wide
		Bus Connecting Network	West Yorkshire-wide
		Air Quality & Decarbonisation	West Yorkshire-wide
		Communication & Marketing	West Yorkshire-wide
2023/24	Bus Infrastructure / TCF	Bradford City Centre South Bradford P&R and Expressway Bradford to Shipley Corridor	Bradford
		Halifax Transformation Package	Calderdale
		Dewsbury - Cleckheaton Sustainable Travel Corridor Dewsbury – Batley – Chidswell Sustainable Travel Corridor A629 Wakefield Road Sustainable Travel Corridor	Kirklees
		A64 Corridor	Leeds
		Wakefield City Centre Bus, Cycle and Walking Improvements	Wakefield
	Bus Infrastructure / WYTF	Bradford to Shipley Corridor	Bradford
		A629 Phase 1B	Calderdale
		A629 Ainley Top & Phase 5 Corridor Improvement Programme Phase 1 - Huddersfield Southern Corridors	Kirklees

Year to be added	EP Scheme / Programme	Project	District
2024 to 2027	Bus Infrastructure / TCF	A629 Phase 2 A629 Phase 4 A62 to Cooper Bridge Corridor Improvement Scheme A641 Corridor Improvements	Calderdale
		Mirfield – Dewsbury – Leeds	Kirklees
		A61 Corridor (variation of A61(S) Corridor already included in EP Scheme) A639 Corridor	Wakefield
	Bus Infrastructure / WYTF	A638 Doncaster Road Corridor Improvement Programme	Wakefield
	Bus Infrastructure / CRSTS	Wakefield Road sustainable transport (bus + cycle) corridor - Dudley Hill to City Centre Bradford to Shipley Corridor City Centre Bus, Cycling and Walking Improvements Bradford interchange station access Manchester Road Expressway	Bradford
		Beckett Street – transformational bus priority scheme Leeds City Centre package A660 Multi modal bus priority and cycle corridor improvements incl. Lawnswood roundabout	Leeds
		A61 (variation of A61(S) Corridor already included in EP Scheme) A639 Corridor City Centre Bus, Cycle and Walking Improvements A639 Park Road, Pontefract – Heath Common to Knottingley Horbury – Wakefield / Ossett to Wakefield	Wakefield

Year to be added	EP Scheme / Programme	Project	District
	Bus Infrastructure / BSIP infrastructure pipeline (funding unconfirmed)	<p>Kings Road sustainable transport (bus + cycle) corridor - Five Lane Ends to City Centre</p> <p>Toller Lane sustainable transport corridor (bus + cycle) - Chellow Heights to City Centre</p> <p>Shipley to Thackley A657</p> <p>Cemetery Rd / Clayton Rd</p> <p>Duckworth Lane / Hospital Access</p> <p>Little Horton Rd / A6177 outer ring Rd</p> <p>Little Horton Rd / Horton Park Rd</p> <p>Westgate / Drewton Rd / Lumb Lane</p> <p>Shipley Airedale Rd / Leeds Rd</p> <p>Leeds Rd / Laisterdyke</p> <p>Leeds Rd gyratory</p> <p>Bolton Rd / Leeds Rd / Stone Hall Rd</p>	Bradford
		<p>A62 Huddersfield – Milnsbridge - Slaithwaite - Marsden – (incl Crossland Moor &amp; Longroyd Bridge junction)</p> <p>A6024/A616 Holmfirth – Huddersfield</p> <p>A629 Huddersfield – Waterloo – Fenay Bridge – Kirkburton – Skelmanthorpe B6116.</p>	Kirklees
		A65 Bus Priority (Bradford Road, Guiseley, Menston area)	Leeds
		<p>South Wakefield Bus Package</p> <p>Aberford Road Corridor</p> <p>Owl Lane Roundabout, Ossett</p>	Wakefield



**Report to:** West Yorkshire Combined Authority

**Date:** 9 December 2021

**Subject:** **COP26 and the West Yorkshire Climate & Environment Plan**

**Director:** Liz Hunter, Director Policy & Development

**Author:** Daniel Barrett, Head of Energy & Environment

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this report

- 1.1 To inform the Combined Authority of the outcomes, implications and next steps following the conclusion of the UN Framework Convention on Climate Change, 26th Conference of the Parties (COP26), Glasgow, UK.
- 1.2 To highlight the proposals in the West Yorkshire Climate and Environment Plan to be prioritised first for delivery by the Combined Authority.

## 2. Information

### Outcomes of COP26

- 2.1 The UK Government wanted COP26 to keep the 1.5C trajectory of the Paris Agreement "alive" and arguably it has achieved this, although significant challenges remain.
- 2.2 On an international scale, the reception to the [‘Glasgow Climate Pact’](#) has been mixed. Without doubt it has reinforced the need for action, and there have been new agreements (by 30 countries comprising 85% of the world’s forests) to stop deforestation by 2030, an agreement to cut methane by 30% by 2030, 40 countries to “shift away” from coal, and the Glasgow Financial Alliance for Net-Zero (GFANZ) represents over \$130trn in assets under

management. On transport there have been pledges by companies to move to zero-emission vehicles, and on aviation to develop a decarbonisation target that is pre-2050, to which 18 nations have signed up, including the USA.

- 2.3 However, the results of COP26 and the Glasgow Climate Pact are divisive. The deal stretches nations on topics like coal and finance more than they have been before – despite the last-minute intervention from India to weaken the text on coal from ‘phase-out’ to ‘phase-down’. Yet many highlight that the mechanisms agreed are not sufficient to combat the most severe climate-related risks. The Glasgow Climate Pact is historic in that it marks a truly uncomfortable transition for those lagging, and yet research suggests that the 1.5C ambition of the Paris Agreement, while under threat, is still achievable.

#### Implications of COP26

- 2.4 In the national coverage of COP26, the role of local Government has been underplayed. There have been estimates that local government is directly responsible for delivering 32% of the emissions reductions needed in the UK and is able to influence 82% of the whole UK total<sup>1</sup>. However, there was little focus at COP26 on how to deliver reductions at the local level, and perhaps an over-focus on technology solutions over behavioural measures. Local government needs the resources and powers to deliver its part of the net zero challenge, starting with the development of net zero proofed policies and a pipeline of investment ready programmes and projects.
- 2.5 With 1.5C under threat and many are looking to the local public, private, third and community sectors to intervene. Trillions are needed to combat the climate crisis and to support low-income nations. Developed nations failed to meet the \$100bn finance target, which has now been renegotiated to be delivered through to 2025, and there is no guarantee that this target won’t be missed again. Policymakers and negotiators are looking to the local public and private sectors to transform the net-zero movement.
- 2.6 With some nations set to renege on mechanisms included in the Pact, local government, businesses, and communities need to become a unified driver of the net-zero movement. In his COP26 speech, the Chancellor indicated that the UK is moving towards making it mandatory for firms to publish clear, deliverable decarbonisation and transition plans. Through their actions, businesses, local government and communities can be the driving force to unleash innovation across low-carbon markets and society, around a unifying message: “Sustainability and net-zero needs to be inevitable”.

#### West Yorkshire Climate and Environment Plan: First Priorities

- 2.7 The Combined Authority has declared a climate emergency and committed the region to be net zero carbon by 2038 at the latest, with significant progress by 2030.

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<sup>1</sup> Net Zero Strategy: Build Back Greener, HM Government, October 2021

- 2.8 The West Yorkshire Climate and Environment Plan 2021-2024 (the Plan), published October 2021, is the Mayor's and Combined Authority's response to addressing the climate emergency and delivering mayoral pledges relating to climate, environment and the green economy. It demonstrates how the region can go further and faster than national government, reinforcing commitments to be net zero carbon by 2038 at the latest, protecting and recovering nature and growing the green economy
- 2.9 The Plan has been developed to deliver a net zero carbon region with thriving nature, people and places that are climate ready. This means:
- homes that are healthy and affordable;
  - workplaces that more energy efficient;
  - energy supply that is local, clean and flexible;
  - a sustainable, integrated, and low emission transport system;
  - a rich, diverse, and improved natural environment; and
  - places and people that are ready and resilient to a changing climate.
- 2.10 Of the themes, proposals and critical actions set out in the Plan, the proposed first priorities for the next three years are:

### **Leadership**

- Require funding under our control to show how it is addressing carbon emissions and environmental impacts.
- Require scheme promoters seeking Combined Authority funding to account for and mitigate their emissions, environmental impacts and tackle the climate emergency.
- Develop and deliver a plan to manage the environmental impact of the Combined Authority, decarbonise Combined Authority operations and become a net zero business by 2038 at the latest.
- Monitor and evaluate our organisational and regional progress to ensure we are on track to meet the targets that we have set and to accelerate action where progress is off-track.

### **Cross-cutting**

- Deliver communications and engagement with a focus on how partners, businesses and residents of West Yorkshire can work together to benefit from tackling the climate emergency.
- Build on existing relationships to develop programmes and partnerships that ensure the region has the workforce and jobs that it needs to enable a transition to a sustainable net-zero carbon economy.
- Bring together existing funding and leverage partner and private capital to release new green finance to accelerate delivery through the Net Zero Region Accelerator Programme.

### **Transport**

- Accelerate the delivery of the West Yorkshire Connectivity Infrastructure Plan to reduce private vehicle use, increase active travel and public transport use and decarbonise transport.
- Accelerate the deployment of electric vehicle charging points across the region through funding and partnerships and utilise the Mayor's devolved powers with a focus on ensuring equity in provision.
- Develop a Bus Service Improvement Plan which sets the ambition for the future of bus services regardless of the regulatory framework and includes activity such as the decarbonisation of the bus network and encouraging modal shift.
- Deliver neighbourhood programmes that change the infrastructure and support communities in favour of walking, cycling and high quality, green and climate ready public realm for people.

### **Homes**

- Establish a Better Homes Yorkshire Hub, chaired by the Mayor, and Standard for better, net zero neighbourhoods. Delivering a step change and scale up of new and existing home improvement solutions for healthy, affordable, efficient and net zero homes across all tenures.

### **Business and industry**

- Build on the success of our existing business support programmes supporting businesses to become sustainable, decarbonise and circular in the way they operate.

### **Energy**

- Develop, in partnership, Local Area Energy Plans (LAEPs) for the region that meet the needs of our communities, businesses and enable the transition to a clean and zero carbon energy system.
- Identify the locations and accelerate the deployment of low carbon energy solutions, for example heat pumps and heat networks, solar and smart flexible technologies, to decarbonise heat and power.

### **Natural environment**

- Work with partners to produce a Local Nature Recovery Strategy.
- Support partners including the White Rose Forest, Yorkshire Water, National Trust, Moors for the Future, South Pennines Park, local authorities and community groups to restore nature and landscapes, plant trees and improve biodiversity.
- Establish a grants programme for community led projects including greening and river conservation and improvement, and sustainable food growing.

### **Climate ready**

- Work with the Yorkshire Regional Flood and Coastal Committee (YRFCC), the Environment Agency and other partners to deliver enhanced flood protection, incorporating natural flood management, and climate resilience to communities, homes and businesses.

### Net Zero Region Accelerator

- 2.11 Of the finance required to deliver the West Yorkshire Climate and Environment Plan, so far £800,000 has been committed by the Combined Authority to a Net Zero Region Accelerator programme. The scheme is part of the West Yorkshire Economic Recovery Plan, and aims to boost jobs in the low carbon sector, restore nature, tackle the air quality and climate emergency.
- 2.12 The programme will run to March 2024 and deliver the following outputs:
- Pipeline of climate and environment programmes and projects that are ready to attract the investment and funding required to take them through the project delivery phases to implementation.
  - ‘No regrets’ programmes being worked up include Better Homes Yorkshire housing retrofit and home improvement, decarbonisation of heat and power for buildings and transport, nature-based solutions for the climate, communities and environment, and business sustainability.
  - Investment prospectus to showcase the region’s green investment potential and a portfolio of opportunities to make West Yorkshire a very attractive place to invest.

## **3. Tackling the Climate Emergency Implications**

- 3.1 The Combined Authority’s approach to tackling the climate emergency is set out in the West Yorkshire Climate and Environment Plan. The COP26 Glasgow Climate Pact positively supports the objectives and proposals for action in the plan, particularly through the Pact’s priorities for: science and urgency; adaptation; mitigation; finance; technology; capacity-building; loss and damage reverse; implementation.

## **4. Inclusive Growth Implications**

- 4.1 It is crucial that transitioning to a net zero carbon economy reduces inequality in West Yorkshire. It cannot be the cause of further inequality for our most excluded and deprived groups and communities. We also need to grasp the opportunities for better jobs and quality of life that can be achieved through the transition to a net zero carbon economy. Inclusive growth goals and outcomes will be included in the detailed design, delivery and evaluation of the priorities identified in section 2.10.

## **5. Equality and Diversity Implications**

- 5.1 Transitioning to a net zero carbon economy should be equitable and not be at the expense of any groups or communities. To that extent equality and

diversity implications and solutions will be cross cutting and integrated into the detailed development and delivery of the priorities.

- 5.2 The need for all people living, working and studying in West Yorkshire to be involved in the responses to tackling the climate emergency is clear, and all groups and communities need to be involved in climate decision making.
- 5.3 COP26 energised the need for peoples, local communities and civil society, including youth and children, in addressing and responding to climate change, and highlighting the urgent need for multilevel and cooperative action. We have an opportunity to build on this moment, engaging with and supporting local communities to act.
- 5.4 All proposals to deliver the priorities identified will be subject to Equality Impact Assessments, and there will be equality and diversity dimensions to all key performance indicators and outcomes to ensure progress is being made and inequalities are not widened.

## **6. Financial Implications**

- 6.1 The actions identified in the Plan will need to be appropriately resourced with the right capital and revenue investment and investment in skills and capacity to lead these actions. Delivery will therefore require ongoing, targeted investment and an aligned financial policy and decision-making process.
- 6.2 The Mayor is committing to bring forward a Climate and Environment Fund and to securing the funding needed for the actions for the Combined Authority. The Combined Authority will work with partner local authorities to design the delivery mechanisms for this fund.
- 6.3. The finance required for the three-year Plan is £85 million of direct funding and investment and nearly £600 million in grants and loans for households and businesses. Financial investment will be through a mix of sources including the Combined Authority in partnership with public and private funding. Work is ongoing to identify potential funding sources, including the Single Investment Fund. Decisions on the use of local funding will need to be taken considering no new national funding coming to local government after the Comprehensive Spending Review to support this work.
- 6.4 Achieving net zero, nature recovery and climate ready resilience will deliver substantial financial savings to the region, both at an individual and organisational levels. For example, large savings are likely to be made through fuel cost reductions that occur because of efficiency improvements across buildings and industry and the transition from petrol and diesel to electric vehicles.

## **7. Legal Implications**

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

## **8. Staffing Implications**

- 8.1 There are no direct staff implications arising directly from this report. However, additional posts will be required across Combined Authority directorates and teams working on this agenda, alongside new capacity and capabilities from our partners and stakeholders to deliver priority programmes and projects resulting from the Plan and Net Zero Region Accelerator.

## **9. External Consultees**

- 9.1 Extensive stakeholder consultation was undertaken to inform the development of actions to include in the Plan.
- 9.2 West Yorkshire local authorities and the Combined Authority's Climate, Energy and Environment Committee have been consulted in developing the content of the Plan, including Leaders and Chief Executives.

## **10. Recommendations**

- 10.1 The Combined Authority notes the progress made at COP26 and implications for the approach to achieving a net zero carbon West Yorkshire economy.
- 10.2 The Combined Authority endorses the first priorities from the West Yorkshire Climate and Environment Plan identified at section 2.10 and agrees to delegate, if required, any final changes to the Managing Director in consultation with the Mayor.
- 10.3 The Combined Authority agrees to work with partner local authorities to design the delivery mechanisms, and to identify and secure funding for a Climate and Environment Fund to support delivery of the Plan.

## **11. Background Documents**

West Yorkshire Climate and Environment Plan  
<https://www.westyorks-ca.gov.uk/media/7382/west-yorkshire-climate-and-environment-plan.pdf>

## **12. Appendices**

None.

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**Report to:** West Yorkshire Combined Authority

**Date:** 24 November 2021

**Subject:** **Integrated Rail Plan**

**Director:** Liz Hunter, Interim Director of Policy and Strategy

**Author:** Rebecca Cheung, Rail Development Manager

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this report

- 1.1 To update and advise the Combined Authority on the contents of the published Integrated Rail Plan (IRP), its implications for our region and the recommended next steps.

## 2. Information

- 2.1 Following the Oakervee review of HS2 in February 2020, the government announced its intention to draw up an Integrated Rail Plan (IRP) for the North and the Midlands which will identify the most effective scoping, phasing and sequencing of relevant investments and how to integrate HS2, Northern Powerhouse Rail, Midlands Rail Hub and other proposed rail investments.
- 2.2 The IRP was finally published on 18 November 2021 after a 10-month delay. The plan sets out a core pipeline of commitments to a further £54bn of spending on rail and local transport in the Midlands and North over three decades. The IRP omits proposals for new lines and focuses more upgrades to the existing railway. The diagram in Appendix 1 outlines the proposed core pipeline of investments and their programme. Appendix 2 gives a summary breakdown of the IRP pipeline investments.

### 2.3 Here is a summary of the key IRP contents that are relevant to our region:

- A budget for major rail investment is set at £96bn of which £54bn is for the Midlands and North.
- HS2 East: Government only commits to HS2 2b East to the East Midlands only, with electrification of Midland Mainline to Sheffield (facilitating HS2 services reaching Sheffield). There is no commitment to the HS2 station at Leeds. Instead, the Government is committed to a study to look at how to link HS2 services to Leeds with a budget of £100m. The safeguarding of the previously proposed high-speed route will remain in place pending conclusion of this work.
- Northern Powerhouse Rail (NPR): The project as proposed by TfN essentially no longer exists in the IRP – with Bradford omitted from the NPR network and no new line connecting it to Manchester and Leeds. Instead, Government has decided upon an upgrade between Liverpool and Warrington, to join a new line between Warrington-Manchester - Marsden, and thence a connection to the existing trans-Pennine line to Leeds. There is no commitment to the requisite capacity investment at Leeds to facilitate this, nor is there a commitment to NPR services to Hull or beyond York, or Leeds to Sheffield. There is no new connection to Bradford. Sheffield to Manchester appears to be omitted.
- TransPennine Route Upgrade (TRU): TRU is now phase 1 of NPR. The route will be subject to further upgrade including electrification, though the exact scope is to be confirmed. There is very little detail about the potential disruption mitigation plans. There is uncertainty around the impacts on local services at intermediate stations, which is of wider West Yorkshire concern given the services using this line touch all five West Yorkshire Local Authorities. There is also no clear commitment on infrastructure improvement on the east of Leeds or timescale on the wider freight gauge clearance work.
- Electrification: The only named electrification scheme in this region (beyond TRU) is between Leeds- Bradford. There is no commitment on the electrification on the Calder Valley line.
- Leeds station capacity: Although it is widely recognised that the lack of resilience at Leeds station has significant implications for the wider regional and national rail network, there is no firm commitment to tackle the capacity issue at Leeds. Instead, there is commitment to fund quick-win upgrades and to undertake a study to understand the most optimal solution for Leeds station capacity – in light of post COVID-19 demand and the first phase of the West Yorkshire Mass Transit System.

- Mass Transit in West Yorkshire: There is commitment for mass transit for Leeds and West Yorkshire with £200m immediate funding, however DfT officials have confirmed that £100m of this is already part of the previously announced 'City Regional Sustainable Transport Settlement', and £100m is that set out above for the study linking HS2 services to Leeds.
- East Coast Main Line (ECML) Upgrade: `IRP considers the ECML to be a more direct route to link Leeds and North East to London. However, there is no firm commitment and future improvements are subject to business case. The detailed scope for the upgrade will be confirmed following a further study to be led by Network Rail.

### Implications for this region

- 2.4 Following the IRP's publication, the Mayor of the West Yorkshire Combined Authority and other leaders in West Yorkshire have expressed their anger and frustration at the promises on HS2 to Leeds, and a new line between Manchester, central Bradford and Leeds, that have been seemingly broken.
- 2.5 The IRP as it stands appears to fall short of Northern and regional ambition. There is a risk that the plan will limit the growth and the potential of West Yorkshire for many decades in terms of regional and national connectivity.
- 2.6 The plan raises a lot of uncertainties and unanswered questions which need to be clarified with the government.
- 2.7 A copy of the Mayor's letter raising issues with the IRP is included in Appendix 3. TfN has also issued a letter to the Secretary of State to offer its statutory advice. A copy of the letter is included in Appendix 4.

### Next steps

- 2.8 Based on the strength of feeling from members, it is proposed that the Combined Authority **challenge the outcome of the IRP**. This may require further West Yorkshire work to understand the comparable costings between the TfN and local proposals and the IRP, especially in relation to NPR, and Leeds-Bradford options. Work is also needed to consider the wider implications and economic and social impacts of the Integrated Rail Plan.
- 2.9 The Mayor has written to the prime minister (Appendix 1) seeking an urgent meeting with ministers. Clarification of key areas and a more collaborative working relationship with the Government involving local partners with a clear road map, timescales and a set of shared objectives, are requested.
- 2.10 At its meeting on 24<sup>th</sup> November 2021, the TfN Board passed a motion noting that the IRP proposals breach commitments by Government on NPR, and to ask the Secretary of State for Transport to enter into dialogue about potential funding options for the North's preferred network.

2.11 There is a need to do the following:

- **Leeds to Sheffield** – as set out in the IRP, we will be seeking a joint piece of work to relook at the desired rail connectivity between Leeds-Sheffield including the opportunity to improve connectivity and journey times for our communities between the cities of Leeds and Sheffield such as Wakefield. As part of this there is an urgent need to address capacity at Leeds station.
- **Bradford and the Calder valley** – the drivers behind the need for a step-change in rail connectivity for Bradford have not changed. Work is needed to understand how this is now best done post IRP. As part of this there is a need to agree timing and plans for the Leeds to Bradford electrification and the 12-minute journey time proposal including to press for commitment to the onward electrification from Bradford to Halifax and Manchester, and ensuring no negative impacts on local services.
- **Transpennine Route Upgrade:** Whilst commitment on TRU is welcome, we need to quickly understand the scale of the significant disruption to our communities over an extended period of time. We also need to understand in more detail the assumed stopping patterns at intermediate stations such as Mirfield, Dewsbury and Morley, to ensure that the IRP meets local as well as inter-city rail needs.
- **Mass Transit in West Yorkshire:** Once Government commitment and the scope of their objectives are clarified, we need to take forward this project and agree a joint forward plan and a long-term timetable for the delivery of the complete project with the Government.
- **ECML and Leeds capacity:** We need to understand the plan for investment, ensuring wider needs are considered including platform lengthening at Bradford, capacity at Leeds, impacts on local services and resilience of the route.
- **Future Accountability and Funding for NPR:** We need to establish the future role of the Mayor and local Leaders in the decision-making of all major rail investment impacting on West Yorkshire.

### 3. Tackling the Climate Emergency Implications

- 3.1 The railway plays a key role in tackling climate change. A modern, integrated, electrified railway with sufficient capacity provides cleaner, more environmentally friendly transportation encouraging modal shift to public transport and therefore tackle climate change.

### 4. Inclusive Growth Implications

- 4.1 An integrated and modern railway as part of a wider transport system for the whole of West Yorkshire, is a vital pre-requisite for our places, people and

businesses to flourish. A truly Integrated Rail Plan would demonstrate how this is going to be developed over time.

## **5. Equality and Diversity Implications**

- 5.1 We will ensure that the principles of inclusivity, diversity and equality are included in the design, development and consultation of any major investment programmes.

## **6. Financial Implications**

- 6.1 Most of the major rail investments are funded by central Government funding. There may be an opportunity for the Combined Authority to use our local funding to accelerate and maximise the economic benefits of the major rail investments. Separate reports will be submitted to the Combined Authority when these opportunities arise.

## **7. Legal Implications**

- 7.1 There are no legal implications as a result of this report.

## **8. Staffing Implications**

- 8.1 There are no staffing implications directly arising from this report. The next steps are dealt with by the existing resource of the Policy directorate.

## **9. External Consultees**

- 9.1 The contents and implications of the IRP have been shared with West Yorkshire chief executives and leaders. We are working closely with other authorities and the combined authorities in the north and Transport for North.

## **10. Recommendations**

- 10.1 That the Combined Authority notes the content of this report.
- 10.2 That the Combined Authority endorse paragraph 2.10 as the proposed next steps in response to the published IRP.

## **11. Background Documents**

[Integrated Rail Plan: biggest ever public investment in Britain's rail network will deliver faster, more frequent and more reliable journeys across North and Midlands - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/integrated-rail-plan-biggest-ever-public-investment-in-britain-s-rail-network-will-deliver-faster-more-frequent-and-more-reliable-journeys-across-north-and-midlands)

## **12. Appendices**

Appendix 1 – A summary of the core pipeline of investments

Appendix 2 – A summary of the IRP pipeline

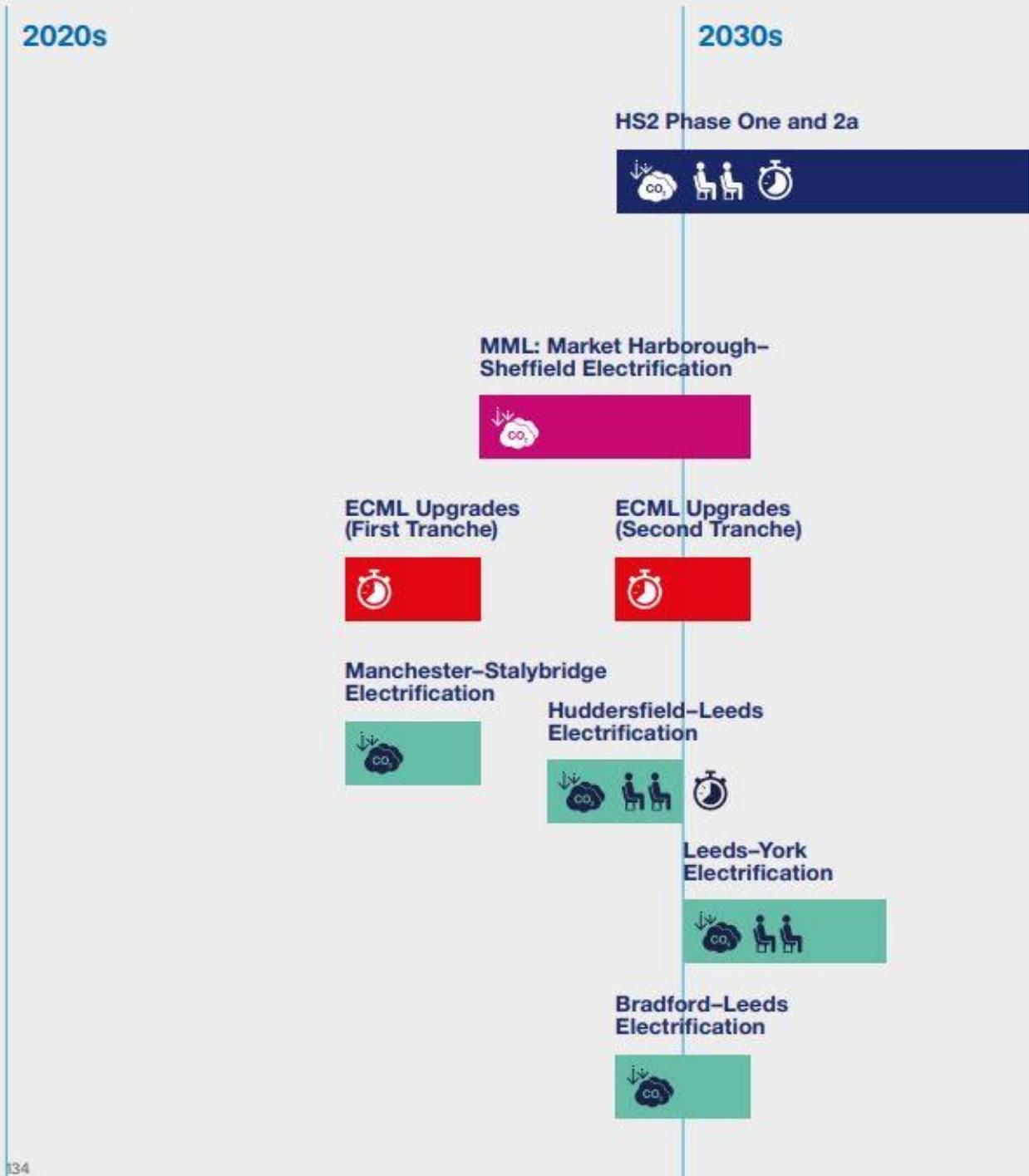
Appendix 3 – Mayor’s letter to Secretary of State

Appendix 4 – TfN’s statutory advice to Secretary of State



## Figure 9: IRP investment blueprint for the IRP Core Pipeline\*

The table that outlines the potential delivery timescales for schemes in the IRP, consistent with the level of commitment given (see Section 4).



2040s

HS2 Phase 2b Western Leg\*\*



HS2 West-to-East Midlands



ECML Upgrades  
(Third Tranche)



Leeds-York



Liverpool-Manchester



Manchester-Leeds



**Core**

- HS2 Phase One and 2a
- HS2 Phase 2b Western Leg
- HS2 East
- East Coast Main Line
- Midland Main Line
- NPR Phase 1
- NPR Phase 2

Decarbonisation benefits

Journey time savings

Capacity improvements

\*Certain schemes are subject to further work. The following therefore shows possible completion dates for those schemes considered in the IRP if the government was to commit to them all.

\*\* Assumes Western Leg bill deposit in 2022.

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### Appendix 2: A summary of the IRP pipeline

Integrated Rail Plan core pipeline	Provision (2019 prices)
Completion of HS2 Phase One and 2a (March 2020 onwards)	£42.5bn <sup>14</sup>
HS2 Phase 2b Western Leg (including Golborne link)	£17.0bn <sup>15</sup>
Smaller rail schemes in the North and Midlands until 2025	£1.5bn
Transpennine Route Upgrade (TRU) base scope, including full electrification (Option F)	£5.4bn
HS2 East Core Network (including HS2 Eastern Leg, Midland Main Line and East Coast upgrade)	£12.8bn
NPR Core Liverpool–York (including TRU Option G enhancement)	£17.2bn
<b>Total provision</b>	<b>£96.4bn</b>
Previous spend on HS2	£8.3bn

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**Mayor Tracy Brabin**  
West Yorkshire Combined Authority  
40-50 Wellington Street  
Leeds  
LS1 2DE

The Rt Hon Grant Shapps MP  
Secretary of State for Transport  
Great Minster House  
33 Horseferry Road  
London  
SW1P 4DR  
By email: [Transport.Secretary@dft.gov.uk](mailto:Transport.Secretary@dft.gov.uk)

26 November 2021

Dear Grant

Thank you for your call last week. I am deeply disappointed about the outcomes of the Integrated Rail Plan. I and other leaders in West Yorkshire are angry and frustrated by the promises that have been seemingly broken. Our communities feel betrayed.

The IRP as it stands is simply not good enough for West Yorkshire. It does not support my ambitions for a stronger, fairer and better-connected region which meets the challenge of the climate emergency, nor does it meet the Government's own ambitions for levelling up. The plan will limit the growth and potential of West Yorkshire for many decades to come. I would like to make it clear to you that this will not be the end of our ambition.

Northern Powerhouse Rail, with a stop in central Bradford, and delivery of high speed services to Leeds via Sheffield, are core to the future plans for these cities and the wider region. They would be transformational for our economy, for decarbonisation, and the additional rail capacity we need. I will not stop making the case for either of these projects.

I would like an urgent meeting with you to clarify the next steps and details of your plan. We need to be able to work together and I propose the following actions as a start.

- 1. High speed connections between Leeds and Sheffield:** Connectivity between the two Core Cities of Leeds and Sheffield requires radical improvement. Your decision to scrap the HS2 Eastern Leg casts uncertainty as to how such an improvement will now be achieved. Instead, the long-awaited IRP simply commits to a further study. It is most concerning that the IRP proposes to significantly reduce the number of daily seats from Leeds to London from the 4,500 available under the HS2 Eastern Leg scheme to a best case "potential" of 2,500. This is only 56% of the seats previously planned. We must now urgently progress the proposal to assess how best to take high speed services to Leeds via Sheffield. The IRP outlines that the Government will look at "*how best to get HS2 services to Leeds*", not *if* high speed services are to get to Leeds.

Whilst I am very concerned that we spend yet more taxpayers' money and more time looking at options that have already been considered, if we are to do this, I ask that we work together to do so. I propose a truly joint piece of work, with a joint team of local partners, including WYCA and Leeds City Council, Department for Transport, Network Rail and HS2 Ltd. As part of this we need to agree as soon as possible a joint set of

objectives for this work, for example economic and carbon, and outputs such as performance, capacity and modal shift.

This is also an opportunity to improve connectivity for our communities between Leeds and Sheffield such as Wakefield. We also need to understand to whom and how the budget is allocated and how we separate out the funding for the mass transit work. By working together, we can conclude, once and for all, the high-speed rail solution for Leeds to Sheffield and the connections onwards to East Midlands and London to restore business confidence.

Certainly the 113 minute journey time from Leeds to London stated in the IRP falls way below our expectations and, as part of the study you've progressed, we will look to achieve a marked improvement on this performance.

- Bradford and Calder Valley:** Bradford needs a comprehensive set of proposals to address the long-standing weaknesses in its rail infrastructure. Making a step-change in the rail connectivity of Bradford requires more than the proposal to electrify the existing line to Leeds. We urgently need to give clarity to people in Bradford about how they can connect with the rest of the north. A new city centre through station in Bradford will slash journey times to Leeds by more than half and to Manchester by two-thirds, taking thousands of vehicles off the roads, and bring 6.7 million people within a 35-minute journey of the central area. This is not just about journey times, it's about regeneration and the transformation of the city's fortunes.

I note your commitment to upgrade and electrify the Leeds–Bradford section of the Calder Valley Line. The Government needs to clarify and confirm its position immediately regarding the onward electrification to Halifax and Manchester – a priority corridor identified for electrification since 2013.

- Leeds station:** We know that passenger numbers at Leeds Station continue to increase and are already close to, or on occasion higher than, pre-pandemic levels. We can't let another review stop the much-needed work at Leeds Station. We must work together to agree and progress the proposals to increase the track and pedestrian capacity urgently needed in the next few years to provide long-term resilience for Leeds. It is widely recognised in the rail industry that this lack of resilience at Leeds has significant implications for the wider regional and national rail network. It is vital that we address this pressing issue now and not be distracted by yet another study.
- TransPennine Route Upgrade:** While your commitment on TRU is welcomed, the proposed upgrades, especially the new line alignment between Manchester and Marsden, will cause significant disruption to our communities over an extended period of time. The Government needs to set out urgently the scale and extent of this disruption and the mitigation proposed for towns such as Huddersfield. For example, Government needs to explain how it plans to electrify the line through the tunnels at Huddersfield and Gledholt whilst maintaining existing rail services on that route. Furthermore, in the context of the stated 33-minute journey time between Leeds and Manchester, we would like more detail on the assumed stopping patterns at intermediate stations such as

Mirfield, Dewsbury, Batley and Morley, to ensure that the IRP meets local as well as inter-city rail needs. It's also unclear what improvements there will be to address capacity constraints east of Leeds station. The IRP comes on the back of further disappointment concerning the failure to support improvements to the Penistone Line between Sheffield and Huddersfield through the Levelling Up Fund, emphasising the failure to address regional connectivity.

5. **ECML:** While there is commitment on ECML, we need to understand your plan for platform lengthening at Bradford and your plan to tackle capacity and resilience issues at Leeds. People in places like Wakefield need to be reassured that they can benefit from IRP now HS2 is not there to free up existing lines.
6. **Mass Transit in West Yorkshire:** We note the Prime Minister's statement in the IRP to provide "£200m of immediate funding to plan the project (Mass Transit) and start building it...". We understand that this is part funded through the City Region Sustainable Transport Settlement and part funded through the £100m mentioned in the IRP that is also to be used to consider how to enable high speed trains to reach Leeds. As mentioned above we want to work in partnership with you on considering the high speed services to Leeds and think it's crucial we quickly define how this budget is managed. Once we have clarification on the additional funding available, I propose that we agree a joint timetable for the delivery of the project. We must ensure that we have a seamless and timely approach to delivery, which sees the first line in operation within this decade. Securing the full support of DfT and wider Government to the detailed timetable and co-produced delivery will be essential to achieving this.
7. **Accountability:** I am also very concerned about the future role of Mayors and local Leaders through TfN in the decision-making of all these important schemes. How can we guarantee that government will not renege on commitments in the IRP and ensure the schemes address local economic and social needs?

My disappointment and concern at the proposals set out in the IRP and other recent decisions extend significantly beyond the seven points I have outlined above, but, given the urgency of the issues, I ask that our offices work together to find a time to meet so we can start to address these pressing matters.

Yours sincerely,



Tracy Brabin  
**Mayor of West Yorkshire**

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Date: 26 November 2021

**The Rt. Hon. Grant Shapps**

Secretary of State  
Great Minster House  
33 Horseferry Road  
London  
SW1P 4DR

**Councillor Louise Gittins**

Interim Chair  
Transport for the North  
4 Piccadilly Place  
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Dear Secretary of State,

**Transport for the North's Statutory Advice in Response to the Integrated Rail Plan**

I am writing on behalf of the Transport for the North Board to express our collective disappointment and dismay at the inadequacy of the Integrated Rail Plan; the plan as proposed is unacceptable to the North. The TfN Board meeting on Wednesday noted that the proposals breach the commitments Government had previously made on Northern Powerhouse Rail, and differ from the Board's preferred option, as set out in statutory advice to the Department for Transport.

However, there was also unanimous support from Board members to work with the Government to explore ways in which the long-term ambition underpinning its preferred Northern Powerhouse Rail network might be realised. Given the need to move forward quickly, the Board requests you meet with myself and a delegation from the Board as soon as possible.

The context for the Board's disappointment lies in the fact that we have waited nearly a year for the IRP to be published, and it is more than 21 months since the government accepted Douglas Oakervee's recommendation that both NPR and HS2 should be built in full. The rapid post-pandemic return of passengers and freight to the North's rail network – both of which have been stronger than the national average – demonstrates the critical role that rail plays in supporting our economy and enabling growth.

In discussing the economic and connectivity implications of the Integrated Rail Plan, the Board all agreed the following:

- That the Government acknowledges connectivity East to West is not only about speed but capacity and connection between towns as well as cities;
- That in failing to deal with the infrastructure constraints, particularly around Leeds and Manchester, the plan is the wrong solution for the whole of the North and does not deliver the long-term transformation required to level up the North's economy;
- That the proposals would present significant operational performance risks with intercity, regional, local, and freight services competing for capacity on critical sections of shared infrastructure across the North;

- That TfN's preferred option for Northern Powerhouse Rail would provide up to 12 fast trains per hour between Leeds and Manchester, compared to 8 through the upgrade option in the Integrated Rail Plan;
- That disruption caused to passengers, freight, and the economy by upgrading lines is likely to be more significant than for the construction of new lines;
- That Bradford is the seventh largest local authority area in England by population and its residents currently have no direct rail access to Liverpool, Sheffield, Newcastle, Hull, or Manchester Airport;
- The importance of Liverpool as a key destination for business and tourism and the insufficient capacity at Liverpool Lime Street Station to support the desired levels of service;
- That the re-opening of the mothballed Leamside line (TfN's preferred option for NPR) would remove the current constraints of six trains per hour on the East Coast Main Line;
- The importance of improving connectivity on strategic corridors between Sheffield and Leeds; Sheffield and Manchester; Sheffield and Hull; Leeds and Hull; and
- That there is a need to ensure the city of Hull and East Riding are reconnected to the Transpennine mainline and plans for electrification are reinstated as part of improved East West decarbonised freight and passenger connectivity.

The Board has asked the Chief Executive of Transport for the North to prepare a report to the Board on the impact the Integrated Rail Plan will have on the North's economic and decarbonisation ambitions. The Board also made clear the importance of publishing the technical work underpinning the IRP as a matter of urgency so there is clarity about the basis on which decisions have been taken.

As a Board, we remain committed to the long-term ambition for improving connectivity across the North and with the Midlands. We remain firm in our collective belief that the Board's preferred approach to HS2 and Northern Powerhouse Rail best reflects the unique opportunity to unleash the potential of the North, addresses the imbalance in the quality and extent of the rail infrastructure across the UK, and achieves real, positive, and lasting change for the region. It remains essential to retain the long-term ambition for the North's economy that underpins our Strategic Transport Plan to give confidence to investors, and hope to our residents and businesses.

The Board unanimously agreed that it wishes to explore with Government funding options for the delivery of the preferred Northern Powerhouse Rail: options could include local contributions, including through harnessing local economic benefits.

We believe this approach offers the best opportunity to realise our shared ambition for the residents and businesses of the North. We look forward to meeting with you at the earliest opportunity to begin that discussion.

Yours sincerely,



Councillor Louise Gittins  
Interim Chair



**Report to:** West Yorkshire Combined Authority

**Date:** 9 December 2021

**Subject:** **West Yorkshire Business Accelerator Fund**

**Director:** Brian Archer, Director of Economic Services

**Author:** Brian Archer, Director of Economic Services

Is this a key decision?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	3
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1 Purpose of this report

- 1.1 This report is the final stage of the Combined Authority approval for the West Yorkshire Business Accelerator Fund following a previous report to Combined Authority on 9 March 2021. If approved, the Fund is expected to launch in March 2022.
- 1.2 For Combined Authority to approve that the West Yorkshire Business Accelerator Fund scheme proceeds through decision point 2 (Strategic Outline Case) and decision point 4 (full business case) and work commences on activity 5 (delivery).
- 1.3 For Combined Authority to approve the creation of the West Yorkshire Business Accelerator Limited Partnership (WYBALP), a Private Fund Limited Partnership, with the Combined Authority as the sole Limited Partner. The other party of the partnership will be the General Partner, a Special Purpose Vehicle to be set up by the appointed Fund Manager.
- 1.4 For Combined Authority to approve a contribution of £21,650,000. The total scheme value is £21,650,000.

- 1.5 For Combined Authority to delegate approval of the final investment strategy to the Managing Director.

## **2 Information**

### **Background**

- 2.1 At the LEP Board meetings of 20 September 2018 and 26 March 2019, discussions were held on the creation of a Flexible Growth Fund that has as its primary objective the addressing of market failures in the business finance market making investments that deliver productivity and inclusive growth in the City Region.
- 2.2 The primary source for this investment pot would be the returned capital from the current Growing Places Fund (GPF) with the capability to increase in size as wider funds become available.
- 2.3 The proposed fund has progressed to Full Business Case and has been through the internal Assurance Framework, where it was recommended to progress to LEP Board and Combined Authority for approval subject to the conditions outlined in 11.2 being met.
- 2.4 At its meeting on 30 November 2021, LEP Board supported the creation of the WYBALP and endorsed £21,650,000 of recovered GPF funding to be invested for this purpose.
- 2.5 The Leaders and Chief Executives of the constituent Local Authorities have been briefed on this report.

### **Options for use of the returned Growing Places Funding**

- 2.6 The project has not followed a traditional options appraisal route. A policy decision was taken by LEP Board in 2018 to explore the creation of an investment vehicle and the demand in the market for products. External consultants were commissioned to undertake the analysis associated with this decision to explore access to finance investment products which would meet the needs of the local business community and recycle the GPF funding with the potential to create an investment fund. This culminated in the Commercial Investment Fund Draft Business Case in February 2021.
- 2.7 The specialist skills required for equity investment make it impractical for the Combined Authority to establish a business-based debt and equity fund and to evaluate and manage investments in-house due to the high-risk nature of the planned investments. Consequently, this is not a viable option.
- 2.8 Soft market testing along with the Business Case informed the process and nature of the WYBALP Limited Partnership Agreement (LPA) and the

Investment Managers Agreement (IMA) which have been prepared by the Combined Authority's external legal advisors.

- 2.9 The WYBALP is a new investment vehicle intervention utilising £20 million of the recycled GPF funding which will provide a new Access to Finance product to be delivered alongside grants and loans by the Combined Authority's Economic Services team to benefit West Yorkshire. The Fund will target high growth SMEs, generating strong commercial returns, supporting growth in high value employment, and promoting a low carbon economy.
- 2.10 It is proposed that £21,650,000 of the GPF funding is invested into WYBALP, which will create a fund of £20 million (the remainder to cover delivery costs). A smaller sum is unlikely to attract the interest of experienced fund managers working with public sector funds. This sum is sufficiently large to be managed independently and to have sufficient scale to attract 1:1 co-investment to lever additional investment into West Yorkshire and assist more companies than £20 million could. It is hoped that the Fund will become evergreen and will have a life beyond year 10 increasing in value to assist West Yorkshire businesses into the future. The Fund will have both environmental and social value credentials to boost the growth of local businesses meeting the objectives of the Strategic Economic Framework (SEF).
- 2.11 The rationale for development of the Fund has been strengthened by the market failures identified in Leeds City Region's finance and investment market. British Business Bank market research has revealed there is a gap in equity finance offered by the private sector, with regional markets receiving a disproportionately low amount of equity investment compared to those in the South of England or London. Equity finance is a way of raising funds for business by selling partial or complete ownership of the company's equity for money. The experiences and lessons learnt from similar investment products, successfully established by other Combined Authorities, have supported development of the West Yorkshire Fund.
- 2.12 Other options:
- A lesser investment in a fund is not deemed to be viable as soft market testing indicated that £20 million is required to establish an investment fund if it is to attract a good quality experienced fund manager. A smaller capital sum is also likely to attract a high fee structure due to the scale of management required for a reduced investment pot which is likely to make such a proposition unviable.
  - An alternative use for the GPF may be to purchase an investment asset or to fund capital or regeneration projects promoted by the Combined Authority. This may involve a lower capital contribution from the

Combined Authority and may lever co-investment from other public sector or private sector organisations. This would mean a lower return for the Combined Authority but potentially also a lower risk. However, if the investment failed and there were priority investors ahead of the Combined Authority, it may not see the investment returned.

- Other investment opportunities do not achieve the leverage of co-investment to be achieved by the creation of an investment fund multiplying the scale of investment in SME's across the region and are unlikely to achieve the same level of job creation and social outputs anticipated from the Fund.

2.13 A summary of the scheme's business case is included in Appendix One.

### **Growing Places Funding**

2.14 The Combined Authority currently has £20.395 million of recovered funding. It is anticipated that by 2027 circa £26 million will have been returned to the Combined Authority from the original loans which will be available for reinvestment.

2.15 The amount of funding required to set up and operate the Fund is £21.65 million over a ten-year period. This is made up of £20.05 million to set up, operate and invest in the Fund via an external Fund Manager and £1.6 million of internal Combined Authority costs.

2.16 Funding will be drawn down for the purpose of investment and operational costs over the 10-year life of the Fund commencing 2022 and the cashflow compliments the anticipated GPF recovery of existing loans to 2027.

2.17 Further information on costs can be found in Section 6 Financial Implications.

### **Structure of the Fund**

2.18 The Fund will be managed and operated on behalf of the Combined Authority by a Financial Conduct Authority (FCA) regulated external Fund Manager who will have delegated decision-making powers for investments. The Fund Manager will create a deal pipeline in accordance with the Fund's objectives, the investment criteria outlined by the Combined Authority and its proposed investment strategy, and will carry out full due diligence process in respect of potential investments.

2.19 The Fund will be structured as a Private Fund Limited Partnership (PFLP) which is the industry norm for this type of investment fund. West Yorkshire Combined Authority will comprise the sole Limited Partner (LP) and sole investor of the Fund whose liability will be limited to the total amount invested. The other party of the partnership will be the General Partner (GP), a Special

Purpose Vehicle (SPV) to be set up by the appointed Fund Manager, that will have unlimited liability for the debts and obligations of the partnership.

- 2.20 The GP will be a wholly owned subsidiary of the Fund Manager and will have unlimited liability for the debts and obligations of the partnership. The GP will delegate its full power and authority to the Fund Manager, as the key decision entity held responsible for the day-to-day management and operation of the Fund in accordance with the Investment Management Agreement. The role of the GP will be limited to holding title to investments and entering into investment contracts with investees (businesses to receive funding) on behalf of the Partnership.
- 2.21 The Fund will be established as a 10-year Fund with a 5-year investment period, followed by a 5-year realisation period. The Combined Authority will have the power to require up to two one-year extension periods to allow remaining investments to be managed-out. At the end of the term of the Fund, the Combined Authority will also have discretion to continue the Fund, to roll-over the Fund into a continuation vehicle and to replace the General Partner and Manager to take over management itself
- 2.22 The Fund documents contain the ability for the Combined Authority to remove the General Partner and Manager at any point for "Cause" with no right to compensation and to remove on a no-fault basis subject to an initial 12-month lock-in period plus compensation.

#### **Procurement of a Fund Manager**

- 2.23 An Official Journal of the European Union (OJEU) compliant open tender procurement exercise took place to identify a suitable Fund Manager based upon a £20m investment fund.
- 2.24 A company with extensive experience in public sector fund management has been identified as the preferred supplier subject to approval by the Combined Authority. Due diligence is underway prior to contract award anticipated in December 2021.
- 2.25 The WYBALP will comprise a debt and equity investment product that will be funded from money previously invested and recycled through GPF. The Fund will provide access to finance to small and medium-sized enterprises (SMEs) and start-up businesses operating within West Yorkshire supporting entrepreneurial growth across a wide range of sectors. The aspiration is to become a recyclable product whose financial returns could be reinvested in the future to support more and more businesses in the region or contribute to social value projects within West Yorkshire.

- 2.26 The Fund will be established as an Environmental Social and Governance (ESG) Fund. Investment decisions will be based not only on anticipated financial returns, but equally informed by environmental, societal, and corporate criteria and behaviour implications. The product aims to support low carbon, sustainable activity and businesses, create and safeguard jobs, enhance training and skills and encourage inclusive governance and leadership.
- 2.27 The Fund is aligned with the SEF priorities and Mayoral Pledges. It will not only drive productivity in the Region but will also help businesses to realise and achieve their carbon net zero goals and make a positive contribution to the communities they operate focusing on diversity and inclusion and encouraging investee companies to incorporate training and social performance improvements into their working practices.

**Investment Strategy**

- 2.28 The Fund is a Special Purpose Investment Vehicle – a Partnership between the WYBALP and a Service Provider (the Fund Manager) and the Combined Authority. It is not a grant or a loan to an individual organisation. It will be established as an opportunity to create a portfolio of diverse investments providing debt, equity and mezzanine finance to high growth SMEs. The aspiration is to achieve an evergreen fund which recycles the money which will increase in value enabling the Combined Authority to assist many more companies than would be achieved by grant or loan finance.
- 2.29 As part of the Tender exercise, bidders were asked to develop their bespoke Investment Strategy and supporting Financial Model based upon their knowledge and experience of managing regional public sector funds targeting SMEs and informed by the Combined Authority Specification of Requirements in the Invitation to Tender (ITT).
- 2.30 The ITT provided the following guidance for bidders:

Criteria	Description
Geography	<p>Financing will be restricted to projects that will grow the economy in relation to job creation and increased GVA within West Yorkshire.</p> <p>In exceptional circumstances investments will be considered in projects outside the geographical area if the economic benefits to the region warrant their inclusion. The Fund Manager must present such prospective investments to the Combined Authority for its consideration and prior consent.</p>

Objectives	<p>Be established as an Environmental, Social and Corporate Governance (ESG) Fund seeking to invest in organisations with low carbon credentials and targeting net zero.</p> <p>The ambition is to create an evergreen investment fund that returns more than invested.</p> <p>Target an internal rate of return (IRR) of 12% over the length of the fund.</p> <p>Create significant growth in West Yorkshire SMEs in terms of robust profit growth potential, profitability and job creation/job protection.</p>
Environmental, social and governance credentials	<p>The Fund will have strong Environmental, Social and Governance credentials working towards Net Zero 2038 and maximising the benefits to the West Yorkshire region.</p>
Target sectors	<p>The portfolio should have a diverse sector approach to create a blended balanced portfolio.</p> <p>The Fund will target sectors identified in both the Local Industrial Strategy and West Yorkshire Economic Recovery Plan but not exclusively. These include Healthcare and Innovation, Manufacturing, Financial and Professional Services and Digital Technologies.</p> <p>Opportunities will generally be non-asset-based applications with knowledge-based collateral and guarantees which may deliver significant growth to the West Yorkshire economy in relation to job creation and increased gross added value (GVA) to be determined on a project-by-project basis.</p> <p>Exclusions: nuclear; fossil fuels; property-based retail; property development; any activity which might bring the Combined Authority into disrepute.</p>
Business criteria	<p>The Fund will target businesses with robust turnover potential.</p> <p>The target sectors should primarily but not exclusively be determined based on those identified in the Strategic Economic Plan and future Industrial Strategy. These may vary due to wider economic events and so a process of reflection upon market failures in specific sectors should be undertaken regularly.</p> <p>A fundamental principle underpinning decision making and strategy across the future funding programme is ensuring that the products and support available are seen as being accessible to a diverse society. It is widely understood that applications for start-up and growth funding are more readily presented by male entrepreneurs and it is important that any programme established by the Combined Authority not only appeals across</p>

	<p>gender but also supports different cultural and economic backgrounds. Consideration of these issues will inform the application and appraisal process for any new investments; particularly where key parts of society may not currently have access to finance from traditional sources.</p>
Composition of the Fund	<p>The investment type will need to be flexible dependent upon individual company circumstance. It is expected that investment will be significantly weighted towards equity.</p> <p><u>Non-asset backed equity</u></p> <ul style="list-style-type: none"> <li>• More traditional equity, investment is in intellectual property and people.</li> <li>• Based on capital required to implement business growth plan and become revenue generating to the extent that traditional finance can then be sought.</li> <li>• Target sector types, potential timescale for exit and minimum expected return on equity based on business projections over 5 years.</li> <li>• Mentoring support or regular business updates should be embedded within the investment strategy.</li> <li>• Strong business plan for growth required.</li> </ul> <p><u>Debt Investment Product</u></p> <ul style="list-style-type: none"> <li>• Secured or non-secured loan finance.</li> <li>• Supported by evidenced ability to service debt.</li> <li>• Business would be revenue generating or have robust cashflow projections that demonstrate an ability to commence repayments quickly.</li> <li>• Strong business plan for growth required.</li> </ul>
Size of investments & co-investment	<p>£20 million will be spread across a range of investment sizes depending on risk. The portfolio will aim to have a mix of sizes and risk profiles to mitigate failure. The recyclable nature of the fund will allow for the finance to be repaid and invested resulting in the initial fund investments representing a greater value of investment across the region.</p> <p>Anticipated Investment value range - £50,000 - £2 million (equity) &amp; £150,000- £2 million (debt).</p> <p>The management of the Fund should be targeted with attracting a similar level of co-investment from other sources. Opportunity to partner with other funds to share risk on a pari passu basis.</p>
Investment product	<p>The investment product will reflect the specific nature and requirements of each project. The Fund will provide but not be limited to:</p> <ul style="list-style-type: none"> <li>• Debt finance on senior and mezzanine terms</li> </ul>

	<ul style="list-style-type: none"> <li>• Equity investment finance</li> </ul> <p>Investment strategy will reflect need for further rounds of funding. Where investment is made a portion of capital should be retained to support follow-on funding.</p>
Target return	<p>A target financial return of a minimum of 12% Internal Rate of Return has been identified for the fund.</p> <p>Individual investments will be determined on a project specific basis to be consistent with commercially available rates in compliance with applicable state aid and/or subsidy control requirements.</p> <p>The financing terms associated with the loans should be commensurate with the risk profile of the investment (including credit worthiness, form of collateral, risks to cashflows and sensitivity analysis) and in consideration of applicable state aid and/or subsidy control requirements.</p>
Recycling principles	<p>The Fund is proposed as an evergreen fund where returns from investments are used to further re-invest in the region. Any re-investment of cash needs to be approved in advance by the Combined Authority.</p>
Anticipated failure rates	<p>It is prudent to assume a level of investment failure that reflects the investment type.</p> <p>It is recognised that the post - Covid-19 environment could be more unsettled.</p>

- 2.31 The preferred supplier has prepared a hypothetical commercial model based upon their experience to demonstrate the potential level of returns which may be achieved from a fund of this size. Investments will respond to business opportunities which present themselves throughout the life of the fund.
- 2.32 The Fund Manager will manage the day-to-day operation of the Fund on behalf of the General Partner. All investment decisions will be delegated to the Fund Manager which will be based upon a business plan to be developed by the Fund Manager and which will be signed off by the Combined Authority.
- 2.33 The final investment strategy will be agreed with the Fund Manager in line with the principles outlined in the tender, including the investment criteria set out in 2.30 and the response from the preferred supplier, which is set out in Section One of Appendix Two. Approval is sought via this report for the Managing Director of the Combined Authority to approve the final investment strategy.

**Governance**

- 2.34 Reporting at intervals will be required to demonstrate that the Fund Manager is carrying out due diligence processes in accordance with the agreed methodology and captured within the contract and terms of reference.
- 2.35 Formal and informal engagement will take place with the Combined Authority and Fund Manager including monthly reporting milestones and investment meetings, risk profile updates, as well as quarterly, half year and annual reporting requirements.
- 2.36 Half-yearly presentations will be available to the Combined Authority on the Fund's portfolio and the performance of investments.
- 2.37 Quarterly written report to the Combined Authority on the Fund's portfolio and the performance of investments.
- 2.38 Annual audited report and accounts for the Fund to be prepared and delivered to the Combined Authority.
- 2.39 The Fund Manager shall produce an annual business plan, to be approved by the Combined Authority, which will set out plans for the year for the delivery of the Fund. This will include, but not be limited to, investment activity, marketing plans, project pipeline development, status of investments, budgetary position and projections, risk profile, delivery of KPIs and other relevant undertakings.
- 2.40 Following approval of the Fund by the Combined Authority, the legal documentation will be finalised which will include jointly drafting a communication strategy, and the Fund Manager developing the first business plan for consideration by the Combined Authority. The communication strategy will include embedding the Fund within the existing regional investment market, including the Northern Powerhouse Investment Fund (NPIF), the Revolving Investment Fund and other funds operating across the North such as Finance Yorkshire and NorthInvest. Ongoing dialogue is taking place with British Business Bank and their Fund Managers on NPIF to identify areas for collaborative working and areas for co-investment.
- 2.41 In the interim, the vehicle will be established and the Fund Manager will begin its search for opportunities which will feed into the business plan and which may form early investments.

### **Operational Summary**

- 2.42 The key operational responsibilities of the Fund Manager will be to:
- Assist with the formulation of the Fund's Investment Strategy.
  - Create and maintain the financial model for the Fund.

- Implement a comprehensive strategy for identifying pipeline investment opportunities, which should set out target sectors and businesses in line with the Fund's objectives.
- Work with LEP's, Local Authorities and other regional stakeholders to ensure that stakeholders are engaged and aware of the opportunities that the Fund provides businesses. Relationships should be maintained with business and knowledge networks, including business support services provided by the Combined Authority and the LEP, to maximise pipeline opportunities.
- Maintain a robust pipeline that matches its clearly defined investment strategy and impact objectives and report on potential opportunities with updates to the Combined Authority.
- Undertake qualitative and quantitative due diligence and risk analysis of each investment, before making investment decisions.
- Undertake the structuring of funding agreements and other documentation, having regard to market pricing and applicable state aid and/or subsidy control requirements.
- Manage the acquisition, transfer, holding and management of, exit from and/or realisation of investments in accordance with Fund documents.
- Follow the agreed communications strategy which will specify how the Combined Authority and the LEP will be kept aware of potential issues through the agreed reporting process in order to identify any potential reputational risks associated with investments.
- Refer SMEs back to the Combined Authority for further support where appropriate.
- Produce an annual business plan setting out plans for the year for the delivery of the Fund, to include, but not be limited to, investment activity, marketing plans, project pipeline development, status of investments, budgetary position and projections, risk profile, delivery of KPIs and other relevant undertakings.

2.43 The key responsibilities for the internal delivery team will be to:

- Design, oversee and implement the governance arrangements of the WYBALP, and ensure that it is delivered in a robust, transparent manner that is compliant with the Combined Authority's Assurance Framework.
- Ensure expenditure and contractual targets are met and that funding is allocated and awarded in accordance with the Combined Authority's Assurance Framework, UK Subsidy Control / State Aid regulations and external funding agreements.

- Track performance of the Fund Manager, and the loan portfolio.
- Manage issues and risks relating to WYBALP and ensure that these are escalated as required.
- Report progress on the performance of the WYBALP to the BEIC, Business Investment Panel (BIP), LEP Board and Combined Authority.

2.44 Monthly updates will be provided to BIP by the Fund Manager / Programme Lead (Access to Finance).

2.45 Quarterly updates will be provided to BEIC by the Fund Manager / Programme Lead (Access to Finance).

2.46 Half-yearly updates will be provided to LEP Board and Combined Authority by the Fund Manager / Programme Lead (Access to Finance).

### **Timeframe for Delivery**

#### **2.47 Assurance Pathway and Approval Route**

<b>Assurance pathway</b>	<b>Approval route</b>	<b>Forecast approval date</b>
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority	09/12/2021
Approval to Proceed	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	09/03/2022
5 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	09/03/2032
6 (financial closure)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	09/09/2032
7 (evaluation)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	09/03/2033

2.48 Key timescales:

Decision to progress the Fund	Combined Authority 09 December 2021
Appointment of Fund Manager	By 30 January 2021
Investment Period	January 2022 to January 2027
Realisation Period	January 2022 to January 2032

2.49 The Limited Partnership Agreement (LPA) allows for the Combined Authority to review performance during the life of the Fund and to extend its life if appropriate. It is usual for a Fund of this nature to run over its 10-year life by up to two years to obtain best value in divesting itself of investments.

**Assurance Tolerances**

2.50 The assurance tolerances are:

<b>Assurance tolerances</b>
Combined Authority costs remain within those outlined in this report
Outputs remain within -10% of those outlined in this report

**Appraisal Summary**

2.51 Following recommendations from the Combined Authority’s Senior Leadership team at its meeting on 10 September 2021, an informal review of the preferred bidder’s commercial model has been undertaken. Although this does not include an assurance opinion or valuation, it does provide more confidence that the investment model proposed by the preferred bidder is relatively typical of what would be seen in the marketplace for a carried interest fund model, in terms of transaction types, success rates, projected outcomes, measured Key Performance Indicators (KPIs) and co-investment structure. A yearly funding profile has also been provided showing expenditure and income throughout the 10-year life of the Fund. A Project Execution Plan is in place that outlines governance structures, roles, and responsibilities of the internal delivery team, planned engagement with the Fund Manager and reporting mechanisms.

2.52 Remaining outstanding deliverables include the development of a robust Monitoring and Evaluation Plan, an effective Communications Strategy, and the review of environmental and social KPIs and targets (including Equality, Diversity, and Inclusivity targets) that need to be discussed and agreed with the Fund Manager prior to entering into a contractual agreement.

2.53 Overall, the Fund has multiple, significant risks of a reputational and financial nature for the Combined Authority as the investor. The Combined Authority’s

lack of experience and expertise in Fund Management and not having delivered a finance product like the Fund before adding further risks and uncertainties. The informal review of the proposed investment model adds some confidence, however the pertinent financial risks of such an investment product remain.

- 2.54 There is however an opportunity for an additional and longer-term source of income and thus, funding to be generated that could be re-invested to widely support more and more businesses within the region and potentially other projects or aspirations of the Combined Authority. Lessons learned from a review of the Growing Places Fund suggest that several lenders are willing to explore the opportunity of lending alongside the Combined Authority. This could potentially result in increased co-investment from other public sector lenders towards individual investments, enabling the Fund to expand its capital base and impact.

### **3 Tackling the Climate Emergency Implications**

- 3.1 The climate emergency implications have been considered as part of the business case development
- 3.2 The WYBALP will be an ESG Fund, which will seek to incorporate strong environmental, social and governance criteria throughout the investment evaluation, due diligence and decision-making process. Prior to any investment decision being made, the Fund Manager will undertake analysis of the environmental policy, impact, and performance of each investee.
- 3.3 The Fund will invest in organisations with low carbon credentials supporting all businesses to achieve zero carbon by 2038.
- 3.4 Overall, the Fund will raise environmental awareness that is currently lacking amongst many start-ups and SMEs in the Region whilst also providing them with access to finance that will enable them to realise and achieve their net zero goals.
- 3.5 Investees may also be able to access further support from the Combined Authority, with a number of other existing programmes supporting businesses to reduce their environmental impact.

### **4 Inclusive Growth Implications**

- 4.1 The inclusive growth implications have been considered as part of the business case development.
- 4.2 The outputs, benefits and inclusive growth implications are set out in Section Two of Appendix Two.

## **5 Equality and Diversity Implications**

- 5.1 An Equality Impact Assessments (EQIA) has been undertaken as part of the business case development.
- 5.2 The equality and diversity implications are set out in Section Three of Appendix Two.

## **6 Financial Implications**

- 6.1 The report seeks endorsement to expenditure from the available Combined Authority funding as set out in this report.
- 6.2 Approvals to date total £265,000. £100,000 of development funding from the GPF was approved on 9 March 2021 by the Combined Authority. The remaining £165,000 has been approved in phases by SLT through Requests for Decisions and has been funded from reserves. Of this, £238,000 has been spent to date.
- 6.3 Drawdown of £21,650,000 of recycled GBF funding will be required in phases throughout the 10-year fund life according to the Fund Manager's investment decisions and as required to cover staff costs, overheads, Fund Manager's management fees, legal professional fees and operational costs.
- 6.4 A reasonableness test (an informal review) of the preferred suppliers Commercial Model has been undertaken by KPMG.
- 6.5 The scheme costs are set out in Section Four of Appendix Two.

## **7 Risks**

- 7.1 The scheme risks include:
- £20,395,000 of GPF returns are currently available for investment and the anticipated return profile will be sufficient to cover the WYBALP cashflow requirements.
  - Reputational risks for the Combined Authority related to loss of fund capital and potential adverse social and environmental outcomes and impacts of investment. Mitigation includes:
    - Investment criteria and restrictions clearly set out in the Invitation to Tender document and to be included in the Limited Partnership Agreement with the appointed Fund Manager.
    - Robust due diligence process, assessment and monitoring of the ESG credentials of investees to be undertaken by the Fund Manager throughout the life of the Fund to inform investment selection and evaluation process.

- Robust communications strategy and effective risk management plan to be jointly developed by the Fund Manager and the Combined Authority. Assurance will be provided by external legal, financial experts and auditors where required.
- Regular assessment and review of the Fund Manager's performance against agreed KPIs to be undertaken by the Combined Authority.

7.2 Further risks are set out in Section Five of Appendix Two.

## **8 Legal implications**

8.1 The Combined Authority will need to set up a Special Purpose Vehicle and enter into legal agreements for the Limited Partnership Agreement (LPA) and the Investment Manager Agreement (IMA). Drafts of these documents have been prepared as part of the procurement process on behalf of their legal advisors Pinsent Mason.

8.2 The investment strategy, inclusive growth implications, equality and diversity implications, scheme costs and risks are set out in Appendix Two. These sections are exempt as they contain confidential information relating to financial or business affairs which are still subject to a public procurement process that has not yet completed.

## **9 Staffing implications**

9.1 There will be little impact on staff across the Combined Authority. Two FTEs will be involved in delivering and promoting the new Fund:

- Programme Lead - Access to Finance (in post)
- Service Manager – Access to Finance (to be recruited on launch of the Fund)

9.2 A Project Execution Plan has been provided, that outlines the proposed governance structure, roles and responsibilities of the internal delivery team and all governance bodies involved whilst setting out reporting mechanisms, a high-level risk management and monitoring strategy and lessons learnt from GPF.

## **10 External consultees**

10.1 Extensive consultation has been undertaken both across the Combined Authority at Officer and Director level and externally to inform the shape of the Fund. External consultees included a number of regional comparator funds, British Business Bank and Finance Yorkshire.

## **11 Recommendations**

11.1 The Combined Authority approves that, subject to the conditions set by PAT:

- (i) The West Yorkshire Business Accelerator Fund scheme proceeds through decision point 2 (Strategic Outline Case) and decision point 4 (full business case) and work commences on activity 5 (delivery).
- (ii) The West Yorkshire Business Accelerator Limited Partnership, a Private Fund Limited Partnership, is established with the Combined Authority as the sole Limited Partner. The other party of the partnership will be the General Partner, a Special Purpose Vehicle to be set up by the appointed Fund Manager.
- (iii) Approval to the Combined Authority's contribution of £21,650,000. The total scheme value is £21,650,000.
- (iv) For Combined Authority to delegate approval of the final investment strategy to the Managing Director.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report and where required, any change requests are delegated to the Business, Economy, and Innovation Committee. This will be subject to the scheme remaining within the tolerances outlined in this report.

### Conditions

11.2 The following conditions have been set by PAT to gain Approval to Proceed to Delivery:

- Sign off from the Combined Authority's Legal and Finance Team. Finalise and review Limited Partnership Agreement and Investment Management Agreement with Pinsent Mason as the external legal advisor of the Combined Authority.
- Review Environmental Social & Governance (ESG), Equality Diversity & Inclusion (EDI) KPIs and targets, discuss and agree with Fund Manager.
- Develop a clear Communications Strategy outlining reporting mechanisms and requirements from the Fund Manager.
- Develop a robust Monitoring and Evaluation Plan setting out monitoring methodology, timelines, responsibilities, and evaluation reporting.

## **12 Background documents**

None as part of this report.

## **13 Appendices**

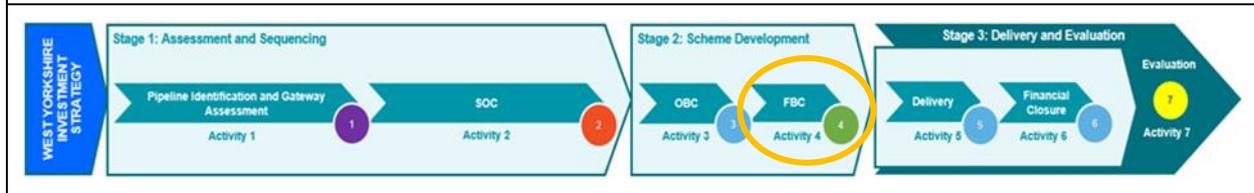
Appendix 1 – West Yorkshire Business Accelerator Fund – Business Case Summary

Exempt Appendix 2 – Investment strategy, inclusive growth implications, equality and diversity implications, scheme costs and risks

## Section A: Scheme Summary

<b>Name of scheme:</b>	<b>West Yorkshire Business Accelerator Limited Partnership (WYBALP)</b>
<b>Lead organisation:</b>	West Yorkshire Combined Authority
<b>Applicable funding stream(s) – Grant or Loan:</b>	Growing Places Fund Recovered Funding
<b>Growth Fund Priority Area (if applicable):</b>	Not applicable
<b>Approvals to date:</b>	No approvals to date
<b>Forecasted full approval date (decision point 4):</b>	Combined Authority 9 December 2021
<b>Forecasted completion date (decision point 5):</b>	March 2032
<b>Total scheme cost (£):</b>	£21,650,000
<b>Combined Authority funding (£):</b>	£21,650,000
<b>Total other public sector investment (£):</b>	Potential for co-funding opportunities
<b>Total other private sector investment (£):</b>	Potential for co-funding opportunities
<b>Is this a standalone project?</b>	Yes
<b>Is this a programme?</b>	Yes
<b>Is this project part of an agreed programme?</b>	Yes, the project is part of the SME Access to Finance element supporting delivery of the Economic Recovery Plan and the Business Productivity & Resilience Plan.

## Current Assurance Process Activity:



## Scheme Description:

The Combined Authority has identified a need for additional regional funding for high growth small and medium-sized businesses (SME's). Using money previously invested and recovered from the Growing Places Fund, the Combined Authority will use £21,888,000 to establish a new commercial investment fund – the West Yorkshire Business Accelerator Limited Partnership (WYBALP).

The Fund will provide access to debt and equity investment for high growth businesses in key sectors or innovative businesses with high growth potential in West Yorkshire.

The Fund will take the form of an English limited partnership with the Combined Authority as its sole limited partner. It will operate on a commercial basis to generate a financial return over the longer-term and support economic growth across the region.

The Fund will be operated by a Financial Conduct Authority (FCA) regulated external fund manager who will be the General Partner and have delegated decision-making powers for investments.

## Business Case Summary:

<b>Strategic Case</b>	<p>The Fund will provide a new Access to Finance product, which will be delivered alongside the Combined Authority's existing grants and loans programmes.</p> <p>The Fund will target high growth SMEs, generating strong commercial returns, supporting growth in high value employment, and promoting a low carbon economy.</p> <p>The Fund supports Strategic Economic Framework Priority 1 – Boosting Productivity, by filling the funding gap that exists for specific types of business/sectors and providing alternative funding for new businesses in West Yorkshire and creating a legacy investment fund through the recycling of investment returns.</p> <p>The Fund will be established as an Environmental, Social, and Corporate Governance (ESG) fund, and will seek to invest in organisations promoting inclusive governance and leadership, job creation, safeguarding of jobs, training, and skills. It will also support measures to tackle the climate emergency by seeking to invest in businesses with low carbon credentials and businesses with diverse and inclusive leadership and representation.</p>
<b>Commercial Case</b>	<p>The Leeds City Region has an established financial services market, as well as priority opportunities for investment, with regionally managed public and private sector funding products which have been designed to support</p>

	<p>economic growth. However, gaps remain in the availability of some types of finance, which are limiting some of the region's potential growth opportunities. The Fund seeks to fill the investment gap.</p> <p>The procurement route to market to select an experienced fund manager is an open tender to allow a wide range of suppliers to apply for the tender. An initial 10-year contract with the successful fund manager, is planned. The ambition for the Fund is that all profits will be recycled back into the Fund to be used for other business investment opportunities within West Yorkshire.</p>
<b>Economic Case</b>	<p>The Fund aims to fill the investment gaps that remain in the availability of some types of finance, which are limiting some of the region's potential growth opportunities. The Fund aims to deliver a wide range of benefits including creating new high value jobs, safeguarding jobs and creating opportunities for apprenticeships, through the Fund's investments to support start-ups and scale-up SMEs and deliver economic growth opportunities.</p>
<b>Financial Case</b>	<p>The total cost scheme costs are £21,650,000. This includes costs for the operation of the Fund through the fund manager and the Combined Authority's internal procurement, set up and staffing costs.</p> <p>The Combined Authority will be the sole investor to the Fund initially, although opportunities exist for both public and private co investment. The Fund will use money previously invested and recovered from the Growing Places Fund.</p>
<b>Management Case</b>	<p>A project board has been established to manage performance of the Fund and will meet on a quarterly basis to appraise the Fund's performance against contractual targets, and to identify and manage issues and risks.</p> <p>The Business Investment Panel will act in an advisory capacity, to ensure that any proposed loans comply with the agreed Investment Strategy. Quarterly updates will be provided to the Business, Economy, and Innovation Committee, which has the authority to make any decisions related to the Fund.</p>

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**Report to:** West Yorkshire Combined Authority

**Date:** 9 December 2021

**Subject:** **Budget, business plan and gainshare**

**Director:** Angela Taylor, Director of Corporate and Commercial Services

**Author:** Angela Taylor, Director of Corporate and Commercial Services

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

## 1. Purpose of this report

- 1.1 To consider the budget challenges and assumptions for 2022/23.
- 1.2 To endorse the approach to business planning.
- 1.3 To consider the work underway to progress the use of gainshare.

## 2. Information

- 2.1 The proposed budget for 2022/23 will be brought to the meeting of 3 February 2022 for consideration and approval. This will include the proposed transport levy which legislation requires to be set by mid February. The budget must support the business plan for the year, ensuring clarity on how resources will most effectively be deployed to deliver the agreed objectives and priorities of the Combined Authority.

### Business planning

- 2.2 Each directorate has been tasked with developing their proposed business priorities for the next financial year in parallel to considering their budgets. The headlines are set out in **Appendix 1**.

- 2.3 Currently the Combined Authority has five corporate priorities:
- Boosting productivity
  - Enabling inclusive growth
  - Tackling the climate emergency
  - Delivering 21<sup>st</sup> century transport
  - Securing money and powers
- 2.4 These corporate priorities have been used to promote the work of the Combined Authority and have been used to shape directorate and team priorities as part of the business planning process.
- 2.5 At the last meeting of the Finance, Resources and Corporate Committee these priorities were reviewed in the light of the extent of the changes to the powers, functions and governance of the Combined Authority during 2021. The devolution deal, the pandemic and the police and crime team becoming part of the Combined Authority have led to different areas of focus and new priorities. The Committee considered how alignment could be improved between the outcomes we are trying to achieve, the corporate priorities, the committees, the investment priorities, our business planning, reporting, and performance management and has made a number of suggestions which are being incorporated into a proposal for the next meeting of the Combined Authority.

### **Budget 2022/23**

- 2.6 Work has been underway over the last few months to establish the 2022/23 budget. This work has been overseen by the Finance, Resources and Corporate Committee (FRCC) which has been meeting regularly to consider the challenges and the assumptions on which to base a proposed budget. These are considered further in the following paragraphs.
- 2.7 The latest draft revenue budget is attached in summary form as **Appendix 2** and has a revenue funding gap of £2 million and work is continuing to refine estimates, update assumptions and endeavour to present a balanced position for next year.
- 2.8 The uncertainties of bus funding and the recovery of the bus industry present major challenges. The Combined Authority has worked successfully with bus operators over the last 18 months to ensure a stable network that has met the changing needs of the public over the months of the pandemic. This has been sustained by maintaining existing payments to the bus operators with lost fares income supplemented by government grants. As the funding model from government changes and the bus industry responds to ongoing change there is a high risk that the bus operators will seek to meet increasing costs and reduced income by withdrawing services or increasing tender prices. The transport levy used to support concessionary reimbursement and tendered services will not be able to meet increased demands from bus operators. There is concern that without continuing government support to the industry there are likely to be changes to the local network which will be left to the Combined Authority and partner authorities to manage.

- 2.9 As a result the FRCC supports the continuation of the transport levy at the same level as at its existing level. This would support the priority of improved bus services, acknowledging in the current financial environment that increasing the levy would be too difficult for local authorities. The commitment to keeping it at the existing level is a strong statement that recognises the importance of improving the public transport provision in West Yorkshire. The transport levy funds both transport services and provides the funding for the borrowing costs to meet the local contribution for the West Yorkshire plus Transport Fund
- 2.10 The Combined Authority has succeeded in making some small reductions in the concessionary reimbursement during the pandemic and it is recognised that this is likely to be difficult to sustain in the short to medium term. It is expected that concessionary patronage will slowly continue to increase – reimbursement is a combination of costs and volumes and both parts of that calculation are expected to change. Taken with the pressure on the tendered services budget set out above FRCC has considered and agreed the merits of ringfencing any savings from concessionary reimbursement for this year and next to meet the wider pressures on bus service provision, also recognising that the Bus Services Improvement Plan bid to government is unlikely to deliver the scale of funding required to improve the bus offer.
- 2.11 The budget includes a number of assumptions that need to be considered and agreed. The Comprehensive Spending Review did not provide the expected clarity on a number of funding positions, including mayoral capacity funding, UK Shared Prosperity Fund (UKSPF) and LEP funding from government for both the core services and the growth hub which is delivered in partnership with the West Yorkshire local authorities. At this stage the budget assumes that the LEP funding will not be forthcoming but that the West Yorkshire local authorities will continue to make their contributions of £650k. This will enable work to continue on the economic policy areas. In previous years the Growth Hub funding has been announced late in the financial year – the working budget assumption is that until this is clarified early next year the Combined Authority will carry this risk and staff funded in this way will not be put at risk of redundancy until next year at the earliest. It is hoped that during the first part of 2022 there will be clarity on LEP funding and UKSPF as well as some of the approvals for spending from the gainshare that may mean there is a clear funding route to continue to deliver on skills and business and the means to resource some or all of the existing team members.
- 2.12 The 2020/21 pay award is still outstanding, as the negotiations via the Passenger Transport Forum rely upon the conclusion of the local government pay award. At the time of writing Unison is balloting its local government members on strike action following the rejection of a 1.75% pay award. An assumption of 2% both this year and next has been built in to the budget position, in line with the approach being taken by the West Yorkshire local authorities, but it is noted that there is upward pressure on future awards.

- 2.13 It should also be noted that the Mayor has determined that she will not be proposing a general mayoral precept this year, recognising the cost of living crisis facing the residents of West Yorkshire.
- 2.14 The latest draft capital budget for 2022/23 and beyond is attached as **Appendix 3**. This shows the most recent future year forecast on spend and the known funding agreements / profiles. These figures are subject to change once the Combined Authority receives further details of Spending Review announcements, in particular the detail behind the City Region Sustainable Transport Settlement. The headline figure for this is £830 million over five years but there is a further process with Government to agree a business case which will clarify the funding, profiling and timing.

### Gainshare

- 2.15 In parallel with the budget process work is also underway to determine the most effective way to use the £38 million per year gainshare secured as part of the devolution deal. The Combined Authority has considered and agreed six investment priorities and the partnership work underway between the Combined Authority and the local authorities is focussing on the approach to using gainshare to deliver on these. Decisions on expenditure will be made by the Combined Authority, with assessment undertaken through the Assurance Framework. This will need to be mindful of inequalities across the region and ensure that the importance of place is recognised.
- 2.16 It is expected that gainshare will be prioritised against those priorities where no other funding source has been identified and that initial expenditure will be on revenue activities, either specific projects and interventions or developing capacity and building a project pipeline. As part of this opportunities to bring in other external funding to deliver the projects identified for the pipeline will be explored, acknowledging that the aspirations will be greater than the funding available.
- 2.17 The Finance, Resources and Corporate Committee considered the position emerging from the partnership work and discussed some possible programmes for each of the investment priorities and the outcomes that would need to be achieved at a West Yorkshire level for each of them. This latest draft position is attached at **Appendix 4** for comment and endorsement and will then be further developed over the coming weeks.
- 2.18 A number of principles applying to all gainshare funded expenditure have been developed to support this work:
- All funding approvals should use the assurance framework
  - All expenditure is publicly accountable to the Combined Authority
  - Projects and programmes must deliver the agreed measurable and specific outputs and outcomes within the approved funding envelope
  - Sponsors must provide regular monitoring and reporting on progress
  - Projects and programmes must be net additional to core business.

- 2.19 These were considered and supported by the Finance, Resources and Corporate Committee at its last meeting.
- 2.20 In support of this work a review of how the assurance framework could be applied in different funding scenarios is being undertaken, aimed at simplifying the route through the appraisal process and ensuring a focus on effective and efficient delivery.
- 2.21 Work will continue on the use of gainshare with the intention that some indicative approvals could be brought to the next meeting of the Combined Authority.

### **3. Tackling the Climate Emergency Implications**

- 3.1 The business plan recognises tackling the climate emergency as one of its priorities and this is reflected as one of the areas of activity that could be supported by the use of gainshare.

### **4. Inclusive Growth Implications**

- 4.1 The business plan recognises inclusive growth as one of its priorities and this is reflected as one of the areas of activity that could be supported by the use of gainshare.

### **5. Equality and Diversity Implications**

- 5.1 An equality impact assessment will be undertaken on any policy changes within the budget. All services provided by the Combined Authority consider how to ensure equality and diversity in their delivery.

### **6. Financial Implications**

- 6.1 The financial implications are set out throughout the report.

### **7. Legal Implications**

- 7.1 None arising directly from this report.

### **8. Staffing Implications**

- 8.1 Draft budgets for 2022/23 include the approved staffing establishment.

### **9. External Consultees**

- 9.1 Public engagement on the budget is due to commence. This will focus on increasing awareness of the services provided by the Combined Authority and be clear that bus services (concessionary travel and some tendered services) are funded to a significant extent by local residents through their council tax. It will also demonstrate how gainshare has already been used to make a difference in the region

## **10. Recommendations**

- 10.1 That the assumptions and proposals in support of the budget are considered and approved for inclusion in the final proposed budget.
- 10.2 That the approach to business planning be supported.
- 10.3 That the work on the approach to and use of gainshare be considered, that the draft investment priorities be endorsed and further feedback provided to enable progress to continue.

## **11. Background Documents**

None

## **12. Appendices**

Appendix 1 – Draft business plan priorities 2022/23

Appendix 2 – Draft revenue budget 2022/23

Appendix 3 – Draft capital budgets from 2021/22

Appendix 4 – Investment Priorities

## Draft business priorities for 2022/23 by directorate

<b>Strategy, Communications &amp; Policing</b>
<ul style="list-style-type: none"> <li>• Revise the West Yorkshire Vision and Corporate Objectives in line with the Mayor’s Pledges.</li> <li>• Continue to develop and implement the Investment Strategy</li> <li>• Develop and lead on Inclusive Growth policy, including the Fair Work Charter and Inclusivity Champion.</li> <li>• Develop a regional strategy approach to UK Shared Prosperity Fund</li> <li>• Develop and embed an Equalities Action Plan</li> <li>• Restructure of the communications team to strengthen the marketing and communications department</li> <li>• Deliver a strong reputation management programme to raise the profile of the Mayor and the MCA’s work.</li> <li>• Provide a high quality, responsive consultation and engagement function to the organisation and partners</li> <li>• Branding and identity review to consider overall house of MCA brands.</li> <li>• Continue to monitor and report on the Economic and Transport Recovery Plans</li> <li>• Increase the internal and external visibility of the CA’s core evidence products supporting the needs of the Mayor, CA Committees, stakeholders and partners.</li> <li>• Further enhance monitoring and evaluation capability cascading lessons learned from the Growth Deal and Transport Fund.</li> <li>• Establish new Strategic Transport Modelling function.</li> <li>• Lead the annual monitoring, evaluation and impact reporting of progress across the SEF priorities through the production of annual State of the Region Report.</li> <li>• Commission targeted services to increase community safety and support victims of crimes and work with community safety/criminal justice partners to ensure joined up local priorities</li> <li>• Ensure meaningful and inclusive engagement on national policing and crime issues.</li> <li>• Evidence led approach to identifying, understanding and responding to, tackling and reducing serious violence.</li> </ul>
<b>Policy &amp; Development</b>
<ul style="list-style-type: none"> <li>• Continued development of transport policies, strategies and the pipeline of transport schemes</li> <li>• Bringing buses back into public control, introduce simpler fares, contactless ticketing and greener buses</li> <li>• Further Development of the case for Mass Transit</li> <li>• Transport Decarbonisation, implementing the Future Mobility Strategy and development of cycling and walking plans</li> <li>• Continue to make the case for, and influence the design of, rail service changes, including working with Great British Railways</li> </ul>

- Develop pipelines of interventions to support Mayoral pledges on business support, jobs, and skills and training.
- Deliver and review the Economic Recovery Plan
- Implement recently adopted strategies: Productivity, Trade, Employment and Skills, and HealthTech.
- Support Mayoral Taskforces: Manufacturing, Green Jobs and Digital.
- Review Cultural Framework and develop the Creative New Deal.
- Deliver the first priorities of the Climate and Environment Action Plan
- Develop approach to regional strategic planning in the context of national planning reforms
- Develop a new Housing Strategy.
- Deliver the Housing Revenue Fund, and oversee Mayor's housing pledge.
- Continue delivering recommendations from the Flood Review and continually develop pipeline of interventions.

### **Delivery**

- Embed the 2021 revised assurance process to support the MCA's Assurance Framework and the investment priorities
- Embed the assessment of carbon and wider climate change impacts into programme and project appraisal
- Strengthen the assessment of equality, diversity and inclusion and inclusive growth into programme and project appraisal
- Strengthen our approach to assessing value for money in non-transport infrastructure investment propositions
- Conclude closedown of legacy programmes including: Getting Building Fund, Growth Deal economic programme and Broadband Contract 2
- Complete delivery of superfast broadband connectivity through Contract 3
- Enable affordable and sustainable housing developments through Year 3 activity of the Brownfield Housing Fund.
- Continue to work with partners to progress the business case for the British Library North project
- Establish emerging programmes e.g. Social Housing Decarbonisation Fund, Community Renewal Fund, Project Gigabit, Flood Resilience, Langthwaite EZ
- Continued delivery of the West Yorkshire Plus Transport Fund portfolio, LTP schemes and active travel/clean growth initiatives.
- Support partners with delivery resources and recruitment - capacity and capability to deliver
- Oversee the City Region Sustainable Transport Settlement programme and work with partners on definition and delivery of schemes
- Continue development and delivery of the TCF programme.
- Continue to develop and deliver the West Yorkshire Network Navigation programme.

### **Economic Services**

- Support firms to recover, build resilience and grow in response to the ongoing impacts of COVID-19 and EU Exit
- Implement a new Business Productivity Programme

- Deliver a revised and refreshed Growth Service model reaching a more diverse range of SMEs
- Continue to build and promote the City Region innovation support ecosystem
- Deliver the devolved Adult Education Budget for West Yorkshire, ensuring it meets local needs
- Support people to access employment opportunities and/or to re-train,
- Improve the attainment, ambition and destinations of our most disadvantaged young people by working closely with schools and colleges
- Encourage and support more businesses to sell their products in international markets and galvanise the regional export support
- Raise the international profile of the Leeds City Region economic opportunities via strategic economic development and industry forums
- Contribute to the ongoing growth of the Creative & Digital Sector through the Creative Catalyst Programme

### **Transport & Property Services**

- Evolving the MCard mobile app to be the primary transport app in West Yorkshire
- Adapting customer information to support changes in travel behaviour
- Further development of the Fare Deal for Young People
- Review and modernise customer contact centres and travel centres
- Support place shaping aspirations and maximising commercial potential
- Reducing carbon generation from the Combined Authority's assets
- Leading a programme of transport asset renewal works as part of CRSTS delivery
- Managing the impacts of Covid on the bus network
- Working with District partners to improve bus network reliability and bus journey times
- Delivery of the BSIP Network Plan

### **Corporate & Commercial Services**

- Continue to deliver a wide range of business-as-usual financial, HR, legal, Governance, procurement, internal audit and ICT services, ensuring efficiency and compliance.
- Further embed aspects of the Police & Crime function into the MCA's corporate governance.
- Implement the new Integrated Corporate Systems (ICS) to deliver modern updated HR and financial systems.
- Review and develop recruitment policy and toolkit to further incorporate EDI into all stages of recruitment and identify opportunities to engage with underrepresented groups
- Develop the Learning and Development offer at an organisational, directorate and individual level.
- Develop further the apprenticeship strategy and identify opportunities for targeting apprenticeships to underrepresented group or skill gap/shortage skill areas

- Support the employee networks in ensuring the diversity action plans are implemented and targets achieved
- Complete the negotiations on revised terms and conditions and contracts of employment
- Increase social value benefits from procurement.
- Further enhance cyber security and risk management for ICT services
- Support and technical management of the Yorkshire wide real time information system
- Deliver an annual assurance programme that is risk based and provide an opinion on the effectiveness of controls, governance and risk management

# Agenda Item 9

## Appendix 2

Revenue budget	FY Budget 22/23 £						FY Budget £
	Corporate	Corporate Services	Delivery	Economic Services	Policy, Strategy & Comms	Transport & Property Services	
Employee Costs	198,359	6,238,773	6,604,244	4,652,213	7,840,220	6,645,193	32,179,003
Indirect Employee Costs	808,300	593,033	450	7,100	0	15,820	1,424,703
Premises Costs	0	0	0	0	0	6,542,217	6,542,217
Supplies and Services	432,100	100,636	500	2,626,114	712,336	779,770	4,651,455
ICT Related Costs	0	2,083,395	0	0	0	1,291,501	3,374,896
Travel, Subsistence & Transport Costs	10,000	312,447	12,106	72,150	18,000	32,990	457,693
Tendered Services	0	0	0	0	0	25,866,000	25,866,000
Concessions	0	0	0	0	0	53,750,000	53,750,000
Prepaid Tickets Costs	0	0	0	0	0	15,000,000	15,000,000
Grants and Agency costs	367,327	29,742	0	74,194,728	37,281	123,278	74,752,357
Consultancy and Professional Services	68,900	200,250	250,000	1,908,174	411,000	256,500	3,094,824
Financing Charges	7,063,000	0	0	0	0	158,657	7,221,657
Other	3,882,951	0	0	0	0	(812,269)	3,070,683
<b>Total Expenditure</b>	<b>12,830,938</b>	<b>9,558,275</b>	<b>6,867,300</b>	<b>83,460,479</b>	<b>9,018,837</b>	<b>109,649,657</b>	<b>231,385,487</b>
Capitalisation / Internal Recharges	(2,700,000)	(1,786,233)	(6,610,488)	(88,703)	(1,644,168)	(1,972,711)	(14,802,304)
Income	0	0	0	0	0	(26,384,186)	(26,384,186)
Funding - Grants	(97,474,606)	0	0	(81,004,091)	(333,944)	(2,063,000)	(180,875,641)
Income - Operational	(5,040,369)	0	(256,812)	(1,118,684)	(513,624)	(545,613)	(7,475,102)
<b>Total Income</b>	<b>(105,214,975)</b>	<b>(1,786,233)</b>	<b>(6,867,300)</b>	<b>(82,211,478)</b>	<b>(2,491,737)</b>	<b>(30,965,510)</b>	<b>(229,537,233)</b>
<b>Net Expenditure Total</b>	<b>(92,384,037)</b>	<b>7,772,042</b>	<b>0</b>	<b>1,249,001</b>	<b>6,527,101</b>	<b>78,684,147</b>	<b>1,848,254</b>

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<b>Capital Expenditure</b>	2021/22	2022/23	2023/24	2024/25
	£	£	£	£
Growth Deal - Economic Development	480,329			
West Yorkshire plus Transport Fund	86,025,688	102,395,761	115,196,453	117,555,161
Leeds Public Transport Investment Programme (LPTIP)	45,270,442	368,755		
Transforming Cities Fund	43,230,653	125,893,508	125,000,000	110,790,642
Integrated Transport Block / Highways Maintenance / Challenge Fund	52,450,545	4,281,941	225,446	
Corporate Projects	4,038,709	2,609,900		
Broadband	4,363,915	1,007,792		
Land Release Fund & One Public Estate	1,028,993			
Getting Building Fund	44,557,357			
Brownfield Housing Fund	19,955,552	29,178,719	14,000,000	3,000,000
Emergency Active Travel Fund (Revenue and Capital)	7,805,868			
British Library North	151,414	3,803,586	8,482,333	12,562,667
Other (inc. Business Accelerator Fund, Clean Bus)	1,000,000	3,070,000	2,289,000	3,702,000
New Station Fund	2,000,000	10,000,000		
<b>A - Total Capital Spend</b>	<b>312,359,465</b>	<b>282,609,962</b>	<b>265,193,232</b>	<b>247,610,470</b>

<b>Capital Funding</b> <b>(includes c/fwd from 2020/21)</b>	2021/22	2022/23	2023/24	2024/25
	£	£	£	£
Growth Deal / Transport Fund	(63,128,837)	(50,450,000)	(50,450,000)	(50,450,000)
Leeds Public Transport Investment Programme (LPTIP)	(44,685,761)			
Broadband	(6,543,641)			
Getting Building Fund	(44,557,357)			
Emergency Active Travel Fund	(7,805,868)			
Land Release / One Public Estate	(1,028,993)			
Integrated Transport Block, Highways Maintenance / Pothole (DfT)	(57,991,550)			
Transforming Cities Fund	(169,124,161)	(137,519,145)		
Brownfield Housing Fund	(19,955,552)	(29,178,719)	(14,000,000)	(3,000,000)
British Library North	(25,000,000)			
New Station Fund	(2,000,000)	(10,000,000)		
Single Investment Fund - TCF Commitment	(19,000,000)	(9,500,000)	(9,500,000)	
Ringfenced Reserves	(1,268,273)			
Capital Receipts	(32,535,959)	(1,038,764)	(711,760)	(555,049)
Other	(2,626,242)			
	<b>(497,252,194)</b>	<b>(237,686,628)</b>	<b>(74,661,760)</b>	<b>(63,505,049)</b>

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# West Yorkshire Investment Priorities

Investment Priority	Proposed Scheme	Outcomes to be achieved (to be specified at WY level)
N/A	MCA Ready costs (incl 2024 election)	N/A
IP1 - Good Jobs and Resilient Businesses (including entrepreneurialism) 107	Strategic Inward Investment Fund Implementation of Trade Strategy interventions Implement Productivity & Business Resilience Strategy – pipeline of business behaviour and transformational opportunities Implement Innovation Framework and Health Tech Strategy pipeline of interventions Deliver enhanced WY Innovation Festival (inc digital skills focus) Design and launch Mayoral Challenge Competition Implement Community Wealth Building options	<ul style="list-style-type: none"> <li>▪ Create good work</li> <li>▪ Businesses innovate and export.</li> <li>▪ Safeguard jobs and create new job opportunities.</li> <li>▪ Create resilient supply chains.</li> <li>▪ Increase the size of the WY business base.</li> <li>▪ Improve skills and boost employment in growth sectors.</li> <li>▪ Increase employer and individual investment in skills.</li> <li>▪ Upskill those out of work.</li> <li>▪ Reduce levels of deprivation.</li> <li>▪ Connect vulnerable groups and deprived communities to economic opportunity.</li> </ul>
IP2 - Skills and training for people	Inclusive Growth programmes incl fair work charter Implement Green Jobs delivery plan Manage Green Jobs Gateway/AEB top up Pipeline of proposals for key priority sectors and groups including employment and career support. Develop approach and proposals for a Digital Academy Deliver Digital Skills Plan and support LDSP	<ul style="list-style-type: none"> <li>▪ Safeguard jobs and create new job opportunities.</li> <li>▪ Support individuals to access learning through different formats and settings.</li> <li>▪ Support new ways of curriculum delivery.</li> <li>▪ Enable communities to become more resilient and sustainable.</li> <li>▪ Employers manage job design and skills so that organisations can build resilience to change.</li> </ul>
IP3 - Creating Great Places and Accelerated Infrastructure	Reducing Flooding and pre-empting /mitigating impacts including small scale projects to businesses Place-based regeneration/ community assets including urban design, places for people etc. Delivering Affordable Housing	<ul style="list-style-type: none"> <li>▪ Create healthier, positive and greener places.</li> <li>▪ Accelerate the transformation of our towns and cities into successful, sustainable places.</li> <li>▪ Strengthen existing places</li> <li>▪ Increase flood resilience</li> <li>▪ Create new, future-proofed developments.</li> <li>▪ Increase access to Superfast Broadband and/or Full Fibre.</li> <li>▪ Reduction in fuel poverty.</li> </ul>

# West Yorkshire Investment Priorities

Investment Priority	Proposed Scheme	Outcomes to be achieved (to be specified at WY level)
IP4 - Tackling the Climate Emergency and Environmental Sustainability	Implementation of actions in Carbon and Environment Action Plan including carbon off-setting Sustainable Housing moving to net zero – retrofit and new housing Transport decarbonisation e.g. Green bus fleet / EV network Green energy capital programme Environmental proposals including neighbourhood and community projects, tree planting and nature restoration	<ul style="list-style-type: none"> <li>▪ Reduction in regional emissions across all sectors of the economy.</li> <li>▪ Recovery and enhancement of nature. Increases in biodiversity, green space, trees, and natural environment.</li> <li>▪ Support the development of local supply chains.</li> <li>▪ Affordable and low carbon homes, energy efficient workplaces.</li> <li>▪ Reduction in the proportion of households in fuel poverty.</li> <li>▪ More local, clean, and flexible energy</li> <li>▪ Reduction in energy and fuel costs.</li> <li>▪ The region is resilient to the impacts of a changing climate.</li> <li>▪ Improved health and productivity.</li> </ul>
1005 - Future Transport	Bus reform / BSIP / EP TCF High scenario Mass transit Transport Connectivity Strategy pipeline in particular, active travel programme and bus priority Maintenance of assets – CA and LA highways Tendered bus services	<ul style="list-style-type: none"> <li>▪ Transform access for our communities of persistent poverty to employment opportunities and skills centres.</li> <li>▪ Improved air quality and reduction in car dominance.</li> <li>▪ Ensure that people are enabled to make sustainable travel choices from housing and employment sites.</li> <li>▪ Enhancements in ticketing and information.</li> <li>▪ An affordable, simple, integrated and accessible system for people to travel anywhere by public transport.</li> <li>▪ Passenger growth on bus, rail and future transport networks. Bus is effective and affordable mode.</li> <li>▪ Enhanced customer satisfaction with public transport.</li> </ul>
IP6 - Culture and Creative Industries	Programme support for pan-WY activities including developing and implementing a pipeline of potential interventions to increase participation, consider skills needs, business support requirements including freelancers and resilience of sector Bespoke cultural community programmes including: - culture in towns proposition – develop proposals for delivery (inc ‘Theatre Without Walls’ concept) - delivering outcomes through large events - Programmes to support health and wellbeing – particularly social prescribing model Bringing buildings into creative use / prep work for film studio of north	<ul style="list-style-type: none"> <li>▪ Culture embedded within all place-based work and place planning.</li> <li>▪ Culture is recognised and developed for its role in supporting the visitor economy.</li> <li>▪ Cultural and creative businesses and their supply chains are developed and supported to maximise their potential.</li> <li>▪ More people are actively engaged in cultural activity.</li> <li>▪ Increase in employment in culture, sport and arts roles.</li> <li>▪ Cultural activity that promotes clean growth and sustainability is developed and promoted.</li> </ul>



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**Report to:** West Yorkshire Combined Authority

**Date:** 9 December 2021

**Subject:** **Capital Spending and Project Approvals**

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**Director:** Melanie Corcoran, Director of Delivery

**Author:** Craig Taylor, Head of Portfolio Management and Appraisal

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## **1 Purpose of this report**

- 1.1 To report on proposals for the progression of, and funding for, two West Yorkshire Combined Authority supported projects that have been considered at stages 1, 2 or 3 of the Combined Authority's assurance process.
- 1.2 The schemes being considered for approval today have come directly to the Combined Authority due to expediency of delivery. The schemes will be reported to the relevant thematic Committee as appropriate.
- 1.3 The recommendations can be found in Section 13 of this report.

## **2 Impact of COVID-19**

- 2.1 With the impact of COVID-19 on the region and its economy, it is more important than ever to assess the changes to the landscapes of our towns and cities and the impact on current and future planned schemes, particularly, but not exclusively, those relating to transport.
- 2.2 Although it is generally expected that in the medium and long-term behaviours will return to the pre COVID-19 position, the impact of COVID-19 in relation to travel behaviour into and around towns and cities will be assessed as part of scheme appraisal and any assumptions made to address issues identified prior to the pandemic will be re-tested.

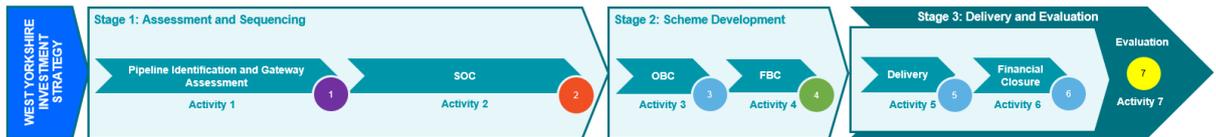
## **3 Tackling the Climate Emergency Implications**

- 3.1 The Combined Authority has taken action to ensure all decisions we make include Climate Emergency considerations. The Combined Authority:

- Has strengthened how clean growth and climate change impacts are considered as part of all schemes that come through the Combined Authority's Assurance Framework.
  - Requires LEP and the Combined Authority reports to include clean growth / tackling the Climate Emergency implications, including qualitative impact assessments.
- 3.2 To fully strengthen decision making across the whole of the Combined Authority's Assurance Framework a robust, quantifiable methodology and tool for assessing all new schemes predicted carbon emissions/wider clean growth impacts is being developed.
- 3.3 Work is currently underway to refine the toolkit methodology by assessing a selection of existing capital schemes progressing through the assurance process. Draft results of the outcomes of these assessments, including any potential mitigation of carbon impact, are currently being prepared and will be presented to the Combined Authority before the end of the calendar year. This represents a delay due to difficulties encountered carrying out carbon impact assessments on an initial subset of schemes. This has allowed the consultants to take these challenges into account in making improvements to the methodology. The tool will be incorporated into the Assurance Framework so that it can be used to assess future proposals as they progress through the assurance process. This part of the commission will involve a training element to ensure carbon assessment is properly embedded in the assurance process.
- 3.4 Clean growth, including climate change, impact assessment / considerations are all now included in all Capital Spending and Project Approvals reports. This ensures that the business cases now reflect the Leeds City Region Climate Emergency priority and evidence that they will reduce carbon emissions (both directly and indirectly).

#### **4 Report**

- 4.1 This report presents proposals for the progression of two schemes. These schemes have a total combined funding value of £108,501,000 when fully approved, of which £13,501,000 will be funded by the Combined Authority. A total expenditure recommendation to the value of £8,039,000 is sought as part of this report for the development and delivery of these schemes. Further details on the schemes summarised below can be found as part of this report.
- 4.2 The assurance process is a three-stage approach with the requirement that all projects subject to minor exceptions as detailed in the Assurance Framework, will as a minimum, need to formally pass decision point 2 (strategic outline case) and 4 (full business case), with the requirement to meet the intervening activities deemed on a project-by-project basis.
- 4.3 For more detail on the Combined Authority's Assurance Framework through which each of the schemes outlined in this report are being approved is provided in **Appendix 1**.



### Stage 1: Assessment and Sequencing

- 4.4 Programmes / schemes will start to be developed through an ongoing dialogue with the Region’s businesses, third sector and public organisations, in line with the West Yorkshire Investment Strategy (WYIS). Schemes will access funding through either a commissioning process or through open calls. Programmes / schemes will be assessed through a Strategic Assessment (an early-stage gateway check and challenge review) to determine if they are eligible to proceed (decision point 1).
- 4.5 If approved the scheme will progress to strategic outline case (SOC), where schemes will be expected to demonstrate a strategic fit in terms of project outcomes and set out their proposed approach to establishing value for money (VfM). At this stage, a long list of options will be considered with a shortlist being presented in the SOC. Consultation at this stage will be limited, but will be a key to the next activity, outline business case (OBC) in Stage 2. At this stage, funding may be sought to enable work to progress on the OBC. Schemes will also be required to submit an Appraisal Specification Report (ASR). It is at the end of this stage where the Combined Authority approve the indicative funding, approval pathway and route and tolerance levels (decision point 2).

### Stage 2: Scheme Development

- 4.6 If approved the scheme will progress to outline business case (OBC) unless the approval pathway set at decision point 2 does not require this. The OBC should revisit the options identified within the SOC to identify the option which optimises public value, confirm the affordability of the scheme, and put in place the arrangements to ensure successful delivery. The OBC should be prepared in accordance with the Green Book five-case model and should include a draft Monitoring and Evaluation Plan and a Benefit Realisation Plan. The Economic Case must be developed in consistency with the agreed ASR. Guidance will be provided to scheme promoters around the level of detail to be submitted at this stage with regards to proportionality of the business case. The scheme will be presented for approval by the decision-maker (decision point 3) as set out in the approval pathway and route approved at decision point 2.
- 4.7 If approved the scheme will progress to full business case (FBC) which will confirm the contractual arrangements for the preferred option. Affordability of the scheme is reiterated, and the scheme puts in place the final arrangements for delivery and monitoring and evaluation of the scheme. A Monitoring and Evaluation Plan and a Benefit Realisation Plan are mandatory products at this stage. The FBC should also be prepared in accordance with the five-case model and any conditions set at OBC should be resolved. The economic case must be developed in consistency with the agreed ASR. The scheme will be presented

for approval by the decision-maker (decision point 4) as set out in the approval pathway and route approved at decision point 2.

- 4.8 The FBC approval will be granted with a condition that the scheme remains within set conditions. Where this condition has been met Approval to Proceed into Delivery (Activity 5) will be granted by the Managing Director (or by an officer under sub-delegated authority from the Managing Director). If the condition(s) is not met, the project will be required to re-submit the FBC.

### Stage 3: Delivery and Evaluation

- 4.9 Once a scheme gains FBC approval and the conditions set have been met, the scheme can progress into Activity 5 (Delivery).
- 4.10 Upon scheme completion, a Delivery Closure Report is required that details how the scheme has performed. This includes whether delivery has remained within the timeframes specified within the business case, has achieved the objectives of the scheme and associated outputs, documents what has been delivered and highlights the overall costs. The Delivery Closure Report will be presented for approval by the decision-maker (decision point 5) as set out in the approval pathway and route approved at decision point 2.
- 4.11 Following completion of Activity 6, the scheme will be required to submit a Financial Closure Report (Activity 6). The Financial Closure Report confirms the final costs for the scheme, ensuring all payments have been completed. The Financial Closure Report will be presented for approval by the decision-maker (decision point 6) as set out in the approval pathway and route approved at decision point 2.
- 4.12 The purpose of the Delivery and Financial Closure Reports is to assess the success of the scheme, identify best practice for future schemes, resolve all open issues and to capture feedback and lessons learnt to inform the development and delivery of future schemes.
- 4.13 Activity 7 (Evaluation) will be managed by the Combined Authority's Research & Intelligence team. This is a reporting point as opposed to the previous decision points in the process and will be undertaken when the scheme is completed for an evaluation of the benefits, outcomes and economic impact compared to the overall objectives set out in the SOC. Insights and learning intelligence from evaluation will also be fed back into policy and strategy in order to inform the design and development of future schemes. Interim evaluations may also be undertaken as required as set out in the Monitoring and Evaluation Plan.

### **Value for Money - Benefit Cost Ratios**

- 4.14 The Benefit to Cost Ratio (BCR) for some of the schemes in this report potentially represent low value for money, when assessed using the Department for Transport's Transport Appraisal Guidance TAG on the appraisal of transport schemes.
- 4.15 This is because whilst calculating benefits to costs of a transport scheme there are many more journeys made by car than are made by bus, cycling, and

walking and as a consequence the monetised benefits arising from improvements to bus, cycling and walking journeys may be outweighed by the monetised dis-benefits to car users.

- 4.16 However, a key strategic objective of investment is to encourage modal switch to more sustainable modes and therefore whilst the 'core' BCR (i.e. following Green Book guidance on total impact on the society as a whole) for some schemes may be low, discounting the dis-benefits to car users from the appraisal will result in a higher BCR and where possible this 'range of BCR' will be presented to support decision making. This is in line with HM Treasury guidance where appraisal should take account of all five cases (strategic, commercial, economic, financial and management) and the economic case be balanced with these.
- 4.17 Her Majesty's Treasury (HMT) have now completed the review of the Green Book. The Green Book is guidance issued by HM Treasury on how to appraise policies, programmes, and projects. This review has endorsed the Combined Authority's approach by clarifying that overall Value for Money judgement should not depend solely on the BCR but be informed by a balanced consideration of all relevant evidence, that is, appraisal should take account of all five cases (strategic, commercial, economic, financial and management) and the economic case be balanced with these.
- 4.18 In particular, HMT have clarified further that in assessing value for money, a stronger emphasis can now be placed on the strategic case and how the strategic objectives and priorities of the Combined Authority will be met through the delivery of a project. This might for example include, but not limited to, a greater focus on regional impacts to help deliver Levelling Up, ensuring transformational projects are given due consideration, supporting the climate change and good growth agenda (the Combined Authority aims to achieve net-zero by 2038), supporting an increase in active mode and public transport use, supporting / accelerating housing development and allowing a greater emphasis on the requirement to carry out equalities analysis as required by the Public Sector Equalities Duty. The specific approach will be determined on a programme-by-programme basis as funding and investment streams come forward.

## Scheme Summaries

<p><b>Project Marigold</b> Leeds or Wakefield</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme is of a commercially sensitive nature and the business has requested to keep their company name confidential and will therefore be referred to as Project Marigold.</p> <p>This scheme will put in place the facility for the Combined Authority to offer a commercial loan of £5,000,000 to Project Marigold. The loan would act as an incentive to bring forward £100,000,000 of investment by 2030.</p> <p>The overall investment of £100,000,000, would be used to set up a manufacturing facility in West Yorkshire. Three potential sites are currently being considered in Leeds and Wakefield.</p> <p>The proposal has a good strategic fit with several of the mayor's pledges including supporting local businesses and championing our regional economy and West Yorkshire Strategic Economic Framework priorities including Boosting Productivity and Enabling Inclusive Growth.</p> <p>An indicative approval for the Combined Authority to offer a £5,000,000 loan facility to Project Marigold is sought at this stage. The loan will be funded from the Single Investment Fund.</p> <p><b><u>Impact</u></b></p> <p>The scheme will lead to a new manufacturing facility of between 200,000 and 250,000 square foot being set up in West Yorkshire. This will create 2500 new direct jobs in the advanced manufacturing sector and 2000 jobs across the supply chain.</p> <p>The new manufacturing facility is planned to offer young people from disadvantaged backgrounds by funding apprenticeships and providing the support and advice required.</p> <p><b><u>Decision sought</u></b></p> <p>Approval to proceed through decision point 2 (Strategic Outline Case) and work commences on activity 4 (Full Business Case).</p> <p>Indicative approval of the Combined Authority's contribution of £5,000,000 (by way of a commercial loan).</p> <p>Total value of the scheme - £100,000,000</p> <p>Total value of Combined Authority funding - £5,000,000</p> <p>Funding recommendation sought - £0</p> <p>A decision by the Combined Authority is sought as part of this report</p>
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<p><b>Bradford Interchange Resurfacing Works</b></p> <p>Bradford</p>	<p><b><u>Scheme description</u></b></p> <p>The Bradford Interchange carriageway was constructed of reinforced concrete in 1973. This aging structure is now showing signs of deterioration and has been subject to a number of repairs.</p> <p>This deterioration and constant repairs are causing safety concerns which whilst currently addressed require a more sustainable long-term renewal solution to avoid disruption for passengers and bus operators, affecting the day-to-day operation of this key transport facility in the city centre.</p> <p>The scheme will involve repairs to the structure and waterproofing and resurfacing of the bus carriageways on a phased basis, so the interchange remains operational, and any disruption is minimal.</p> <p>Once all the works have been completed, future repair and maintenance costs will be minimised for around the next 10 to 15 years.</p> <p>The total estimated costs at Strategic Outline Case were £2,000,000. Following the Combined Authority's indicative approval of up to £2,000,000 and approval of £461,400 development costs, on 9 January 2020, the contractor, Balfour Beatty, carried out a feasibility study and site surveys. This work identified additional repairs which need to be made to the structure which were not anticipated when the Strategic Outline Case was considered. As a result of the contractor's discoveries the total scheme costs are now estimated to be £8,501,000.</p> <p>The scheme will be funded from the Local Transport Plan Integrated Transport Block (ITB) programme, the 2022/2023 City Region Sustainable Transport Settlement and / or Transforming Cities Fund and / or Combined Authority capital receipts.</p> <p><b><u>Impact</u></b></p> <p>This project is required to maintain an operational public transport asset and will allow the continued, safe operation of Bradford Interchange. The repair and resurfacing of the carriageway is one part of a proposed programme to further improve the interchange in the longer term.</p> <p><b><u>Decision sought</u></b></p> <p>Approval to proceed through decision point 4 (Full Business Case) and work commences towards activity 5 delivery.</p> <p>Total value of the scheme - £8,501,000</p> <p>Total value of Combined Authority funding - £8,501,000</p> <p>Funding recommendation sought - £8,039,000</p> <p>A decision by the Combined Authority is sought as part of this report</p>
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- 4.19 Since the Combined Authority’s meeting on 22 October 2021, the following decision points and change requests have been assessed in line with the Combined Authority’s assurance process and approved through the agreed delegation to the Combined Authority’s Finance, Resources and Corporate Committee. Under the delegation a total expenditure of £1,100,000 has been approved. The decisions were made by the Finance, Resources and Corporate Committee following a recommendation from Combined Authority Programme Appraisal Team.

<p><b>Fair Work Charter</b></p> <p>West Yorkshire</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme will contribute to achieving the Mayor of West Yorkshire’s pledge to support local business and also aligns with the Combined Authority’s Strategic Economic Framework, specifically in relation to inclusive growth.</p> <p>A Fair Work Charter secures commitment from employers to drive positive employment behaviours and practices and recognises their efforts through accreditation.</p> <p>The scheme will develop, launch, and embed a West Yorkshire Fair Work Charter which aims to boost workforce productivity, profitability, innovation, reduce in-work poverty, boost health and wellbeing, and promote greater economic inclusion for disadvantaged groups and communities.</p> <p>The scheme will recruit a dedicated team to increase capacity and expertise to engage with businesses and to undertake communications and marketing activities to support the launch and raise awareness of the Charter, its benefits and to encourage businesses to seek accreditation. Activities will complement existing business engagement and support offered by the Combined Authority and its partners.</p> <p>This scheme will be funded from the Single Investment Fund.</p> <p><b><u>Impact</u></b></p> <p>A Fair Work Charter has the potential to positively change the way the economy works by creating an inclusive and accessible fair work ‘movement’ by setting “the standards we expect for good work in our region” and supporting businesses to realise the benefits to both employees and employer.</p> <p>The scheme’s wider social benefits include reducing in-work poverty, boosting health and wellbeing and promotion of greater inclusion for disadvantaged groups.</p> <p><b><u>Decision</u></b></p> <p>The Finance, Resources and Corporate Committee at its meeting of 3 November 2021 gave approval to proceed through decision point 2 (Strategic Outline Case) and decision point 4 (Full Business Case) and work commences on activity 5 (Delivery).</p> <p>Total value of the scheme - £600,000</p> <p>Total value of Combined Authority funding - £600,000</p> <p>Funding approved - £600,000</p>
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<p><b>Supporting Local Business Pledge Development Programme</b></p> <p>West Yorkshire</p>	<p><b>Scheme description</b></p> <p>The scheme will develop a programme pipeline, focussing on new activities to support businesses, which complement the existing business support offered by the Combined Authority and local partners. The pipeline developed will be especially linked to the needs of businesses in economic recovery, in line with the West Yorkshire Investment Strategy (WYIS).</p> <p>The scheme will recruit two new Combined Authority posts to develop the programme pipeline which proposes to include:</p> <ul style="list-style-type: none"> <li>• The design, development, and piloting of new activities to support businesses to recover, by improving their productivity and resilience.</li> <li>• Development of a Mayoral Challenge competition and empowering the West Yorkshire Innovation Network's work to stimulate further entrepreneurial innovation and new support activities</li> <li>• Developing a regional approach to working with sectors on key agendas, for example boosting productivity, including delivering the West Yorkshire Manufacturing Task Force</li> </ul> <p>Work will also take place to identify new activities which could support the growth of co-operative, social enterprise, and worker-owned businesses.</p> <p>The scheme will commission work from external organisations when additional resource and / or expertise is required.</p> <p>The scheme is seeking approval for £500,000 from the Single Investment Fund which will fund the programme for three years. This will fund the development of the programme pipeline only. Additional funding will need to be secured to deliver any new programmes and projects identified.</p> <p><b>Impact</b></p> <p>The scheme will support local businesses, especially those in economic recovery, to become more productive and more resilient, by developing and piloting a range of new business support activities. The development of the programme pipeline will support future funding bids and increase the knowledge and understanding of what businesses, social enterprises, cooperatives, and other types of business need so that any new activities offer the right support.</p> <p><b>Decision</b></p> <p>The Finance, Resources and Corporate Committee at its meeting of 3 November 2021 gave approval to proceed through decision point 2 (SOC) and decision point 4 (FBC) and work commences on activity 5 (Delivery).</p> <p>Total value of the scheme - £500,000</p> <p>Total value of Combined Authority funding - £500,000</p> <p>Funding approved - £500,000</p>
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4.20 Since the Combined Authority’s meeting on 22 October 2021, the following decision points and change requests have been assessed in line with the Combined Authority’s assurance process and approved through the agreed delegation to the Combined Authority’s Place, Regeneration and Housing Committee. Under the delegation a total expenditure of £29,720,988 has been approved. The decisions were made by the Place, Regeneration and Housing Committee following a recommendation from Combined Authority Programme Appraisal Team.

<p><b>Rail Parking Package - Outwood</b></p> <p>Wakefield</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme is part of the Rail Park &amp; Ride Programme, a package of car park extensions which aims to increase access to train services in West Yorkshire and beyond.</p> <p>The scheme will increase car parking capacity at Outwood Rail Station to support increased access to train services. This will help reduce congestion, improve local air quality, and enhance people’s access to jobs, training, and apprenticeship opportunities, as well as leisure and family/caring responsibilities.</p> <p>The scheme is to be funded by the West Yorkshire plus Transport Fund.</p> <p><b><u>Impact</u></b></p> <p>The scheme’s wider social benefits include noise reduction, air quality improvement and greenhouse gas emission associated with the reduction in car use as a result of the car parking provision provided. Enhanced landscaping will counterbalance the loss of some greenfield land while improving drainage and reducing flood risks.</p> <p>The scheme represents very high value for money with a benefit to cost ratio of 4.5:1.</p> <p><b><u>Decision</u></b></p> <p>The Place, Regeneration and Housing Committee at its meeting of 25 November 2021 gave approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).</p> <p>Total value - £2,731,000</p> <p>Total value of Combined Authority funding - £2,731,000</p> <p>Funding approved- £296,000</p>
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<p><b>TCF - North Halifax Improved Streets for People</b></p> <p>Calderdale</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme will encourage walking and cycling in north Halifax through a series of improvements including 4 kilometres of new cycle lanes, walking pathway improvements and traffic calming measures, providing improved access between Ovenden in north Halifax and the town centre.</p> <p>The scheme will be funded by the Transforming Cities Fund (TCF).</p> <p><b><u>Impact</u></b></p> <p>By improving journeys by bike and on foot, the scheme will improve access to training, education, employment, retail, and leisure for local residents.</p> <p>By encouraging walking and cycling, the scheme will help to increase physical activity and contribute to improved health for local residents. Reduced reliance on private vehicles will reduce transport related emissions and improve local air quality.</p> <p>The scheme's value for money reflects a benefit cost ratio (BCR) of 1.81:1 which represents medium value for money.</p> <p><b><u>Decision</u></b></p> <p>The Place, Regeneration and Housing Committee at its meeting of 25 November 2021 gave approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).</p> <p>Total value of the scheme – £10,958,000</p> <p>Total value of Combined Authority funding – £10,958,000</p> <p>Funding approved – £1,350,000</p>
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<p><b>TCF - West Halifax Improved Streets for People</b></p> <p>Calderdale</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme will improve journeys made by bus and on foot, in the Park ward area in west Halifax, through a series of improvements, including new pedestrian crossing facilities, traffic calming and parking restrictions, along with bus priority measures at key junctions. The scheme will improve access on foot and by bus between the Park ward area in west Halifax and the town centre.</p> <p>The scheme will be funded jointly by the Transforming Cities Fund (TCF) and the Integrated Transport Block (Streets for People Demonstration Project).</p> <p><b><u>Impact</u></b></p> <p>By improving journeys made by bus and on foot, the scheme will improve access to training, education, employment, shops, and leisure for local residents.</p> <p>By encouraging walking and cycling, the scheme will also help to increase physical activity and contribute to improved health for local residents. Reduced reliance on private vehicles will reduce transport related emissions and improve local air quality.</p> <p>The scheme's value for money assessment reflects a benefit cost ratio (BCR) of 1.37:1 which represents low value for money. However, when considering the sensitivity test results and given additional modelling work to be undertaken at the next stage to better capture the scheme's benefits, it is likely that the scheme's value for money will fall into the medium category.</p> <p><b><u>Decision</u></b></p> <p>The Place, Regeneration and Housing Committee at its meeting of 25 November 2021 gave approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).</p> <p>Total value of the scheme - £9,240,000</p> <p>Total value of Combined Authority funding - £8,240,000</p> <p>Funding approved - £1,275,000</p>
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<p><b>BHF West Leeds Phase 1</b> Leeds</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme will deliver 623 new homes and 362 student residential accommodation on brownfield land located southwest of Leeds City Centre.</p> <p>The scheme will be funded from the Brownfield Housing Fund and provide 230 affordable homes.</p> <p><b><u>Impact</u></b></p> <p>This scheme will deliver a new riverside walkway and cycle/footbridge across the River Aire to encourage cycling and walking, improving health of local residents and encourage less reliance on private cars, therefore improving local air quality. The development includes provisions for cycle parking spaces, a resident's car club, and a number of energy efficiency measures will be included in the building designs, including air source heating pumps, along with new green outdoor space.</p> <p>The scheme will provide 10 homes for homeless people on the site. It is proposed that nine of the units will be occupied and the one will be used for healthcare and training.</p> <p>The benefit cost ratio for this scheme has been identified as 2.2:1 representing high value for money.</p> <p><b><u>Decision</u></b></p> <p>The Place, Regeneration and Housing Committee at its meeting of 25 November 2021 gave approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).</p> <p>Details of the costs and funding approved were outlined in an exempt appendix as these are commercially sensitive.</p>
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<p><b>BHF Hebden Bridge</b> Calderdale</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme will build 20 new homes in Hebden Bridge.</p> <p>This scheme will be funded from the Brownfield Housing Fund and provide 20 affordable homes.</p> <p><b><u>Impact</u></b></p> <p>The scheme is providing 100% affordable homes.</p> <p>This scheme will deliver energy efficient homes with zero-carbon-ready heat technology. Cycle storage and electric vehicle charging points will be built in, and where possible, on-site renewable energy provision with battery storage will be installed to enhance the scheme's low carbon credentials. The homes will also help tackle fuel poverty.</p> <p>The benefit cost ratio for this scheme is expected to be around 1:1. This will be confirmed at the next stage of the assurance process.</p> <p><b><u>Decision</u></b></p> <p>The Place, Regeneration and Housing Committee at its meeting of 25 November 2021 gave approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).</p> <p>Details of the costs and funding approved were outlined in an exempt appendix as these are commercially sensitive.</p>
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<p><b>BHF Leeds Central</b></p> <p>Leeds</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme will deliver 185 new homes on brownfield land located on a derelict corner site in Leeds.</p> <p>The scheme will be funded from the Brownfield Housing Fund and provide 37 affordable homes.</p> <p><b><u>Impact</u></b></p> <p>The new homes will have a significant amount of external and internal leisure and workspace. The development will also include cycle spaces, which will encourage cycling and walking thereby improving health of local residents, reducing reliance on private vehicles, therefore improving local air quality.</p> <p>The scheme will connect to the Leeds Pipes District Heating Network. This will provide low carbon heating and hot water and open up the possibility for other surrounding new and existing developments to also benefit from being connected, driving investment in locally generated secure, sustainable, and low carbon energy, contributing to the Combined Authority 'Tackling the climate emergency' priority.</p> <p>The benefit to cost ratio for this scheme is 3.8:1, representing high value for money.</p> <p><b><u>Decision</u></b></p> <p>The Place, Regeneration and Housing Committee at its meeting of 25 November 2021 gave approval to proceed through decision point 4 (full business case, and work commences on activity 5 (delivery).</p> <p>Details of the costs and funding approved were outlined in an exempt appendix as these are commercially sensitive.</p>
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<p><b>BHF Leeds South 1B</b></p> <p>Leeds</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme will deliver 142 homes on brownfield land in the South Bank area of Leeds city centre.</p> <p>The scheme will be funded from the Brownfield Housing Fund and provide 13 affordable homes.</p> <p><b><u>Impact</u></b></p> <p>The scheme will deliver homes that are seven to ten times more energy efficient than current building regulations. This is based on the technology used in the properties, their airtightness, and the installation of mechanical ventilation with heat recovery, removing the need to artificially heat the properties. This will support the scheme to deliver an estimated carbon saving of 490 tonnes per year.</p> <p>The benefit to cost ratio for this scheme is 4.9:1, representing very high value for money.</p> <p><b><u>Decision</u></b></p> <p>The Place, Regeneration and Housing Committee at its meeting of 25 November 2021 gave approval to proceed through decision point 4 (full business case, and work commences on activity 5 (delivery).</p> <p>Details of the costs and funding approved were outlined in an exempt appendix as these are commercially sensitive.</p>
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<p><b>BHF Knottingley</b></p> <p>Wakefield</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme will build 175 new homes and two retail units on the site of a former industrial site in the Wakefield area.</p> <p>The scheme will be funded from the Brownfield Housing Fund. No affordable homes are provided, however it is hoped the scheme will help stimulate regeneration in the locality.</p> <p><b><u>Impact</u></b></p> <p>The scheme will help stimulate regeneration in the Wakefield area by increasing attractiveness of the area and encourage investment of one of the most deprived areas in Wakefield.</p> <p>The scheme will lead to reduced energy consumption by the installation of photovoltaic panels, which transform solar energy into electricity, to a number of the housing units. The scheme aims to reduce average domestic carbon emissions of the new housing units by 20%.</p> <p>Development of the site also includes the delivery of a large, public access ecology area with four ponds to enhance public space and provide suitable habitat for great crested newts.</p> <p>The value for money assessment reflects a benefit cost ratio of 1.3:1 representing acceptable value for money. The wider benefits of the scheme relate to the transformation an area in one of the most deprived parts of Wakefield.</p> <p><b><u>Decision</u></b></p> <p>The Place, Regeneration and Housing Committee at its meeting of 25 November 2021 gave approval to proceed through decision point 4 (full business case, and work commences on activity 5 (delivery).</p> <p>Details of the costs and funding approved were outlined in an exempt appendix as these are commercially sensitive.</p>
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<p><b>White Rose Station</b></p> <p>Leeds</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme will deliver a new rail station on the Leeds-Huddersfield line. The proposed station will sit between Morley and Cottingley on this section of the Transpennine route. The scheme will enable a shift from road to rail journeys.</p> <p>The scheme will be funded from the Leeds Public Transport Investment Programme, Transforming Cities Fund, New Stations Fund, and other public and private sector match funding.</p> <p><b><u>Impact</u></b></p> <p>The scheme contributes to the delivery of the Strategic Economic Framework priority of Delivering 21<sup>st</sup> Century Transport.</p> <p>The scheme's wider social benefits include enhanced access to employment and training opportunities at the White Rose Office Park, together with enhanced transport services for local people and businesses to Leeds city centre, Dewsbury, Huddersfield and across the north of England. The station will provide the catalyst for continued expansion of the office park and wider economic development in the area, contributing to regeneration in south Leeds. The scheme will provide an accessible rail station for commuters and shoppers, including the provision of step free access between platforms. A reduction in emissions is also expected because of the shift from road to rail journeys.</p> <p>The scheme has a benefit cost ratio of 2.25:1 judging the scheme as high value for money when assessed against the Department for Transport's value for money criteria.</p> <p><b><u>Decision</u></b></p> <p>The Place, Regeneration and Housing Committee at its meeting of 25 November 2021 gave approval to proceed through full business case with finalised costs and work commences on delivery.</p> <p>Total value of the scheme - £26,500,000</p> <p>Total value of Combined Authority funding - £22,000,000</p> <p>Funding approved - £22,000,000</p>
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## **5 Information**

5.1 The Combined Authority's assurance framework requires that formal approval is given to the following elements of a scheme as part of its development:

- The progression of a scheme through a decision point to the next activity.
- Indicative or full approval to the total value of the scheme funding requested.
- The Combined Authority's entry into a funding agreement with the scheme's promoter.
- The assurance pathway and approval route for future decision points.
- The scheme's approval tolerances.

5.2 This report provides information required to enable the Combined Authority to approve each of the above elements.

## Projects in Stage 1: Assessment and Sequencing

<b>Project Title</b>	<b>Project Marigold</b>
<b>Stage</b>	1 (eligibility)
<b>Decision Point</b>	2 (strategic outline case)

Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	Paragraph 3	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

### Background

- 5.3 This scheme is of a commercially sensitive nature and the business has requested to keep their company name confidential. The scheme / business will be referred to as Project Marigold in this report to maintain confidentiality.
- 5.4 The scheme would put in place the facility for the Combined Authority to offer a commercial loan of £5,000,000 to Project Marigold. The loan would act as an incentive to bring forward £100,000,000 of investment by 2030.
- 5.5 The overall investment of £100,000,000, would be used to set up a manufacturing facility in West Yorkshire. Three potential sites are currently being considered in Leeds and Wakefield.
- 5.6 This would deliver 2500 direct jobs and a further 2000 jobs across the supply chain. It would also deliver £51,000,000 of Gross Value Added (GVA) to the region.
- 5.7 Project Marigold has indicated that a £5,000,000 repayable loan from the Combined Authority would provide sufficient incentive to secure the investment in the City Region
- 5.8 Since the Strategic Inward Investment Fund (SIIF) ended, the Combined Authority does not have any facility in place to offer loans to potential inward investors, so this report seeks a specific decision on the Project Marigold proposal.
- 5.9 An indicative approval for the Combined Authority to offer a £5,000,000 loan facility to Project Marigold is sought at this stage. A comprehensive due

diligence exercise will then be undertaken as part of the appraisal of the full business case. No undertakings would be entered into, or monies expended until the full business case has been approved.

5.10 The scheme gained decision point 1 (Strategic Assessment) approval in October 2021.

5.11 The scheme contributes to the Strategic Economic Framework Priorities:

- Boosting Productivity
- Enabling Inclusive Growth
- Tackling the Climate Emergency – the new production facility will be zero net carbon
- Securing Money and Powers – bringing £100,000,000 of investment into the region
- Please refer to exempt **Appendix 2** for more information.

5.12 The scheme is well aligned with the following Mayor's pledges:

- Supporting local businesses and championing our regional economy
- Prioritising skills and training to ensure everyone in West Yorkshire has the skills they need to secure work
- Tackling the climate emergency and protecting our environment

5.13 The scheme also supports strategic policy in the two Local Authority areas, where sites are being considered, as well as supporting National Government policy.

5.14 Due to the commercial nature of this Strategic Outline Case, some details, relevant to the approval being sought but which could reveal the identity of the business, have been included in exempt **Appendix 2**.

5.15 A summary of the scheme's business case is included in **Appendix 3**.

### **Tackling the Climate Emergency Implications**

5.16 The proposed new manufacturing facility will be net carbon zero and will contribute to the City Region's ambition of being a net carbon zero economy by 2030.

5.17 Please refer to exempt **Appendix 2** for further implications.

### **Outputs, Benefits, and Inclusive Growth Implications**

5.18 The scheme outputs and benefits include:

- A new manufacturing facility of between 200,000 and 250,000 square foot in West Yorkshire

- 2500 new direct jobs in the manufacturing sector and 2000 jobs across the supply chain
- Bringing £51,000,000 of Gross Value Added (GVA) to the region
- Increasing the value of exports
- Please refer to exempt **Appendix 2** for further outputs and benefits.

### **Equality and Diversity Implications**

- 5.19 An Equality Impact Assessment (EqIA) has been undertaken for the project and equality and diversity impacts taken account of as part of the development of the project and the business case development. As the Project Marigold scheme develops, equality and diversity impacts will be further taken account of.
- 5.20 Commitments to equality and diversity can be introduced as conditions of the loan and monitored alongside other commitments such as the number of jobs created. Measures to manage non-compliance can be incorporated into the loan agreement.
- 5.21 As a condition of the loan, it is proposed that young people from socially and economically disadvantaged backgrounds will be recruited. This will be achieved by funding apprenticeships, and facilitating the support and advice required to ensure apprentices have the tools and drive to succeed

### **Risks**

- 5.22 The scheme risks include:
- Risk that the investment in the manufacturing facility is made outside of Leeds City Region and all associated benefits are lost. Mitigated by seeking internal Combined Authority approvals to support the project and working with partner councils' Directors of Delivery to ensure partner councils support for the project is optimised.
  - Risk of the Project Marigold company declining the offer of a loan and locating the production facility elsewhere. Mitigated by procuring external expertise to progress delivery, which has worked well on similar schemes.
  - Risk of the Project Marigold company not delivering the expected outputs and benefits. Mitigated by using external expertise to provide due diligence on the company, its business plan, its project plan, and its forward projections, to ensure outputs are robust and achievable before final approval to a loan is given and monies are defrayed
  - Risk of the company defaulting on loan repayments. Mitigated by using external expertise to provide due diligence.

### **Costs**

- 5.23 The scheme costs are:

- The total scheme cost is estimated to be £100,000,000
- The Combined Authority's contribution to this is a £5,000,000 loan from the Single Investment Fund.
- The Combined Authority will ultimately enter into a loan agreement with Project Marigold, but not until the full business case has been approved and all due diligence checks have been concluded.
- Please refer to exempt **Appendix 2** for further cost information.

### Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
2 (strategic outline case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority	09/12/2021
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	01/02/2022
5 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	01/03/2022
6 (financial closure)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	30/06/2022
7 (evaluation)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	To be confirmed at Full Business Case stage

### Other Key Timescales

- 5.24 Project Marigold's Board are expected to take a decision on making the investment in January 2022.
- 5.25 March 2022 to March 2023 Project Marigold select site for manufacturing facility and commence work on site.
- 5.26 Manufacturing commences March 2023

### Assurance Tolerances

Assurance tolerances
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Combined Authority costs remains within +0% of the costs identified within this report.
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Delivery (DP5) timescales remain within 3 months of those outlined in this report.
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### **Appraisal Summary**

- 5.27 The strategic case for the scheme is well established, it addresses several of the Strategic Economic Framework (SEF) priorities as well as aligning with several of the Mayor's pledges.
- 5.28 The scheme supports strategic policy in both Local Authority areas being considered for the production facility site and also aligns with National Policy set out by the National Audit Office.
- 5.29 The economic case is currently less well defined, in part due to the site for the new manufacturing facility not being confirmed yet, so costs and benefits cannot yet be fully quantified. This will be addressed in the full business case (FBC) submission.
- 5.30 Similarly, the scheme's commercial case needs further refinement for the next approval stage. The FBC submission will include full details of the heads of terms for the proposed loan. The Combined Authority is seeking guarantees from Project Marigold's parent company on underwriting the loan and is undertaking a full due diligence exercise on the company.
- 5.31 The financial case will also require further clarifications at the FBC stage, including full details of the sources of funding being utilised by Project Marigold to finance the project and details of what exactly the Combined Authority loan will be used for. The due diligence checks which will be carried out will provide assurance on the viability of Project Marigold and will also give advice on issues such as state aid implications.
- 5.32 The management case provides sufficient assurance to recommend progress to the next approval stage, but further details will be required in the FBC on the risk management strategy to be employed by the Combined Authority.
- 5.33 Overall, there is a strong strategic case for the project, which is sufficient to recommend approval of the Strategic Outline Case, subject to the other cases being further refined for the full business case submission.

### **Recommendations**

- 5.34 The Combined Authority approves that:
- (i) The Project Marigold scheme progresses through decision point 2 (Strategic Outline Case) and work commences on activity 4 (Full Business Case)
  - (ii) An indicative approval of the Combined Authority's contribution of £5,000,000 is given. The total scheme value is £100,000,000.

- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report and where required any change requests are delegated to the Business, Economy, and Innovation Committee. This will be subject to the scheme remaining within the tolerances outlined in this report.

## Projects in Stage 2: Development

<b>Project Title</b>	<b>Bradford Interchange Resurfacing Works</b>
<b>Stage</b>	2 (development)
<b>Decision Point</b>	4 (full business case)

Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:		
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

### Background

- 5.35 The scheme will be funded from the Local Transport Plan – Integrated Transport Block. The Integrated Transport Block (ITB) provides funding support to local authorities for transport capital improvement schemes.
- 5.36 Bradford Interchange is one of the Combined Authority’s assets. It was constructed in 1973 and is made of reinforced concrete which, whilst maintained, is an aging structure, and at a point where significant renewal is required to prolong its lifespan in a more cost-effective way and safe way.
- 5.37 This scheme is one of several developments in Bradford which includes further planned schemes at Bradford Interchange, redevelopment of the city centre and its gateway route into the city’s commercial centre.
- 5.38 The proposed scheme will remove the surfacing of the carriageway and failing waterproof barrier so that inspection, repair, or replacement of the concrete slab can be undertaken from above the structure.
- 5.39 This scheme fits within the Strategic Economic Framework (SEF) priorities of, delivering 21st Century Transport, Tackling the Climate Emergency. The scheme also helps lay the foundations for other planned improvements to the bus station, subsequently supporting the delivery of Strategic Economic Framework Priority ‘Enabling Inclusive Growth’.
- 5.40 The Combined Authority previously gave indicative approval for up to £2,000,000 as part of the decision point 2 (Strategic Outline Case) approval on

9 January 2020. Following the approval, the contractor, Balfour Beatty, carried out a pre-construction feasibility study and site surveys. These surveys discovered unexpected failures of the structure that if not rectified may pose a public safety risk and as a result of these discoveries the total estimated scheme costs have risen to £8,501,000.

- 5.41 A summary of the scheme's business case and location map is included in **Appendix 4**.

### **Tackling the Climate Emergency Implications**

- 5.42 Whilst no direct clean growth and climate impacts are derived, indirectly the scheme should increase passenger numbers through an improved asset this in turn increases sustainable travel and reduces carbon and other vehicular air pollutants.

### **Outputs, Benefits, and Inclusive Growth Implications**

- 5.43 The scheme outputs and benefits include:

- Repair existing concrete slabs
- Replace waterproofing membrane
- Replace and repair drainage on-site
- Lay new carriageway and resurface
- Improved safety within the bus station
- Reduced impact of poor-quality asset on users
- Reduced maintenance costs and customer disruption
- Reduced loss of income from tenanted units

### **Equality and Diversity Implications**

- 5.44 An Equality Impact Assessment (EqIA) has been undertaken for the scheme and equality and diversity impacts taken account of as part of the development of the scheme and the business case development.

### **Risks**

- 5.45 The scheme risks include:

- **Financial Risk:** Surveys completed within the pre-construction phase have indicated that the concrete deck will need between 3% and 5% repairs however, there is still uncertainty around this. The true condition of the concrete deck will not be realised until it is uncovered in the first phase of works. If the concrete is in worse repair than expected this will impact on the cost and programme of works. Mitigated by following the pre-construction period, the design team will be in a better position to estimate the repairs required during the construction phase and will be able to liaise with the concrete repair specialist to create a robust cost.

- Management Risk: Increased interfaces and interdependencies with other schemes during the construction phase especially considering the projected 2023 completion date affecting other interchange schemes. Mitigated by - Monthly interdependencies meetings with other Bradford Interchange schemes to ensure Project Managers are aware of the scope and programme of projects which could affect their own. Increased communication between Project Managers that may be affected by this increased construction period.

## Costs

- 5.46 The current total forecast scheme costs are £8,501,000. The scheme will be funded from the Combined Authority's Local Transport Plan (LTP) Integrated Transport Block (ITB) Programme, the 2022/2023 City Region Sustainable Transport Settlement and / or Transforming Cities Fund and / or Combined Authority capital receipts.
- 5.47 The total forecast scheme cost is an increase of £6,501,000 on the £2,000,000 total scheme costs at decision point 2 (Strategic Outline Case), which gained indicative approval from the Combined Authority on 9 January 2020.
- 5.48 The Combined Authority also approved £461,400 of development costs to progress the scheme to Full Business Case.
- 5.49 The cost increase is due to a lack of information available at feasibility stage and lack of detail and certainty regarding deliverability. There has also been increases in the cost of materials and inflation has risen due to Brexit and COVID-19. Following feasibility surveys and investigations the contractor provided a more robust estimate of cost and resource which has resulted in higher overall delivery cost.

## Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority	09/12/2021
Approval to Proceed	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	15/12/2021
5 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	30/06/2023
6 (financial closure)	Recommendation: Combined Authority's Programme Appraisal Team	30/06/2028

	Decision: Combined Authority's Director of Delivery	
7 (evaluation)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	30/06/2028

### Other Key Timescales

- Start on site – January 2022
- On-site completion – June 2023
- Monitoring and evaluation of scheme May 2024 to May 2028

### Assurance Tolerances

<b>Assurance tolerances</b>
Combined Authority costs remain within +20% of those outlined in this report Delivery (DP5) timescales remain within 3 months of those outlined in this report.

### Appraisal Summary

- 5.50 The scheme forecast cost is £8,501,000. Development costs of £461,400 were approved at decision point 2 (Strategic Outline Case). The scheme is to be funded from the Local Transport Plan Integrated Transport Block Programme, the 2022/2023 City Region Sustainable Transport Settlement and / or Transforming Cities Fund and / or Combined Authority capital receipts. It is a Combined Authority led scheme and subject to its management and governance processes.
- 5.51 Whilst the scheme is essentially a repair scheme of an aging asset, due to the structure's potential safety and sustainability issues, there is a strong strategic fit with local, regional, and national, policies, strategies, and priorities.
- 5.52 There is also a safety need which is strengthened by specialist advice given on an alternative proposal to move the bus stops to on street parking which would gridlock the city centre.
- 5.53 The SCAPE framework, which is available to any public body in the UK for procurement of contractors, has been utilised for the procurement of a design and build contractor.
- 5.54 Value for money is derived from the significant revenue savings from increased ad hoc maintenance, among other deferred savings.

### Recommendations

- 5.55 The Combined Authority approves that, subject to the conditions set by PAT:

- (i) The Bradford Interchange Resurfacing Works scheme proceeds through decision point 4 (full business case) and work commences on activity 5 (delivery).
- (ii) Approval to the Combined Authority's contribution of £8,039,000, bringing the total to £8,501,000, is given. The total scheme value is £8,501,000.
- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report and where required any change requests are delegated to the Place, Regenerations and Housing Committee. This will be subject to the scheme remaining within the tolerances outlined in this report.

#### Conditions

The following conditions have been set by PAT to gain Approval to Proceed to Delivery:

- (i) Confirmation of funding and total scheme cost is within those set out in the FBC approval.
- (ii) Contract with delivery partner finalised and evidenced
- (iii) Confirmation whether an Asset Protection Agreement from Network Rail is required and if so, what impact this has on the programme
- (iv) Supply of an up-to-date programme for delivery
- (v) Confirmation of project board set up and met

#### **Projects in Stage 3: Delivery and Evaluation**

5.56 There are no schemes to review at this stage.

## **6 Tackling the Climate Emergency Implications**

- 6.1 The Climate Emergency implications have been considered on all projects included in this report as part of their business case development.

## **7 Inclusive Growth Implications**

- 7.1 The inclusive growth implications have been considered on all projects included in this report as part of their business case development.

## **8 Equality and Diversity Implications**

- 8.1 Equality Impact Assessments (EQIA) have been undertaken on all projects included in this report as part of their business case development.

## **9 Financial Implications**

- 9.1 The report seeks endorsement to expenditure from the available Combined Authority funding as set out in this report.

## **10 Legal implications**

- 10.1 The information contained in Appendix 2 is exempt under paragraph 3 of Part 1 to Schedule 12A of the Local Government Act 1972 as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that the public interest in maintaining the content of the appendices as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.

- 10.2 The payment of funding to any recipient will be subject to a funding agreement being in place between the Combined Authority and the organisation in question.

## **11 Staffing implications**

- 11.1 A combination of Combined Authority and local partner council project, programme and portfolio management resources are or are in the process of being identified and costed for within the schemes in this report.

## **12 External consultees**

- 12.1 Where applicable scheme promoters have been consulted on the content of this report.

## **13 Recommendations (Summary)**

### **Project Marigold**

- 13.1 The Combined Authority approves that:

- (i) The Project Marigold scheme progresses through decision point 2 (Strategic Outline Case) and work commences on activity 4 (Full Business Case)
- (ii) An indicative approval of the Combined Authority's contribution of £5,000,000 is given. The total scheme value is £100,000,000.
- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report and where required any change requests are delegated to the Business, Economy, and Innovation Committee. This will be subject to the scheme remaining within the tolerances outlined in this report.

### **Bradford Interchange Resurfacing Works**

13.2 The Combined Authority approves that, subject to the conditions set by PAT:

- (i) The Bradford Interchange Resurfacing Works scheme proceeds through decision point 4 (full business case) and work commences on activity 5 (delivery).
- (ii) Approval to the Combined Authority's contribution of £8,039,000, bringing to total to £8,501,000. The total scheme value is £8,501,000.
- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report and where required, any change requests are delegated to the Place, Regenerations and Housing Committee. This will be subject to the scheme remaining within the tolerances outlined in this report.

#### Conditions

The following conditions have been set by PAT to gain Approval to Proceed to Delivery:

- (i) Confirmation of funding and total scheme cost is within those set out in the FBC approval.
- (ii) Contract with delivery partner finalised and evidenced
- (iii) Confirmation whether an Asset Protection Agreement from Network Rail is required and if so, what impact this has on the programme
- (iv) Supply of an up-to-date programme for delivery
- (v) Confirmation of project board set up and met

## **14 Background documents**

None as part of this report.

## **15 Appendices**

Appendix 1 – Background to the Combined Authority’s Assurance Framework

Exempt Appendix 2 – Project Marigold

Appendix 3 – Project Marigold - Business Case Summary

Appendix 4 – Bradford Interchange Resurfacing Works - Business Case Summary

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## Capital Spend and Project Approvals

### Appendix 1 - Assurance Framework

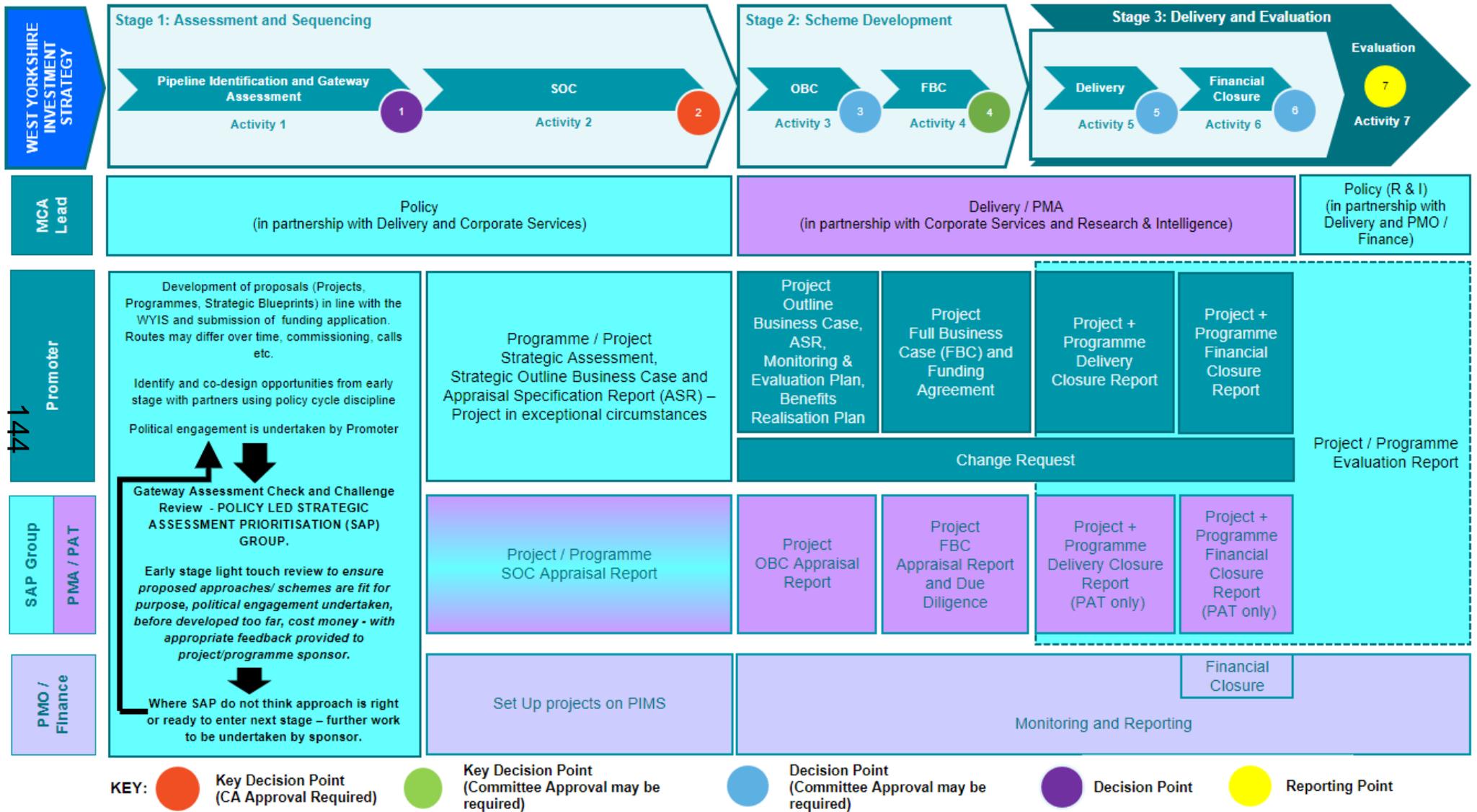
#### 1 Assurance Framework

- 1.1 The Combined Authority's Assurance Framework was developed in 2015 as part of the Growth Deal with Government. Its purpose is to ensure that the necessary systems and processes are in place to manage funding effectively, and to ensure the successful delivery of the Strategic Economic Framework (SEF) ambitions. Its focus is to ensure that necessary practices and standards are implemented to provide the Government, Combined Authority, the Leeds Enterprise Partnership (LEP) and local partners with assurance that decisions over funding (and the means by which these decisions are implemented) are proper, transparent and deliver value for money. It covers all projects and programmes funded from Government or local sources that flow through the LEP and Combined Authority.
- 1.2 The Assurance Framework must be reviewed annually as stipulated by Government, however, due to the West Yorkshire Devolution Deal, the Assurance Framework has been subject to an extensive in-year review for the Mayoral arrangements to be adopted.
- 1.3 This review has now taken place and government approved the updated Assurance Framework, which was implemented on 3 February 2021. Decision making remains the same in the new Assurance Framework, i.e. approval is required at Combined Authority (CA) for all programmes and projects at least once in their lifetime and this is usually at decision point 2 (Strategic Outline Case). The Assurance Pathway and Approval Route is also set at this point.

#### **Assurance Process**

- 1.4 The new Assurance Process is set out below:

New



- 1.5 The new process includes the West Yorkshire Investment Strategy (WYIS) and removes the Full Business Case with finalised costs (FBC+) stage. There are no other significant changes from the previous process, and there will be little effect on the Combined Authority's existing funding programmes and projects.
- 1.6 The process still retains the same flexibility, in that each project or programme will be set a bespoke approval pathway and approval route to be followed. This may be to delegate decisions to a Committee, Managing Director (MD) etc. or it may be that certain decision point approvals are not required, or that bid documents to other government departments can be utilised. Furthermore, development costs can be funded at decision point 1 and beyond.
- 1.7 Activity 3 (OBC) and Activity 4 (FBC) remain however, the FBC+ (or previous Activity 5) is not now required. Instead, at FBC (Decision Point 4), PAT sets conditions that must be met before full approval of funding is given and the project has Approval to Proceed to Delivery (Activity 5).
- 1.8 In line with the recently revised Green Book, in assessing value for money, a stronger emphasis can now be placed on the strategic case and how the strategic objectives and priorities of the Combined Authority will be met through the delivery of the project. This might for example include, but not limited to, supporting the climate change and good growth agenda (the Combined Authority aims to achieve net-zero by 2038), supporting an increase in active mode and public transport use and / or supporting / accelerating housing development. The specific approach will be determined on a programme by programme basis as funding and investment streams come forward.
- 1.9 At Decision Point 5 a Delivery Closure Report is required, which is substantially the same as the previous draft project closure report.
- 1.10 At Activity 6 a Financial Closure Report is needed. This is the period when defects are made good and final accounts are agreed.
- 1.11 Activity 7 Evaluation will be managed by the Combined Authority's Research & Intelligence team. This is a reporting point not a decision point and takes place when the programme (or project in some circumstances), is completed. It includes an evaluation of the benefits, outcomes and economic impact compared to the overall programme objectives set out in the SOC. Insights and learning from the evaluation will also be fed back into policy and strategy in order to inform the design and development of future programmes and schemes. Interim evaluations may also be undertaken as required as set out in the Monitoring and Evaluation Plan.

## **2 Future assurance and approval route**

- 2.1 The tables for each scheme in the main report outline the proposed assurance process and corresponding approval route for the scheme. The assurance pathway sets out the decision points which the scheme must progress through and will reflect the scale and complexity of the scheme. The approval route

indicates which committees or officers will make both a recommendation and approval of the scheme at each decision point. A delegated decision can only be made by the Managing Director if this has received prior approval from the Combined Authority.

### **3 Tolerances**

- 3.1 In order for the scheme to follow the assurance pathway and approval route that is proposed in this report, it should remain within the tolerances outlined for each scheme. If these tolerances are exceeded the scheme needs to return to a Committee and/or the Combined Authority for further consideration.

### **4 Transition**

- 4.1 There will be a transition period to the new Assurance Framework due to business cases being submitted and appraised prior to the new Assurance Framework being approved by government. Schemes progressing under the previous process will be highlighted in the report.

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## Section A: Scheme Summary

<b>Name of Scheme:</b>	Project Marigold
<b>Location of Scheme:</b>	West Yorkshire
<b>Lead Organisation:</b>	West Yorkshire Combined Authority
<b>Applicable Funding Stream(s) – Grant or Loan:</b>	Single Investment Fund - Loan
<b>Growth Fund Priority Area (if applicable):</b>	Not applicable
<b>Combined Authority approvals to date:</b>	Decision Point 1 (Strategic Assessment) October 2021
<b>Forecasted Full Approval Date (Decision Point 4):</b>	January 2022
<b>Forecasted Completion Date (Decision Point 5):</b>	February 2022
<b>Total Scheme Cost for the preferred way forward (£):</b>	£100,000,000
<b>WYCA Funding (£):</b>	£5,000,000
<b>Total other public sector investment (£):</b>	£0.00
<b>Total other private sector investment (£):</b>	£100,000,000

<b>Is this a standalone Project?</b>	Yes
<b>Is this a Programme?</b>	No
<b>Is this Project part of an agreed Programme?</b>	No

A.1	Scheme Description
<p>This scheme is of a commercially sensitive nature and the business has requested to keep their company name confidential and will therefore be referred to as Project Marigold.</p> <p>This scheme would put in place the facility for the Combined Authority to offer a commercial loan of £5,000,000 to Project Marigold. The loan would act as an incentive to bring forward £100,000,000 of investment by 2030.</p> <p>The overall investment of £100,000,000, would be used to set up a manufacturing facility in West Yorkshire, with further planned expansion. Three potential sites are currently being considered.</p>	

This investment will:

- Establish a new manufacturing facility of between 200,000 and 250,000 square feet.
- Deliver 2,500 new direct jobs and 2,000 across the supply chain over a period up to 2030
- Deliver £51,00,000 of Gross Value Added (GVA) annually to the region
- Increase the value of exports

The investment decision will be made at Project Marigold's board meeting in January 2022.

## A.2 Business Case Summary

### Strategic Case

The loan will act as an incentive to attract investment to create jobs and generate a range of other benefits.

The proposal contributes to several Strategic Economic Framework Priorities, including Boosting Productivity and Enabling Inclusive Growth and West Yorkshire Investment Fund Investment Priorities, including Good Jobs and Resilient Businesses and Skills and Training for People.

The scheme also aligns several of the Mayor's pledges including:

- Supporting local businesses and championing our regional economy
- Prioritising skills and training to ensure everyone in West Yorkshire has the skills they need to secure work

The scheme also supports strategic policy in the two Local Authority areas, where sites are being considered, as well as supporting National Government policy.

### Economic Case

The Combined Authority's Research and Intelligence team have provided a review of the Economic case using the Regional Economic Model (REM) and assessed the impact for employment and GVA which has been profiled up to 2036 outlining the project's long-term structural effect.

At the scheme's peak (assumed to be from 2027 onwards) it would add just under £51,000,000 annually to the West Yorkshire economy and would create an additional 790 jobs in supply chain sectors.

Project Marigold is excellent value for money (VFM). The VFM benchmark used in Economic Services schemes is cost per job (the financial value of support divided by the number of new jobs created). The cost per job of supporting this project is £2,000.

The key outputs of the scheme include:

- Safeguard and create new job opportunities (up to 2,500 roles by 2030)
- Technology adoption (through capital investment and a manufacturing facility)
- Delivery of a minimum of five inclusive growth commitments
- Delivery of a skills plan which will contribute to equality, diversity, and inclusion in highly skilled, manufacturing roles
- Business adaption, diversification and innovation for survival and future growth
- Increase output per hour worked (productivity gains through the embedding of a skills plan which is aligned with the Combined Authority's Skills Strategy).
- Increase in jobs paying the Real Living Wage and above
- Increase in productivity
- Improve skills and boost employment and productivity

### Commercial Case

There is a strong commercial case to continue to grow the manufacturing sector in the region, providing high quality and inclusive opportunities for school, college, and university leavers.

Project Marigold's business is international, and this scheme is not considered a competitive threat locally to other incumbent businesses.

Leeds City Region is competing both nationally and internationally to win new investment from businesses either expanding or relocating mobile operations. The ability to help to financially de-risk projects by inward investors can be critical in winning the business case for investment and can provide excellent value for money as demonstrated by the outputs generated by the Combined Authority's Strategic Inward Investment Fund programme.

### Financial Case

This scheme would put in place the facility for the Combined Authority to offer a commercial loan of £5,000,000 to Project Marigold, funded from the Combined Authority's Single Investment Fund to fill an unforeseen gap in funding which has emerged during the COVID-19 pandemic.

Since the Combined Authority's Strategic Inward Investment Fund (SIIF) ended, the Combined Authority does not have any facility in place to offer loans to potential inward investors, so the scheme is seeking a specific decision on the Project Marigold proposal.

The loan would act as an incentive to bring forward £100,000,000 of investment. Any offer of support will be subject to the submission of a robust Full Business Case (FBC) that clearly demonstrates 'additionality'.

A full financial due diligence exercise will be undertaken at the FBC stage. This exercise will identify any financial risks associated with the scheme

### Management Case

A full business case (FBC) is expected to follow in January / February 2022 which will include:

- Approval to award the loan subject to conditions including clean growth, equality, diversity, and inclusion policies
- Full details of the heads of terms for the loan, which are being developed in parallel with this business case

A comprehensive due diligence exercise will be undertaken to identify any financial risks associated with the scheme, as part of the FBC appraisal. The Combined Authority's Business Investment Panel will also review and appraise the application as part of the due diligence process and make its recommendations to the Combined Authority at the appropriate time.

No undertakings will be entered into, or monies expended until the FBC has been approved. It is proposed that to safeguard the Combined Authority from default on loan repayments, a form of security will be included within the loan agreement. This will be undertaken through advice provided from the appointment of an external legal services firm.

It is proposed that delivery is managed through existing resource within the Combined Authority's Economic Services Directorate.

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## Section A: Scheme Summary

<b>Name of scheme:</b>	Bradford Interchange Resurfacing Works
<b>Lead organisation:</b>	West Yorkshire Combined Authority

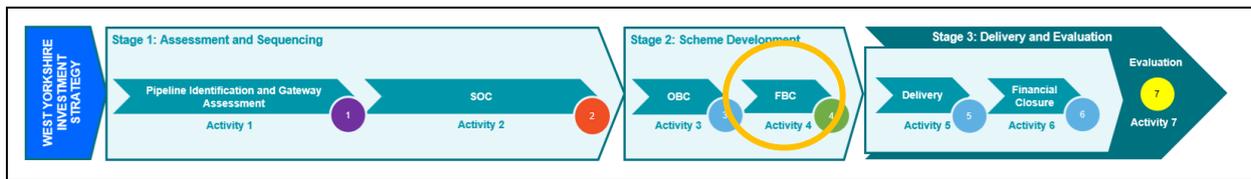
<b>Applicable funding stream(s) – Grant or Loan:</b>	The scheme will be funded from the Local Transport Plan Integrated Transport Block (ITB) programme, the 2022/2023 City Region Sustainable Transport Settlement and / or Transforming Cities Fund and / or Combined Authority capital receipts.
<b>Growth Fund Priority Area (if applicable):</b>	Not applicable

<b>Approvals to date:</b>	Combined Authority approved decision point 2 (Strategic Outline Case) on 9 January 2020
<b>Forecasted full approval date (decision point 4):</b>	9 December 2021
<b>Forecasted completion date (decision point 5):</b>	May 2023

<b>Total scheme cost (£):</b>	£8,501,000
<b>Combined Authority funding (£):</b>	£8,501,000
<b>Total other public sector investment (£):</b>	£0
<b>Total other private sector investment (£):</b>	£0

<b>Is this a standalone project?</b>	Yes
<b>Is this a programme?</b>	No
<b>Is this project part of an agreed programme?</b>	The project is part of the Integrated Transport Block Programme and has links and interdependencies with other schemes at Bradford Interchange that need to be considered throughout the project lifespan.

<b>Current Assurance Process Activity:</b>
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**Scheme Description:**

The proposed scheme, previously known as the Bradford Interchange Carriageway Works scheme, comprises re-surfacing of the carriageway within Bradford Interchange and undertaking repairs to the suspended deck.

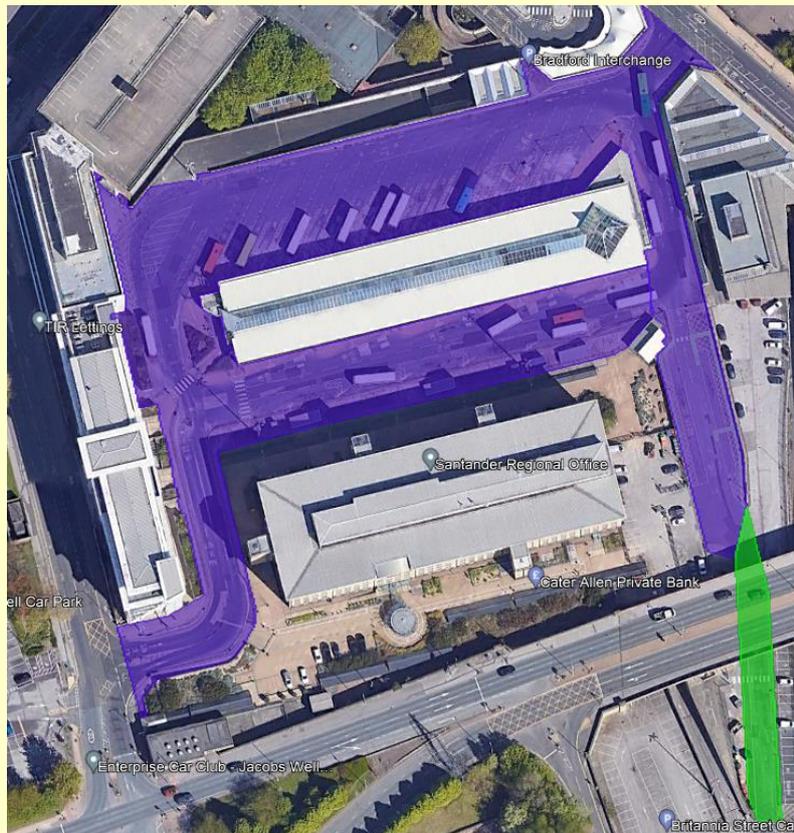
The bus station element of the interchange is constructed on a complex concrete slab, with a car park and leisure units located beneath.

Works will include the removal of existing surfacing materials down to concrete slab, removal of the waterproofing membrane and associated works, inspections of the existing concrete slab and repairs to the slab and drainage system undertaken if and where required.

The scheme will then lay new carriageway and surfacing materials and re-lay carriageway markings. This will take place in 14 distinct phases from January 2022 to June 2023.

A summary of the areas to be included in the works are shown in Figure 1 below. Areas highlighted in purple comprise both waterproofing and resurfacing (excluding the interchange building), the area highlighted green is to be resurfaced only.

Figure 1 – Bradford Interchange – location of scheme works



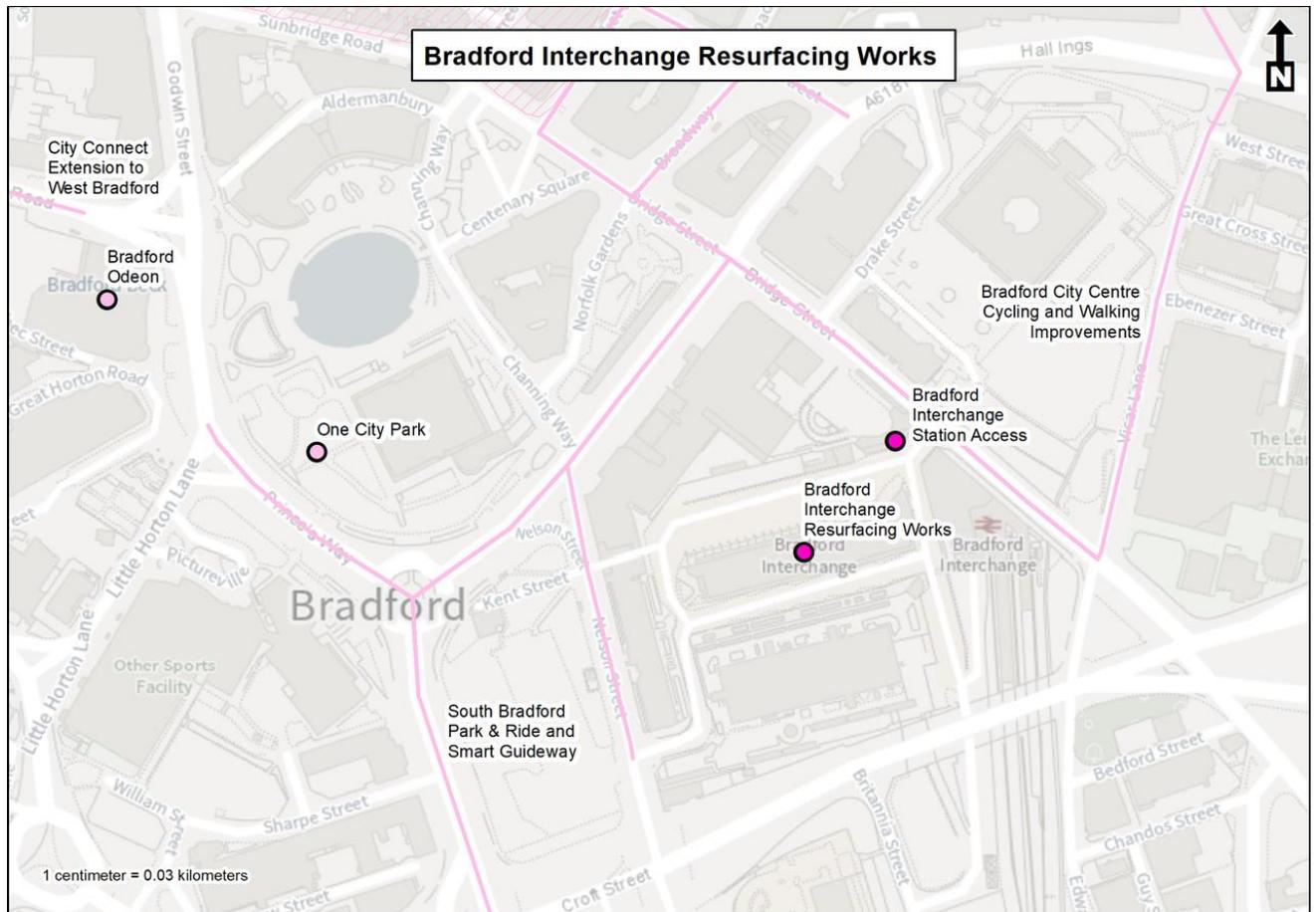
**Business Case Summary:**

<p><b>Strategic Case</b></p>	<p>Bradford Interchange is owned and maintained by the Combined Authority, however the rail infrastructure within it is owned by Network Rail and the railway station is leased to Northern Trains Ltd, who operate it in accordance with their franchise agreement. The bus station is managed by the Combined Authority.</p> <p>The interchange, and the services it provides, are a vital component of public transport connectivity within Bradford and the wider region by connecting people to employment, education, training, and other essential services. The interchange is therefore a key enabler of inclusive growth by providing sustainable connectivity to social value opportunities for many people. The interchange is therefore a key asset within West Yorkshire and maintaining a high quality and fit for purpose interchange is essential to facilitating clean economic growth.</p> <p>The scheme seeks to improve the resilience of the bus station and reduce the adverse impacts associated with the age of the asset. This will improve overall operations and safety for users of the interchange and reduce the financial burden of continual repair and maintenance works. There is a health and safety risk, if repairs to damage are not carried out, which would affect the viability of the asset.</p> <p>The proposed scheme will provide the first step of longer-term ambitions for the Bradford Interchange, which include the creation of a modern future-purpose interchange, acting as a gateway to the city, attracting investment, clean and inclusive growth in the city. This scheme will need to be completed before further projects at Bradford Interchange can be realised.</p> <p>This scheme fits within the Strategic Economic Framework (SEF) priorities of, delivering 21st Century Transport, Tackling the Climate Emergency. The scheme also helps lay the foundations for other planned improvements to the bus station, subsequently supporting the delivery of Strategic Economic Framework Priority ‘Enabling Inclusive Growth</p>
<p><b>Commercial Case</b></p>	<p>The scheme is classified as an ‘<i>Essential structural renewal - Replacement of carriageway and waterproofing of car park</i>’ for a large bus station. Bradford Interchange is both used as a public transport hub and a leisure unit. Repair of the interchange will benefit the public, services, and tenants of the leisure units within the interchange.</p> <p>Furthermore, maintaining the asset in a good condition will help ensure the retention of tenants within the interchange and secure the Combined Authority’s revenue from tenants and provide savings from the reduction in ongoing ad-hoc repairs.</p> <p>Procurement has been undertaken via the SCAPE framework and the appointment of Balfour Beatty to carry out Feasibility and Site Surveys (Preconstruction) has been made. Balfour Beatty are to be retained on a Design and Build contract via SCAPE and are leading on the procurement of suitable sub-contractors to complete the specialist carriageway works and repairs.</p>
<p><b>Economic Case</b></p>	<p>There are not considered to be feasible options other than the preferred option for the scheme which is the full resurfacing of the carriageway. This will include carrying out concrete repairs to the deck, laying new waterproofing and complete resurfacing. This solution will remove the need for ad-hoc repairs over the warranty period of the design, which will</p>

	<p>provide a significant cost saving to the Combined Authority. Completing these works will also allow the Interchange to remain open for customers in the future.</p> <p>Not undertaking the works, as a do-nothing option, would result, in the short term, of posing a health and safety risk and, in the long term, of the closure of the carriageway, with buses needing to be diverted elsewhere to allow passengers to alight. This would result in an increased journey time and the loss of Bradford Interchange as an effective asset.</p> <p>Ad-hoc repairs of the carriageway could continue at Bradford Interchange, though this would not solve the issues of water penetration across the site. Over the last 10 years, the number, and therefore the cost, of repairs has increased and it would be expected to do so into the future.</p>
<b>Financial Case</b>	<p>The cost increase is due to a lack of information available at feasibility stage and lack of detail and certainty regarding deliverability. There has also been increases in the cost of materials and inflation has risen due to Brexit and COVID-19. Following feasibility surveys and investigations the contractor provided a more robust estimate of cost and resource which has resulted in higher overall delivery cost.</p> <p>The scheme will be funded from the Local Transport Plan Integrated Transport Block (ITB) programme, the 2022/2023 City Region Sustainable Transport Settlement and / or Transforming Cities Fund and / or Combined Authority capital receipts.</p>
<b>Management Case</b>	<p>The scheme is being led by the Combined Authority. The Combined Authority has a strong track record in delivering transport projects across West Yorkshire.</p> <p>A project board has been established and will form an integral part of the governance of this scheme, with monthly Project Board meetings to appraise project progress, escalation of risks and issues to the Senior Responsible Officer as and when these may affect programme, budget, or quality.</p>

## Location Map

The following map shows the location of the Bradford Interchange Resurfacing Works.



Please note, depending on the level of scheme development, the location and scope of the schemes indicated here are indicative only.

For further information on Combined Authority schemes across the Leeds City Region, please refer to: <https://www.westyorks-ca.gov.uk/growing-theeconomy/leeds-city-region-infrastructure-map>

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**Report to:** West Yorkshire Combined Authority

**Date:** 9 December 2021

**Subject:** **City Region Sustainable Transport Settlement and Connectivity Infrastructure Plan Next Steps**

**Director:** Liz Hunter, Interim Director – Policy and Development

**Author:** Steve Heckley, Kate Gifford – Policy Managers

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this report

- 1.1 To report the responses from the public engagement on the draft West Yorkshire Connectivity Infrastructure Plan and supporting documents including the Future Mobility Strategy
- 1.2 To seek approval to make proposed changes to the draft Connectivity Infrastructure Plan; and Moving Forward – a Future Mobility Strategy - for adoption.
- 1.3 To seek approval to submit a City Region Sustainable Transport Settlement Programme Business Case to the Department for Transport.

## 2. Information

### Background

- 2.1 The Combined Authority meeting of 10 December 2020 agreed to commence engagement on a draft West Yorkshire Connectivity Infrastructure Plan and supporting documents, to start in January 2021.
- 2.2 The Connectivity Plan sets out a transport infrastructure investment programme for 20 years, to 2040, providing a spatial picture of where

improvements are most needed to stimulate inward investment and improve people's quality of life, building on key growth areas. The plan's theme is that our places have out-grown our transport system and over-reliance on the car is damaging business, the environment and the health of residents.

- 2.3 The plan focusses on a sustainable future through addressing three strategic challenges:
- Connecting Everyone – supporting Inclusive growth and reducing the productivity gap by giving attention to the connectivity needs for our more disadvantaged and peripheral communities
  - Climate Change – accelerating the decarbonisation of the transport sector
  - COVID-19 - supporting a green recovery from economic recession
- 2.4 The plan was developed with the input of all the partner councils. The evidence led approach involved two years of evidence collection and analysis to identify connectivity challenges and solutions. The result is a London tube-style map showing a future vision of an integrated transport system for West Yorkshire, and a set of options for improving transport infrastructure and connectivity for bus, rail, cycling, walking, mass transit, digital demand responsive transport and the car. Emphasis was given to how different modes and services could best be integrated to enable journeys that are easy to make from doorstep to destination.
- 2.5 The Connectivity Plan is an over-arching document. It is accompanied by related documents providing detail on specific themes or modes of travel:
- Mass Transit Vision 2020
  - Rail Vision and Strategy
  - Moving Forward – a Future Mobility Strategy for West Yorkshire
  - Bus Network Review
  - Local Cycling and Walking Infrastructure Plans

#### Connectivity Plan Engagement

- 2.6 The public and stakeholder engagement ran from 27 January to 4 June 2021 (breaking for the purdah period during May elections). It featured:
- Online questionnaire survey - for views on proposals for all modes;
  - Detailed Mass Transit Survey - for views on proposed corridors;
  - Interactive map - to place comments on issues and improvements;
  - Focus groups - with young people, disability and interest groups; and
  - Social media campaigns.
- 2.7 There was a total of 430,000 social media views of the engagement material, and the engagement received 7800 responses across surveys, polls, the interactive map and stakeholder feedback, making it the largest consultation response of its type that the Combined Authority has run.
- 2.8 A detailed report of the analysis of engagement responses will be published on the Combined Authority's website alongside the updated Connectivity

Report. The headline findings are of high levels of support from respondents to the key themes and approach of the plans.

- Support for the plan's key priorities: Inclusive growth, 95% support; COVID-19 recovery, 90%; Climate change, 89%.
- Support for the central theme of providing alternatives to private car use by joining up other forms of transport for easy door-to-door journeys: 89% support
- Support for the place types to target with transport investment: New Employment growth, 95% support; Main cities & towns, 95%; Areas of deprivation, 91%; and New Housing growth, 87%
- Support for investing in specific modes of transport:
  - 94% support for our Rail Vision
  - 90% support for our proposals to improve the quality of buses, including 89% for Core bus network improvements: 89% for expanding the bus network: 84% for increasing bus priority
  - 87% support for the Mass Transit Vision
  - 80% support for our Walking and cycling plans

2.9 The survey questionnaire invited respondents to provide additional comments. Key themes that emerged are identified in Appendix 1. Some key recurring themes were

- The plan is not bold enough on decarbonisation (- countered by some views that climate change should not be a priority).
- The bus and cycling offer currently fall short of expectations and much effort and investment is needed to make both realistic alternatives to the car (- countered by some views that investment in bus lanes will increase congestion and that cycling is an unrealistic option).

2.10 Respondents could also provide commentary on specific locational issues. In respect of key places to connect, the network map is found to be comprehensive, but a number of responses related to Wetherby and the surrounding villages of north-east outer Leeds being considered as overlooked. Wetherby is identified in the draft plan, but comments highlighted concerns with a lack of connectivity to Leeds and the neighbouring areas of York and Harrogate, lack of detail on public transport solutions and concerns with traffic congestion and the impacts of traffic on the safety of cycling

2.11 The Mass Transit Vision 2040 attracted the largest number of detailed responses through the engagement. An updated version of the Mass Transit Vision will be brought to a future meeting the Combined Authority.

#### Proposed amendments to the Connectivity Plan

2.12 The plan and associated documents appear to have landed well with positive feedback from the public and stakeholders. There is support for the key proposition of investing in, and better integrating, sustainable transport. On this basis of the positive feedback, it is recommended that there should be:

- No fundamental changes to the Connectivity Plan's core content
- No fundamental changes to the tube-style network map
- Some amendments made to respond to detailed feedback

- Some amendments to respond to changes in the policy and funding context since the plan's publication.
  - Some amendments to correct text and maps
- 2.13 The recommended changes to the Connectivity Plan will require amended or additional text. Key proposed amendments are identified in Appendix Table 1.
- 2.14 A 'you said, we did' report will also be produced to complement the updated Connectivity Plan document and the report of engagement analysis. This will be published alongside the updated Connectivity Plan document.
- 2.15 The Connectivity Plan is a live document which will continue to evolve over time with national policy and local policy for growth and decarbonisation and more opportunities to fund the Connectivity Plan become available.

### Moving Forward – a Future Mobility Strategy for West Yorkshire

- 2.16 The Combined Authority has been working with partner councils alongside academics, transport operators and industry to explore how technology and innovation in transport can help meet our wider goals. The Future Mobility Strategy is the result of this work and sets out how new forms of transport and mobility services can help us to build a more prosperous region, improve people's quality of life, and reduce carbon emissions.
- 2.17 The Future Mobility Strategy has been developed to support the delivery of the West Yorkshire Transport Strategy 2040, Connectivity Infrastructure Plan (which was consulted on by the Combined Authority earlier this year) and Bus Service Improvement Plan (BSIP) submitted in October 2021.
- 2.18 The objectives for Future Mobility in West Yorkshire have been defined in line with our wider regional priorities:
- Supporting and enabling inclusive growth and contributing towards productivity.
  - Contributing towards the region's objectives of becoming zero carbon by 2038 with significant progress by 2030.
  - Helping achieve modal shift targets for bus, rail, walking and cycling whilst reducing reliance on private car use as outlined in the West Yorkshire Transport Strategy 2040.
  - Helping to reduce transport related emissions to make a positive contribution towards tackling the Climate Emergency.
  - Helping to better plan and manage all of our transport networks to transform the affordability, ease and experience current and future users.
  - Contributing towards the Region's recovery from the COVID-19 pandemic.
- 2.19 The Strategy sets out the principles and priorities for work on future mobility over the short, medium and long term (0-2 years, 2-5 years and 5-10 years) and is focussed around thematic areas. These themes have been developed to reflect the Combined Authority's priorities in response to our wider ambitions. An action plan has been developed covering each thematic area.

However, it is likely that these priorities will evolve over time as to technology developments and new trends emerge and the action will be reviewed regularly to reflect these changes. Delivery of the action plan sits alongside the Connectivity Plan, BSIP and City Region Sustainable Transport Settlement (CRSTS). The CRSTS settlement and BSIP will potentially provide routes to fund the actions identified in the Future Mobility Strategy.

#### Moving Forward – a Future Mobility Strategy for West Yorkshire – consultation

- 2.20 Ongoing engagement with stakeholders, elected members and the wider public has been vital to the development of the Strategy to identify opportunities to develop the region’s capability to deliver our future mobility priorities and action plans. A series of thematic workshops were held with our partner councils alongside academics, transport operators, technology providers and the wider industry between November 2019 and February 2020. These sessions were used to identify opportunities, develop an understanding of current and future innovations, and test priorities and actions for future mobility in West Yorkshire.
- 2.21 Public consultation on the Future Mobility Strategy was undertaken during 2020 and it was also included in the public consultation on the draft Connectivity Plan which was undertaken via the Your Voice platform between January and June 2021.
- 2.22 Both consultation exercises were designed to seek views on the draft Strategy from partners, advocacy groups, academics, transport operators and wider industry, alongside those who live, work and visit West Yorkshire. Almost 7,000 responses to the Connectivity Plan full survey (including the Future Mobility Strategy) were received. Full details of the consultation and its outcomes will be published in due course. The general comments received as part of the consultation were used to shape the final version of the Future Mobility Strategy.
- 2.23 Once the Future Mobility Strategy is approved, work will commence in collaboration with partners to deliver the Future Mobility Action Plan. Where additional resources are required to support the delivery of actions, existing funding streams will be explored alongside potential external funding sources. This will build on the proposals included as part of the Bus Service Improvement Plan and City Region Transport Settlement.
- 2.24 The Combined Authority has also been observing with interest the ongoing national e-scooter trials being led by DfT and awaits the publication of the results which will help shape our own approach to this technology.
- 2.25 As yet it is unclear what the longer-term impacts of the recovery from COVID-19 will be, there is a level of uncertainty about how quickly some of the actions identified in this Strategy can be delivered. The actions identified within this Strategy will be reviewed in six months’ time and if any changes to the timing or priority level of each action is required it will be made at that time.

### Proposed amendments to the Future Mobility Strategy

2.26 The Future Mobility Strategy was received positively by stakeholders and there was widespread support for the principles for future mobility outlined in the Strategy (with 86% of respondents agreeing or strongly agreeing with the principles). There were some comments made on specific aspects of the Strategy and as a result of this feedback it is recommended that there should be:

- No fundamental change to the principles set out in the Strategy;
- Some amendments to the Strategy and action plan to respond to detailed feedback; and
- Some amendments to update the Strategy and action plan to reflect changes to policy and funding context since the consultation was undertaken (see Appendix 2).

2.27 The draft Future Mobility Strategy was discussed by Transport Committee at the meeting of 5 November. Comments suggested at this meeting are as follows:

- Title of the Strategy should be amended to tell more of the story of what the strategy is trying to achieve
- Link mobility hubs to areas of deprivation
- Ensure mention of improving productivity on the move is added
- Ensure more reference is made to Vision Zero

2.28 The Future Mobility Strategy is a live document which will continue to evolve over time with national policy and local policy for growth and decarbonisation and more opportunities to fund the action plan will become available.

### City Region Sustainable Transport Settlement (CRSTS)

2.29 The draft Connectivity Infrastructure Plan has already been used to provide the core content of the Combined Authority's bid to the Government's City Region Sustainable Transport Settlement fund that was submitted to the Department of Transport (DfT) in September 2021.

2.30 The Combined Authority has been awarded £830m of CRSTS funding for the five-year period 2022/23 to 2026/27. The bid submission proposed programmes that met the £920 million high scenario, and £570 million low scenarios set by HM Treasury and DfT for West Yorkshire. The award is £90 million lower than the high scenario potential allocation, but Government had been clear that it would not fund any MCA to the full high scenario. Confirmation of success came in the Government's Autumn Spending Review on 27 October.

2.31 The funding will form a large part of the transport infrastructure and behaviour change programmes for the next five years, accelerating delivery of the Connectivity Infrastructure Plan's vision for transport, including delivery of a first phase of a Mass Transit network, planning for wider future delivery of

mass transit and delivering other sustainable transport infrastructure supported by comprehensive programmes of activity to support people across West Yorkshire to travel more sustainably and enable modal shift.

- 2.32 For the DfT to release the CRSTS funding it has identified it will require the Combined Authority to submit and published a Programme Business Case (PBC) that sets out the precise details of the CRSTS programme for delivery. Guidance is awaited from the DfT on the process and timetable for producing the PBC, but it is anticipated the PBC will be required by mid-January 2022, prior to the next meeting of the Combined Authority of 3 February 2022.
- 2.33 To develop the PBC West Yorkshire partners are in the process of reviewing the CRSTS Low and High scenario programmes and prioritise schemes to fit the actual funding award of £830 million. Prioritised programmes and schemes will need to be developed, including evidence of the expected outputs, impacts and benefits.
- 2.34 Given the expected deadline for submission, approval is sought for submission of the Programme Business Case to the Department for Transport, and delegation of approval to the Managing Director and the Mayor for the content and final appearance of the submission.

### **3. Tackling the Climate Emergency Implications**

- 3.1 The Connectivity Plan, Moving Forward – a Future Mobility Strategy for West Yorkshire and the CRSTS programme are decarbonisation delivery plans focussed on accelerating initiatives to decarbonise transport and the economy in West Yorkshire, to deliver on Government and local commitments to decarbonisation, by providing for investment in sustainable transport options to reduce reliance on private car travel.

### **4. Inclusive Growth Implications**

- 4.1 A central common theme of the Connectivity Plan, Future Mobility Strategy and the CRSTS programme is that investment in transport accessibility will make a positive contribution to driving forward inclusive growth. Our approach to transport seeks to provide practical alternatives to the private car that will help to tackle air quality issues and help provide access to jobs and education, especially for people currently less likely to access these opportunities. Our plans particularly focus on how to support the hardest to reach communities to realise economic opportunities.

### **5. Equality and Diversity Implications**

- 5.1 Through the Combined Authority's role in managing the delivery of the Connectivity Plan and CRSTS programme focus will be placed on ensuring that equality and diversity needs are addressed, with a particular emphasis on improving accessibility for all

- 5.2 Enhancing the inclusivity of the transport system is at the centre of our Future Mobility Strategy, by improving the mobility network so as to be a seamless and attractive alternative to car-based mobility. An Equality Impact Assessment has been undertaken as part of the Strategy. The Future Mobility Strategy will improve the transport links to opportunities, skills, education and employment for all. Enhancing provision and access to e-bikes, for example, not only offers access to enhanced mobility across age and disability, but also improves opportunities for improving health outcomes. These are being explored through our partnership work with the West Yorkshire & Harrogate Integrated Care Service.
- 5.3 The Strategy supports our inclusive growth goals through accessible alternatives to the private car that will help to tackle air quality issues and help provide access to jobs and education, especially for people currently less likely to access these opportunities. The Strategy also considers how to ensure how we can support the hardest to reach communities and groups that could be left behind as transport technology moves forward. The development of a mobility credits scheme (as proposed in the BSIP) will help to ensure that access to transport becomes more affordable for key groups including job seekers, refugees, carers and young people in further education and training.
- 5.4 New technology also provides the opportunity to tackle some of the equality, diversity and inclusion issues that have been highlighted through consultation with key interest groups whilst developing the BSIP. *An example of this would be – through the development of better journey planning and mobility as a service apps there will be less need for people to wait for their bus at a bus stop – instead being able to wait inside or at a well-lit location. This removes some of the safety concerns that particularly affect bus passengers travelling later at night or early in the mornings when it is dark.*
- 5.5 An Equality Impact Assessment for the Future Mobility Strategy is currently being undertaken.

## **6. Financial Implications**

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

## **7. Legal Implications**

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

## **8. Staffing Implications**

- 8.1 There are no staffing implications directly arising from this report.
- 8.2 Funding for additional staff resource to deliver the schemes outlined in the CRSTS and BSIP has been included in both of these funding bids.

## **9. External Consultees**

- 9.1 Both the Connectivity Plan and Future Mobility Strategy have been consulted on extensively with stakeholders and feedback has been collected as part of the engagement exercises for both strategies.

## **10. Recommendations**

- 10.1 That the Combined Authority notes the feedback from the public engagement on the Connectivity Infrastructure plan and supporting documents.
- 10.2 That subject to the comments arising from recommendation 10.1 the Combined Authority approves the proposed amendments to the Connectivity Infrastructure Plan identified in Appendix 1 to receive an updated Final Connectivity Infrastructure Plan at its meeting of 3 February 2022.
- 10.3 That the Combined Authority approve the submission of a City Region Sustainable Transport Settlement Programme Business Case to the Department for Transport, delegating approval to the Managing Director and the Mayor for the content and final appearance of the Programme Business Case.
- 10.4 That subject to the comments arising from the consultation and Transport Committee meeting, the Combined Authority approves the proposed amendments to the Future Mobility Strategy. An updated Final Future Mobility Strategy will be presented at its meeting of 3 February 2022.

## **11. Background Documents**

West Yorkshire Bus Service Improvement Plan (BSIP) [West Yorkshire Bus Service Improvement Plan \(BSIP\) - Combined Authority | Unlocking potential, accelerating growth \(westyorks-ca.gov.uk\)](https://www.westyorks-ca.gov.uk/transport-and-travel/westyorks-ca-wybsip)

West Yorkshire City Region Sustainable Transport Settlement (CRSTS) (to be published at a later date)

## **12. Appendices**

Appendix 1 – Recommended changes to the Connectivity Infrastructure Plan

Appendix 2 – Future Mobility Strategy – addressing Mayoral priorities

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<b>Appendix 1. Key comments and recommended changes to the Connectivity Infrastructure Plan</b>	
Key comments from the engagement	
Comment	Response
General findings from engagement	A new page to be added to the Connectivity Plan document to outline key findings from the consultation. (A detailed report of the analysis of engagement responses will also be published on the Combined Authority's website along with a 'you said, we did' report to complement the updated Connectivity Plan document and Report of engagement analysis)
Comment that the plan is not bold enough on decarbonisation (– countered by some views that climate change should not be a priority)	Refresh the Mayor's foreword (p2) to reflect the outcomes from the COP26 Climate Change Conference (Glasgow, November 2021), work to develop and deliver the Combined Authority's Climate Action Plan and implications for the Connectivity Plan. Amend the section 'The big issues facing our region' (p8-9) to elaborate on the key theme of Climate Change and how the connectivity plan and its parts will deliver on national and local targets for decarbonisation.
Questioning of the relevance of Covid-19 recovery to a long-term plan and programme	Amend the section 'The big issues facing our region' (p8-9) to elaborate on the key theme of Covid19 recovery to describe the impacts of the Covid-19 pandemic and the related recession on the transport industry and services, and the short, medium and longer term actions contained in the Combined Authority's Covid Economic and Transport Recovery Plans to rebuild service levels and strengthen resilience.
Equality, Diversity and Inclusion (EDI),	Amend the section 'The big issues facing our region' (p8-9) to elaborate on the key theme of Inclusive Growth, adding new content to describe the Combined Authority's approach to EDI, and how this relates to our vision for inclusive growth with a particular focus on the accessibility of the transport network and improvements to our places Add to text to the section 'Our Design Principles' (p34-35) to describe the approach to EDI
Advocation of a 'de-growth' strategy where the economy is reduced in size rather than grown	Expand the section 'Investing in the future of West Yorkshire' (p4-5) and 'Our Policy Context' (p12-13) to describe and sign-post the Combined Authority's approach to facilitating inclusive and sustainable growth set out in the Combined Authority's policy framework including the adopted Strategic Economic Plan plus a range of supporting documents, and the Local Plans of the West Yorkshire partner councils
Need for a balanced approach with investment in smaller towns and peripheral/rural areas, as well as larger places	Expand the section 'Our Policy Context' (p12-13) to be emphasise that whilst the West Yorkshire economy is centralising around city and town centres, transport investment is being targeted to ensure that small towns and suburban and peripheral area have improved sustainable access to economic opportunity as well improving options for local travel and to neighbouring places
Better connecting housing growth should be targeted at established areas and not greenfield land	Expand the section 'Our Policy Context' (p12-13) and 'Our evidence' (p18-19) to clarify the central role of the Local Plans of the West Yorkshire partners in identifying locations for housing growth and the link between housing growth and partners decarbonisation plans
The need to integrate transport approaches to tackling deprivation with broader policy responses	Add text to the section 'Investing in the future of West Yorkshire' (p4-5) and 'The big issues facing our region' (p8-9) to explain how transport investment will work with, and be maximised by, other initiatives being delivered through the Combined Authority's policy framework to tackle deprivation
Concern that much is needed to make the bus a realistic alternative to car use	Add text to sections 'Our Investment / Connectivity priorities' (p10-11) and 'Our concept for connectivity' (p32-33) to elaborate on the approach to improving the bus offer – explaining the alignment of infrastructure improvements with accompanying action through the Enhanced Partnership and Bus Franchise workstreams and the Bus Service Improvement Plan

Concern that much is needed to make roads conditions more conducive to safe, convenient cycling	Add text to section 'Our Investment / Connectivity priorities' (p10-11) and 'Our concept for connectivity' (p32-33) to elaborate on the approach to improving the walking and cycling offer – identifying the commitment to implementing the government design standards LTN/120 for cycle infrastructure. Also to emphasise the role of Safer Roads interventions
Comments relating to operational detail (e.g. alignment of routes, new bus route suggestions, road safety concerns etc)	No proposed changes – The Connectivity Plan is high level. Comment on specific operational detail can be addressed in programme and project development
Wetherby and surrounding area considered overlooked.	Amend text describing the Leeds Bradford Area map (p24-25) to identify challenges relating to Wetherby and surrounding area of north-east outer Leeds Correct map for Schemes for delivery to 2025 (p36-37) to show extent of scheme 11 Amend map for Options for delivery between 2026 – 2040 to highlight Wetherby and better highlight demand responsive transport interventions. Provide explanation of what DRT involves elsewhere in document / and signpost to Bus Service Implementation Plan actions Review Appendix 1 and 2 with Leeds City Council to identify schemes that relate to Wetherby and surrounding area
Change in national policy context	
City Region Sustainable Transport Settlement programme (CRSTS) award outcome	Add text to the section 'Funding the infrastructure plan' (p50-51) to reference the CRSTS five year settlement 2022/23-2026/27, and accompanying Bus Service Improvement Plan (BSIP) – as the initial funding for the Connectivity Plan Amend Appendix 1. Programme A (Schemes for delivery to 2025) and Appendix 2 Programme C (Options for delivery between 2026 – 2040) to identify schemes that will form CRSTS delivery programme in the funded period 2022-27
Integrated Rail Plan	Amend the section 'Our Pan Northern Connectivity priorities' (p14-15) with changes to text and map to reflect the Government's new position on HS2 and NPR identified in the Integrated Rail Plan published in November 2021, and the response of the Combined Authority and partners in respect of long/medium distance rail connectivity needs by rail, and intra-city region rail capacity needs.

## Future Mobility Strategy – addressing Mayoral pledges

The Future Mobility Strategy sets out how the Combined Authority can support the hardest to reach communities and groups that could be left behind as transport technology moves forward. The Future Mobility Strategy will support the delivery of the Mayor's pledges by:

- o Tackling the Climate Emergency – modal shift, zero carbon and low emission, sustainable transport are at the heart of the Future Mobility Strategy, which seeks to bring together and enhance existing modes with new technologies to create a more attractive and more efficient public and shared mobility system.
  
- o 5000 New Homes – the delivery of new estates is often challenging for traditional modes until a suitable density to support bus and/or rail links is achieved. Future Mobility (car clubs or shared micro-mobility, Demand Responsive Transport and mobility hubs) have a key role to play in making transport more sustainable for both new build developments but also traditional housing and employment areas.
  
- o Improve Bus Services – shifting short journeys from car to shared, active and public modes through better joining up and enhancing existing services will improve bus journey times and reliability through reduced congestion and broaden the ridership potential of our existing bus network. Furthermore, Mobility as a Service and Demand Responsive Transport offer new opportunities to grow ridership and extend the reach of the bus network in combination with the work being undertaken as part of the Bus Service Improvement Programme.
  
- o Keeping Women and Girls Safe – enabling women to travel safely by offering a viable public/shared option ends reliance on mini-cabs and friends in areas without quality, regular or 6pm – 6am bus provision, granting freedom of movement more generally.
  
- o Skills for Young People – other cities which are adopting ambitious Future Mobility plans are generating significant upskilling benefits across their workforces, including in terms of apprenticeships and university qualifications for young people (e.g. West Midlands and Greater Manchester).
  
- o Creative New Deal – travelling sustainably and fully leveraging the benefits of technology is important to attracting and retaining creative talent.

- o Reducing Crime– as a result of “more eyes on the street”, modes other than the private car (e.g. e-scooter, walking, DRT, bus, etc.) have a strong deterrent effect. This has been noted especially in London where reducing car dominance on streets has lowered crime without negatively impacting response times
  
- o Support Local Businesses - Better links to our town and village centres will enable more economic activity and creativity to take place across West Yorkshire, and free up space that is currently used for motor vehicle movement and storage to instead be used more productively e.g. for markets, events or further development and expansion.
  
- o Inclusivity – Future Mobility offers the chance to enhance the reach of our existing networks to cover more people, more often, through a seamless, joined up journey experience. This is in stark contrast to “car based” mobility (20% of men and 30% of women don’t hold a driving licence). Only one-third of households in the lowest income decile have access to a car or van and half of single parent families with children don’t have access to a vehicle. Enhancing and extending a sustainable alternative that is accessible to all is at the centre of our Future Mobility Strategy.



**Report to:** West Yorkshire Combined Authority

**Date:** 9 December 2021

**Subject:** **UK Community Renewal Fund**

**Director:** Alan Reiss, Director of Strategy, Communications and Policing

**Author:** Heather Waddington, Head of ESIF and Future Funding Policy

Is this a key decision?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this report

- 1.1 To summarise the outcome of the UK Community Renewal Fund (UKCRF) process in West Yorkshire, including the confirmed funded projects (Appendix 1) and project appraisal process, and to ensure lessons learnt are captured and taken in to account in the design of any future local bidding process.
- 1.2 To authorise the Managing Director to enter into a funding agreement with the Department for Levelling Up, Housing and Communities (DLUHC) on behalf of the Combined Authority.
- 1.3 To authorise the Managing Director to enter into a funding agreement with the seven Project Deliverers, as required by Government, acting as Lead Authority for the Fund in West Yorkshire.
- 1.4 That the Combined Authority indicatively approves £306,604, funding from the Single Investment Fund to create a test-case for establishing low carbon communities in Calderdale, whilst creating opportunities for residents to develop skills and build the foundations of long-term career and sustainable futures, in response to the West Yorkshire Community Renewal Fund Prospectus, with full approval to spend being granted once the project has progressed through the assurance process.

1.5 That the Combined Authority delegates to the Finance, Resources and Corporate Committee, the approval of the project to pass through to Decision Point 4 totalling no more than £0.31m of funding from the Single Investment Fund.

## **2. Information**

2.1. The £220 million UKCRF 2021-22, was announced in the Budget on 3 March and aims to support people and communities most in need across the UK, creating opportunities to trial new approaches and innovative ideas ahead of the introduction of the UK Shared Prosperity Fund in 2022.

2.2. The UKCRF is administered by the Department for Levelling up, Housing and Communities (DLUHC) with a Lead Authority for each place. In West Yorkshire this is the Combined Authority.

2.3. DLUHC administered the Fund as a competitive bidding process with no pre-set eligibility. The Government identified 100 priority places based on an index of economic resilience. In West Yorkshire, the designations were:

- **Priority Areas:** Bradford, Calderdale and Wakefield
- **Other Areas:** Kirklees and Leeds

The vast majority of the process was laid out in rules set down by Government.

### **West Yorkshire Combined Authority Lead Authority role**

2.4. In line with Government rules, as the Lead Authority, the Combined Authority was required to invite bids from a range of Project Applicants, assess the bids received and submit a shortlist up to a maximum of £3 million per place to Government by **18 June 2021**, against a nationally defined assessment framework (see para 2.8).

2.5. To enable a broad range of ideas to come forward the Combined Authority operated an open and transparent bidding process (as required by Government), inviting bids from any organisation that could deliver an eligible project. Applicants were required to respond to the West Yorkshire [invitation to bid<sup>1</sup>](#) prospectus, which set out the national priorities for funding, eligibility requirements, assessment criteria and the local investment priorities that the Combined Authority would use in prioritising submissions. These investment priorities were based on the draft priorities for the West Yorkshire Investment Strategy<sup>2</sup> agreed by the Combined Authority on 9 March 2021 and focused on supporting economic recovery and growth. The invitation to bid was widely promoted to relevant stakeholders, including a stakeholder briefing on the process.

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<sup>1</sup> <https://www.westyorks-ca.gov.uk/growing-the-economy/uk-community-renewal-fund/>

<sup>2</sup> <https://westyorkshire.moderngov.co.uk/documents/s18964/Item%206%20-%20Appendix%202.pdf>

- 2.6. The Fund was heavily oversubscribed, with bids received totalling over **£33m** against a maximum available amount of £15m. A summary of the bids received can be found below;
- **59** Bids in total received
  - **2** arrived late and therefore were rejected and not appraised
  - **3** found to be duplicates
  - **2** failed Gateway checks
  - **52** bids in total appraised.
- 2.7. Overall, the quality of bids was disappointing due to a number of reasons including a number of new bidders not used to processes for applying for external funding, not demonstrating alignment with local priorities as well as understanding the Government forms and guidance.
- 2.8. Following rigorous and comprehensive review of applications, undertaken and supported by Local Authority officers, of the 52 bids appraised, **17 projects across West Yorkshire were shortlisted** to the value of circa **£8.9m**. The projects that were selected were those of best quality, met local need and were deemed deliverable within the timeframes of the UKCRF.

#### **Government's Assessment Process on the shortlisted bids**

- 2.9 Following submission of the shortlist, Government undertook their own assessment of all shortlisted bids against the published assessment criteria which required eligible bids to meet a minimum score to be shortlisted against the assessment criteria. Depending upon whether the project predominantly delivered in one or more of the 100 priority places identified for UKCRF, appointable projects were allocated to bands depending upon their score:
- **Band A:** projects scoring 80% or more against the published criteria and predominantly delivered in priority places
  - **Band B:** projects scoring 80% or more against the published criteria and predominantly delivered in non-priority places
  - **Band C:** projects scoring 50% or more against the published criteria and predominantly delivered in priority places
- 2.10 The published UKCRF assessment criteria stated that following the ranking of projects ministers could exercise discretion to allocate funding to ensure:
- a) a reasonable thematic split of approved projects (e.g. skills, local business, communities and place, employment support)
  - b) a balanced spread of approved projects across Great Britain
  - c) the balance of approved projects between those focused on priority and non-priority places gives appropriate regard to priority places

In respect of point b) ministers wished to allocate funding on the basis of, England 62%, Scotland 9%, Wales 23% and Northern Ireland 6%. The explanatory note states that Ministers did not give any direction in respect of points a and c.

Full detail of the Governments selection and decision making process can be found here [UK Community Renewal Fund: explanatory note on the assessment and decision-making process - GOV.UK \(www.gov.uk\)](#)

### **Outcome of UKCRF – West Yorkshire Award**

- 2.11 Government announced the successful projects on the 3<sup>rd</sup> November 2021, over three months later than anticipated. Out of the 17 submitted projects, West Yorkshire has been successful in securing funding for 7 bids, equating to **£2,539,429** (£2,489,638 delivery plus £49,791 Lead Authority Management Fee).
- 2.12 The successful projects are (more detail can be found in Appendix 1):
- Building Our Future – City of Bradford Metropolitan District Council
  - Retrofit Hub – West Yorkshire Combined Authority
  - Buck Wood Community Woodland Masterplan – Inspired Neighbourhood CiC
  - Participation in the Arts and Creative Economy (PACE) – Kirklees Council
  - Healthier Working Futures – St James University Hospital Leeds
  - A Better Future Post Covid: Empowering Communities in the Wakefield District – Wakefield Council
  - ‘Go Green’ – A curriculum for the future – Wakefield Council (Lead) Wakefield College (Partner)
- 2.13 No proposals from Calderdale were approved by Government despite being identified as a priority area. Of the shortlisted schemes, one high scoring Calderdale project, (which was shortlisted by local partners), has the potential to contribute to the Combined Authority’s objectives to achieve carbon and green outcomes, improve skills and reduce inequality, and act as one of the first projects to be supported as part of the Climate Action Plan.
- 2.14 The Project, Greener Together, is designed around three themes aligned to the Combined Authority’s and partners’ zero carbon and environmental ambitions. The schemes aims to retro-fit existing social housing properties with the introduction of renewables and smart energy concepts, support carbon literacy and energy awareness activity within the community, and act as an exemplar by improving local residents’ green skills. The Combined Authority seeks to ensure all areas of West Yorkshire benefit from available funding in order to level-up, and recommend this project is funded, in principle from the Single Investment Fund, to the value of **£306,604**.
- 2.15 If the Combined Authority approves the recommended project, officers from the Combined Authority and Calderdale Council will work with the delivery partner, to further develop the proposition, to be submitted in line with the Combined Authority’s Assurance Process. This is with a view to delivery taking place as soon as is practically possible to allow this pilot activity to be tested to inform future interventions.

- 2.16 Over time the Combined Authority will explore ways of supporting other unsuccessful bids where they have potential to contribute to the delivery of key investment priorities.
- 2.17 Due to delays in announcing the successful projects leading to tight delivery timescales, Government announced that the delivery end date is now **30<sup>th</sup> June 2022**, extended three months from 31<sup>st</sup> March 2022. All projects in West Yorkshire have confirmed that they are able to meet this new deadline.
- 2.18 Work is now taking place, at speed, to support partners to allow delivery to start immediately. It is expected that over the lifetime of the Fund, and as required by Government, all projects will be formally evaluated and the learning and best practice shared in order to help feed into the design of the UK Shared Prosperity Fund. Whilst the UKCRF will help inform the design of the UKSPF through supporting people and communities, creating opportunities to trial new approaches and innovative ideas at the local level, the funds are distinct in regard to design, eligibility, and duration.

### **Lessons learnt**

- 2.19 Discussions have taken place on how best practice and lessons learnt from the UKCRF process could further help Government in the design of the UKSPF as the national framework documents are being prepared ahead of a 2022 launch . A technical lessons learnt paper has been prepared which is the result of a collation of responses locally and across the country, which aim to set out a series of key principles to the design work, which Government is undertaking. It is not the formal position of all the organisations that have contributed to the document, but a collation of the issues and ideas generated by them as pertinent to the future development of the investment funds. The technical paper includes the following headlines;
- Due to UKCRF being a time limited, one-off fund, one of the biggest challenges was timescales. Short timescales placed a real strain on Lead Authorities to undertake the tasks, on behalf of local partners, in an efficient, effective, open and transparent manner. Bidders faced tight bidding deadlines resulting in some small creative and third sector organisations, who this Fund was also aimed at supporting, unable to bid for the Funds, as they were unable to develop meaningful bids which were also creative and new.
  - Duplication in the appraisal process has led to delays and inefficiencies. Lead Authorities first were required to assess applications and reached a decision on shortlisting back in June. The Government then undertaking a second, potentially duplicative appraisal. One tier of local decision making would be the preferred option for any future Fund.
  - The move to a highly competitive, short term, Fund under a national assessment framework is an unwelcome move. Competitive bidding does not encourage collaborative approaches to delivering joint solutions and does not allow for an effective 'levelling up' of region's economies or a focus on underlying structural issues. Indeed, often the competitive bid process pits

area against area, and becomes more about the quality of bid writing, rather than the implementation of schemes which truly benefit local communities.

- Delays in Government announcing the list of successful projects, some three months later than expected, taken together with less than 8 months to deliver, raises the question of how meaningful impact can be achieved, and does not allow the implementation of schemes of a more ambitious or transformative nature to be delivered.
  - Partners welcomed the cross thematic approach of the Fund – something many partners have asked for over many years given the siloed nature of European funding over 9 thematic areas. The need to ensure maximum integration across e.g. people, business and place interventions and the requirement to avoid sustaining institutional and operational silos cannot be understated and still remains a key critical success factor of a new Fund and one that supports the rebalancing of the UK economy and levelling-up of communities.
  - Delivery of a new Fund must maximise local autonomy and the ability of places to respond to local opportunities and needs and at the right time.
- 2.20 Overall, key reflections have concluded that greater involvement of Local Authority partners within the process would have added more value. The Combined Authority and local authority partners would have liked to have gone further than that allowed, for instance requiring a letter of support from the respective local authority partner, for each bid, where delivery was planned to take place – this would have ensured there was full support for any proposed scheme. However due to rules imposed by Government the Combined Authority, acting as Lead Authority for the Fund was not allowed – this is a key learning point for the operation of the UKSPF.

### **3 Tackling the Climate Emergency Implications**

- 3.1 As a key assessment criteria, investment under this fund should meet the Government's clean growth principle and not conflict with the UK's legal commitment to cut greenhouse gas emissions to net zero by 2050.
- 3.2 The West Yorkshire invitation to bid prioritised projects supporting clean growth and those working with the natural environment to achieve project objectives.
- 3.3 Due to the West Yorkshire Combined Authority's declaration of a climate emergency, all project Funding Agreement's will have a local condition attached to ensure that Project Deliverers consider how their project can further contribute to tackling the climate and environment emergency and contribute to local net zero targets and objectives.

### **4 Inclusive Growth Implications**

- 4.1 The impact of inclusive growth was considered and written into the invitation to bid. Projects will play an important role in supporting inclusive growth by

ensuring that opportunities are open to all and that disadvantaged groups and places are targeted and delivery models are tested to ensure they are flexible and responsive to meet local need.

- 4.2 Due to the adoption of the West Yorkshire Combined Authority's adoption of the Inclusive Growth Framework in March 2021, together with partner councils local commitments, all project funding agreements will have a local condition attached to ensure that Project Deliverers further consider how their project may contribute to addressing inequalities and supporting inclusive growth throughout the lifetime of the programme.

## **5 Equality and Diversity Implications**

- 5.1 The UKCRF aims to offer funding to develop creative solutions to address a range of local place-based issues as well as addressing particular areas of need which aim to address equality of opportunity for all. The Combined Authority ensured that the bidding process took account of its legal obligations, including the Public Sector Equality Duty. The application form that bidders completed required information about the impact on equalities to assist in this regard. The UKCRF aims to offer funding to develop creative solutions to address a range of local place-based issues as well as addressing particular areas of need which aim to address equality of opportunity for all.

## **6 Financial Implications**

- 6.1 Government have set out the financial and legal implications in a draft Funding Agreement. The Combined Authority will be liable for any expenditure the Secretary of State determines to be ineligible and any ineligible expenditure will be recovered from the Combined Authority. The Combined Authority will consequently enter into funding agreements with those successful local bidders and will pass on any government contractual obligations to the delivery partner to manage risk, as set out in the Government prospectus.
- 6.2 Funding will be paid to the Combined Authority in two tranches – 62.5% within 30 days of the Combined Authority executing the Funding Agreement with DLUHC and the balance upon completion of the Fund autumn 2022. In order to manage any risk to the authority Project Deliverers will be paid based on bi-monthly claims submitted.
- 6.3 As Lead Authority the Combined Authority has received capacity funding of £20,000 per priority place (£60,000 total) for carrying out its role of coordinating, appraising bids and preparing the shortlist.
- 6.4 The Combined Authority will receive further funding of maximum **£49,791** towards the costs incurred in managing the Fund.

## **7 Legal Implications**

- 7.1 The Combined Authority, as Lead Authority, for the purposes of UK Community Renewal Fund in West Yorkshire, is required to enter into a funding agreement

with DLUHC for an amount up to **£2,539,429**. This is expected to take place by early December 2021, and will be responsible for managing these funds accordingly. In order to do so authorisation is sought that the Managing Director can enter into a funding agreement with the Department for Levelling Up, Housing and Communities (DLUHC) on behalf of the Combined Authority.

- 7.2 The Combined Authority will subsequently enter into a funding agreement with each of the projects set out in 2.11. To manage risks any contractual obligations will be passed down accordingly, including any local conditions. In order to do so authorisation is sought that the Managing Director can enter into a funding agreement for an amount up to **£2,489,638**, this is expected to take place by mid December 2021, with each of the seven Project Deliverers, on behalf of the Combined Authority.

## **8 Staffing Implications**

- 8.1 Resources have been identified to carry out all the functions required to late 2022, including the recruitment of a temporary Contracts Officer (anticipated to cover the period January to September 2022). Any costs will be covered through the Lead Authority management fee as noted in section 6.4.

## **9 External Consultees**

- 9.1 No external consultations have been undertaken.

## **10 Recommendations**

- 10.1 That the Combined Authority notes the outcome of the UK Community Renewal Fund (UKCRF) process in West Yorkshire, including the confirmed funded projects, **Appendix 1**, and project appraisal process.
- 10.2 That the Combined Authority authorises the Managing Director to enter into a funding agreement with the Department for Levelling Up, Housing and Communities (DLUHC) on behalf of the Combined Authority for an amount up to **£2,539,429**.
- 10.3 That the Combined Authority authorises the Managing Director to enter into a funding agreement with the seven Project Deliverers for an amount up to **£2,489,638**, as required by Government, acting as Lead Authority for the Fund in West Yorkshire.
- 10.4 That the Combined Authority indicatively approves £306,604, funding from the Single Investment Fund to create a test-case for establishing low carbon communities in Calderdale, whilst creating opportunities for residents to develop skills and build the foundations of long-term career and sustainable futures, in response to the West Yorkshire Community Renewal Fund Prospectus, with full approval to spend being granted once the project has progressed through the assurance process.

10.5 That the Combined Authority delegates to the Finance, Resources and Corporate Committee, the approval of the project to pass through to Decision Point 4 totalling no more than £0.31m of funding from the Single Investment Fund.

**11. Background Documents**

None

**12. Appendices**

Appendix 1 – UKCRF: Summary West Yorkshire Project Awards

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## Appendix 1 - Outcome of the UKCRF in West Yorkshire : Successful Bids

Proposal Name	Applicant	Short description (50 words)	Investment Priority (Skills, Business, Community, Employment)	Delivers in more than one place? If so, specify places.	Project Grant Funding	Fees to WYCA as Lead Authority	By LA	Priority/Non Priority Place
Building Our Future	City of Bradford Metropolitan District Council	Programme consists of 3 areas to improve inclusion based on improving access to, and addressing gaps in, national programmes, unleashing the talent of young people to benefit local economy, and boosting capacity in the VCS sector - innovative Digital Cave feasibility study, new graduate placement approach and Leaving Care pilot Employment Programme.	34% Skills, 4% Business, 16% place, 46% employment	Bradford Only	£ 525,000	£10,500		
Retrofit Hub	West Yorkshire Combined Authority	Project will test a neighbourhood approach as a retrofit programme to address social (hard to reach communities) and technical challenges/barriers (hard to treat properties) in a deprived area -includes whole house retrofit assessments, energy efficiency advice and feasibility retrofit specifications to support delivery of retrofit scheme for 100 properties.	42% skills, 58% Communities and Place	Bradford Only	£ 471,763	£9,435	£1,214,578	PRIORITY PLACE
Buck Wood Community Woodland Masterplan	Inspired Neighbourhoods CIC	Aim is to maximise the huge potential within Buck Wood to create safe healthy communities with access to high quality green infrastructure, ready for post-covid resilience and enabling recovery from the pandemic, by undertaking a feasibility research and development of a new Masterplan and Development Plan for Buck Wood.	100% place & communities	Bradford Only	£ 194,000	£3,880		
A Better Future Post Covid: Empowering Communities in the Wakefield District	Wakefield Council	An innovative pilot employing 8 recently graduated MSc Business students as <i>Consultant Project Assistants</i> to work with 8 community hubs/organisations to undertake a needs analysis to enable them to respond/recover quicker from the pandemic improving strength and resilience. Underpinning this package of support will be a £400k Local Grant Scheme business planning process to achieve sustainable growth.	100% place & communities	Wakefield Only	£490,294	£9,805	£738,538	PRIORITY PLACE
'Go Green' A Curriculum for the future	Wakefield Council (Lead) and Wakefield College (Delivery Partner)	Project aims to raise awareness of the opportunities the green future can bring through a focused, careers guidance plan with clear pathways to skills and training opportunities/job vacancies – developed through a net zero emissions research project to understand actions required, data then used to cocreate a green curriculum, with participants undertaking accredited green qualifications.	40% Skills, 40% Business, 20% employment	Wakefield Only	£ 233,764	£4,675		
Healthier Working Futures	St James's University Leeds	Healthier Working Futures is looking to connect young people (facing multiple and diverse barriers to employment) with fulfilling careers in the health and care sector, one of the highest growth employment sectors in Leeds. The approach is innovative, integrated and provides a joined-up pathway from engagement, job readiness and coaching to paid employment and career pathways.	20% skills, 80% employment	Leeds Only	£ 334,913	£6,698	£ 341,611	NON PRIORITY PLACE
Participation in the Arts and Creative Economy (PACE)	Kirklees Council	Aims to increase participation and opportunities in the local arts and creative economy through a range of activities that remove barriers in accessing these sectors amongst young people. Activities cover community engagement, information, advice and guidance provision, skills development and enterprise and employment support, with wraparound mental health and well-being support across Kirklees.	92% employment, 8% place	Kirklees Only	£ 239,904	£4,798	£ 244,702	NON PRIORITY PLACE
<b>Total Funding Secured to West Yorkshire</b>					<b>£2,489,638</b>	<b>£49,791</b>		

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**Report to:** West Yorkshire Combined Authority

**Date:** 9 December 2021

**Subject:** **Governance Arrangements**

**Director:** Angela Taylor, Director of Corporate and Commercial Services

**Author:** Angie Shearon, Governance Services Manager

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

## 1. Purpose of this report

- 1.1 To approve the proposed minor amendments to Scrutiny Standing Orders in respect of substitute arrangements and frequency of meetings.
- 1.2 To approve extensions to the terms of office of private sector members appointed to Combined Authority committees.
- 1.3 To appoint advisory representatives to the Culture, Arts & Creative Industries Committee.
- 1.4 To approve a change in chairing arrangements of the Governance and Audit Committee.
- 1.5 To appoint a representative and substitute to the Transport for the North General Purposes Committee.

## 2. Information

### Scrutiny Standing Orders – substitute arrangements

- 2.1 To improve quoracy of meetings, amendments are proposed to Scrutiny Standing Orders (Part 4, Procedure Rules, Section 4.6 of the Constitution) to

clarify substitute pool arrangements and allow scrutiny members currently without a substitute (from the same party and authority on another scrutiny committee) to nominate an additional member to act as their permanent substitute. Most of the members requiring a substitute are from the smaller parties and groups which have fewer representation across the three committees and therefore are not able to operate a substitute pool system.

- 2.2 It is proposed that existing paragraph 1.2 of Scrutiny Standing Orders is deleted and replaced with paragraphs 1.2 and 1.3 below (changes also highlighted in track changes in **Appendix 1**):

***Proposed wording for Scrutiny Standing Order 1:***

- 1.2 *A member of any overview and scrutiny committee may substitute for any member of a different overview and scrutiny committee from the same party and district.*
- 1.3 *Where a member has no substitute alternate from the same party and district on another overview and scrutiny committee, an additional substitute from the same party and district may be nominated and appointed to act as their substitute.*

- 2.3 As soon as the amendment is effective, the following Members will be entitled to nominate a substitute from their party and district:

<b>Member</b>	<b>District</b>	<b>Committee</b>	<b>Party</b>
Jeanette Sunderland	Bradford	Corporate Scrutiny	Liberal Democrats
Amanda Parsons-Hulse	Calderdale	Transport Scrutiny	Liberal Democrats
Andrew Cooper	Kirklees	Corporate Scrutiny	Greens
Anthony Smith	Kirklees	Transport Scrutiny	Liberal Democrats
Robert Finnigan	Leeds	Transport Scrutiny	Morley Borough Independents
Jonathan Bentley	Leeds	Economy Scrutiny	Liberal Democrats
Rachel Melly	York	Corporate Scrutiny	Labour

**Scrutiny Standing Orders – number of meetings**

- 2.4 The Combined Authority’s Scrutiny Standing Orders currently obligate scrutiny committees to hold “at least four ordinary meetings ... in each year”. Following a review of constitutions and standing orders in our partner authorities and other mayoral combined authorities, it is proposed that the wording be amended to remove a necessity for a minimum number of meetings in order to reflect the current practice which is that scrutiny decides how often they should meet to discharge their duties. This amendment will also prevent situations where scrutiny committees are forced to arrange additional unneeded meetings to make up for an inquorate meeting earlier in the year.
- 2.5 It is proposed that the following paragraph in Scrutiny Standing Order 9 is amended as follows (changes also highlighted in track changes in **Appendix 1**):

### ***Proposed new wording in Scrutiny Standing Order 9:***

- 9.1 *Overview and scrutiny committees will schedule regular meetings and meet as often as required to effectively discharge their functions.*

### **Private sector members appointed to Combined Authority Committees – extensions to term of office**

- 2.6 The Combined Authority is asked to note that the terms of office of a number of private sector representatives appointed to thematic committees are due to come to an end imminently. At its meeting on 30 November, the LEP Board recommended that the terms are extended as a reflection of the valuable contribution those members make to the work of the Combined Authority and the LEP and recognising the importance of ensuring continuity whilst work is ongoing to refresh membership of all thematic committees over the coming months. A recruitment campaign is to be undertaken to attract new private sector members from a range of sectors, backgrounds, geography and experience whilst ensuring equality and diversity across our membership.

The Combined Authority is now asked to approve the extensions to membership as set out in **Appendix 2**.

### **Culture, Arts & Creative Industries Committee - appointment of advisory representatives**

- 2.7 At its Annual Meeting on 24 June 2021, the Combined Authority resolved to appoint the Culture, Arts & Creative Industries Committee. In line with the composition of other thematic decision-making committees, it was agreed that membership would include representatives from the Combined Authority, the LEP Board, local authority, and private sector together with advisory representatives from the creative and cultural sector with relevant knowledge, skills and experience to enhance the work of the Committee.
- 2.8 At its meeting on 22 October, the Combined Authority appointed private sector members to the Committee and are now asked to approve the appointment of the advisory representatives as detailed in **Appendix 3** attached.

### **Appointment of Chair of the Governance and Audit Committee**

- 2.9 The Combined Authority is asked to consider a change in the chairing arrangements of the Governance and Audit Committee. Prior to the annual meeting in 2021, in line with recommended good practice, the position of chair of the Committee was held by one of the two independent persons appointed to the Committee. Following the stepping down of the independent member who previously chaired the Committee, Cllr Susan Hinchcliffe (Combined Authority member), was appointed to chair the Committee on a temporary basis. It is now proposed that Debbie Simpson, independent member, replace Councillor Hinchcliffe as Chair.

## **Transport for the North – General Purposes Committee**

- 2.10 At its meeting on 29 September 2021, the Transport for the North (TfN) Board agreed to establish the General Purposes Committee, which is allowed for under Transport for the North’s constitution. The TfN General Purposes Committee brings together ten members in regional groupings to allow certain business to be conducted between full meetings of the Board.
- 2.11 The appointments to the TfN General Purposes Committee represent the Combined Authority and the City of York Council as a regional grouping. Those appointed must be TfN Board Members or substitutes. It is now proposed that the following members be appointed to the TfN General Purposes Committee:

**Representative:** Councillor Susan Hinchcliffe  
**Substitute:** Mayor Tracy Brabin

The City of York Council have confirmed their agreement to the proposed joint appointments.

### **3. Tackling the Climate Emergency Implications**

- 3.1 There are no climate emergency implications directly arising from this report.

### **4. Inclusive Growth Implications**

- 4.1 There are no inclusive growth implications directly arising from this report.

### **5. Equality and Diversity Implications**

- 5.1 The members nominated as scrutiny substitutes may affect the overall diversity of the scrutiny membership, however this is not something the Combined Authority has any control over.
- 5.2 A recruitment campaign is planned in the coming months to attract new private sector members to the Combined Authority’s committees from a range of sectors, backgrounds, geography, and experience with particular regard to attracting an equal and diverse membership.

### **6. Financial Implications**

- 6.1 There are no financial implications directly arising from this report as scrutiny substitutes are not paid an allowance.

### **7. Legal Implications**

- 7.1 Legislation allows mayoral combined authorities to implement their own substitute arrangements on overview and scrutiny committees.
- 7.2 The appointments to the TfN General Purposes Committee represent the Combined Authority and the City of York Council as a regional grouping. Those appointed must be TfN Board Members or substitutes.

## **8. Staffing Implications**

- 8.1 Support for the new scrutiny substitutes will be covered by the existing scrutiny team.

## **9. External Consultees**

- 9.1 External consultations have been undertaken with the City of York Council to seek agreement on the appointment of the member and substitute member of the City of York Council.

## **10. Recommendations**

- 10.1 That the Combined Authority approves the amendments to Scrutiny Standing Orders as outlined in paragraphs 2.2 and 2.5 above respectively and in **Appendix 1** attached.
- 10.2 That the Combined Authority approve the extensions to the terms of office of the private sector representatives set out in **Appendix 2** attached.
- 10.3 That the Combined Authority appoint advisory representatives to the Culture, Arts & Creative Industries Committee set out in **Appendix 3** attached.
- 10.4 That the Combined Authority appoint independent member, Debbie Simpson, as Chair of the Governance and Audit Committee with immediate effect replacing Councillor Susan Hinchcliffe.
- 10.5 That the Combined Authority approves the appointment of the following members to the TfN General Purposes Committee as set out in paragraph 2.10 of this report:

**Representative:** Councillor Susan Hinchcliffe  
**Substitute:** Mayor Tracy Brabin

## **11. Background Documents**

[Scrutiny Standing Orders](#) (Constitution, Part 4 Procedure Rules, Section 4.6)

## **12. Appendices**

Appendix 1 – Scrutiny Standing Orders (Section 4.6, Constitution)

Appendix 2 – Private sector member - extensions to term of office

Appendix 3 – Advisory representatives - Culture, Arts & Creative Industries Committee

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## Part 4 – Procedure Rules

### Section 4.6 – Scrutiny Standing Orders

#### Membership

- 1.1. Members of an overview and scrutiny committee are appointed in accordance with Article 8 (Overview and Scrutiny) in Part 2 of the Constitution.
- 1.2. *A member of any overview and scrutiny committee may substitute for any member of a different overview and scrutiny committee from the same party and district.*
- 1.3. *Where a member has no substitute alternate from the same party and district on another overview and scrutiny committee, an additional substitute from the same party and district may be nominated and appointed to act as their substitute.*
- 1.4. A Substitute may only act in the absence of a member where the member will be absent for the whole of the meeting.
- 1.5. A Substitute may not exercise any special powers or duties exercisable by the member for whom they are substituting<sup>1</sup>.

#### 2. Voting

- 2.1. Each member of an overview and scrutiny committee, or of any overview and scrutiny sub-committee, appointed from a Constituent Council has one vote.
- 2.2. Any member of an overview and scrutiny committee, or of any overview and scrutiny sub-committee, appointed from the Non-constituent Council is non-voting unless the Combined Authority has resolved to give such a member voting rights.
- 2.3. All questions coming or arising before an overview and scrutiny committee or an overview and scrutiny sub-committee shall be decided by a simple majority of the members present and voting on the question.
- 2.4. No member of an overview and scrutiny committee or sub-committee has a casting vote.
- 2.5. If a vote is tied on any matter, it is deemed not to be carried.

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<sup>1</sup> Special powers or duties include any chairing responsibilities. A substitute may exercise any voting rights exercisable by the member for whom they substitute.

### **3. Chair**

- 3.1. The Combined Authority will appoint the Chair of any overview and scrutiny committee, see further Article 8 (Overview and Scrutiny) in Part 2 of the Constitution<sup>2</sup>.
- 3.2. The Chair of any overview and scrutiny sub-committee will be appointed by the appointing overview and scrutiny committee.

### **4. Conflicts of Interest**

- 4.1. No member of an overview and scrutiny committee nor of a sub-committee may scrutinise a decision (whether or not implemented) in which they were directly involved as a member of the committee or sub-committee which made the decision.
- 4.2. Such a member may only attend the overview and scrutiny committee or sub-committee to:
  - make representations,
  - answer questions, or
  - give evidence about the decision.

### **5. Quorum**

- 5.1. At least two-thirds of the total number of members of any overview and scrutiny committee or sub-committee must be present at a meeting before business may be transacted.

### **6. Working Groups**

- 6.1. An overview and scrutiny committee or sub-committee may appoint a working group to contribute to and inform the scrutiny process, including by making recommendations.

### **7. Work Programme and Referral of Matters to an Overview and Scrutiny Committee or Sub-Committee**

- 7.1. Each overview and scrutiny committee or sub-committee will set its own work programme.
- 7.2. The Combined Authority, any of its committees or the Mayor may ask an overview and scrutiny committee to review any matter or assist in developing budget and policy proposals, provided that the request is made in writing to the Scrutiny Officer, who will ensure that the matter is included in the agenda for, and discussed at, a meeting of the committee or sub-committee.

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<sup>2</sup> The Combined Authority may appoint the Deputy Chair of an overview and scrutiny committee, but if no such appointment is made, the committee may appoint a Deputy Chair.

- 7.3. The following matters may be referred to an overview and scrutiny committee:
- a) A member of an overview and scrutiny committee may refer to the committee any matter which is relevant to the functions of the committee,
  - b) A member of an overview and scrutiny sub-committee may refer to a sub-committee any matter which is relevant to the functions of the sub-committee,
  - c) A Combined Authority Member may refer to an overview and scrutiny committee any matter which is relevant to the function of the committee and is not an excluded matter; and
  - d) any member of a Constituent Council or the Non-Constituent Council may refer to an overview and scrutiny committee any matter which is relevant to the functions of the committee and is not an excluded matter.
- 7.4. Where a matter is referred to an overview and scrutiny committee by any member under Standing Order 7.3 (c) or (d) above, in considering whether to review or scrutinise a matter referred to the committee, the committee must have regard to any representations made by the member referring the matter as to why it would be appropriate for the committee to review or scrutinise the matter. If the committee decides not to review or scrutinise the matter, it must notify the member of its decision and the reasons for it.
- 7.5. An overview and scrutiny committee must provide a member with any copy of any report or recommendations which it makes in connection with any matter referred to it by the member under Standing Order 7.3 (c) or (d) above.
- 7.6. The LEP may seek input from an overview and scrutiny committee on any issue relating to policy and strategy development or otherwise. Any such request must be put forward to the Scrutiny Officer in the first instance, who will ensure that the matter is included in the agenda for, and discussed at, a meeting of an overview and scrutiny committee or sub-committee.

## **8. Scrutiny of the LEP**

- 8.1. The LEP and the Combined Authority (as the accountable body for the LEP) have agreed that the Combined Authority's scrutiny arrangements extend to the LEP, in accordance with these Standing Orders.
- 8.2. The LEP has agreed to share information with any overview and scrutiny committee or sub-committee, so that the committee or sub-committee can provide robust scrutiny and advice.
- 8.3. The contribution of the LEP to any meeting of an overview and scrutiny committee or sub-committee will be recorded with the outcome in the minutes of the meeting.

## 9. Meetings

9.1 *Overview and scrutiny committees will schedule regular meetings and meet as often as required to effectively discharge their functions.*

9.2. An extraordinary meeting of an overview and scrutiny committee may be called by:

- the Chair of the committee, or
- any five members of the committee from at least two different Constituent Councils.

## 10. Attendees

10.1. An overview and scrutiny committee or sub-committee may require the Mayor or any other Combined Authority Member or an officer<sup>3</sup> of the Combined Authority to attend before it to answer questions<sup>4</sup> or to provide information about any matter within its terms of reference.

10.2. Where a committee or sub-committee requires the Mayor or any other Combined Authority Member or officer to attend, the Scrutiny Officer shall inform that person in writing giving at least 5 clear working days' notice of the meeting. The notice will state:

- the date of the meeting they are required to attend,
- the nature of the item, and
- whether they must produce any papers for the committee.

10.3. The Mayor, any other Combined Authority Member, or officer must comply with any notice they are given.

10.4. Where, in exceptional circumstances, the person is unable to attend on the required date, the overview and scrutiny committee shall consult with the person to arrange an alternative date.

10.5. An overview and scrutiny committee or sub-committee may invite other people<sup>5</sup> to attend any meeting to:

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<sup>3</sup> The expectation is that this would be the Combined Authority's Managing Director or other senior officer who has exercised delegated authority in respect of an issue, or their nominee.

<sup>4</sup> A person is not obliged to answer any question which the person would be entitled to refuse to answer in or for the purposes of proceedings in a court in England and Wales.

<sup>5</sup> Including any Co-optee; members and officers from Constituent Councils, the Non-Constituent Council or other councils within the Leeds City Region; any member of the LEP Board; members of the public; any other stakeholders, advisors or assessors. The committee may pay any advisers, assessors and witnesses a reasonable fee and expenses.

- address it,
  - provide information,
  - discuss issues of local concern, and/or
  - answer questions.
- 10.6. Each member of an overview and scrutiny committee or sub-committee will be given the opportunity to ask attendees questions, contribute and speak.
- 10.7. Attendees assisting the committee must be treated with respect and courtesy.

## **11. Reports and Recommendations**

- 11.1. An overview and scrutiny committee or sub-committee may make reports or recommendations to the Combined Authority<sup>6</sup> or the Mayor.
- 11.2. If an overview and scrutiny committee or sub-committee cannot agree a final report, a minority report may be prepared and submitted as an appendix to the majority report.
- 11.3. An overview and scrutiny committee or sub-committee may publish any report or recommendations, subject to Standing Order 13.
- 11.4. Where in the opinion of an overview and scrutiny committee, any report or recommendation relates significantly to any LEP activity or to LEP governance, the report or recommendation shall also be submitted to the LEP Board for consideration in a timely manner. Any response of the LEP Board shall be reported back to the overview and scrutiny committee or sub-committee which made the report or recommendation<sup>7</sup>.
- 11.5. Where in the opinion of an overview and scrutiny committee, any report or recommendation is of particular significance to any Constituent Council or the Non-Constituent Council over and above any other Council, the report or recommendation shall also be submitted to that Council for consideration. Any response of that Council shall be reported back to the overview and scrutiny committee or sub-committee which made the report or recommendation.

## **12. Notice**

- 12.1. An overview and scrutiny committee or sub-committee may by notice require the Combined Authority or the Mayor within 2 months of receiving any report

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<sup>6</sup> All references to the Combined Authority in Standing Order 11 should be taken as including a reference to any relevant committee with authority to consider and respond to reports and recommendations on behalf of the Combined Authority. The Scrutiny Officer shall in consultation with the Chair of an overview and scrutiny committee determine whether a report or recommendation shall be considered by such a committee or by the Combined Authority.

<sup>7</sup> Where a notice has been served on the Combined Authority in accordance with Standing Order 12, any response of the LEP Board shall also be reported to the Combined Authority.

or recommendations or (if later) the notice, to:

- consider the report or recommendations,
- respond to the overview and scrutiny committee or sub-committee indicating what (if any) action the Combined Authority or the Mayor proposes to take,
- publish the response, if the overview or scrutiny committee or sub-committee has published the report or recommendations, subject to Standing Order 13 below.

12.2. The Combined Authority or the Mayor must respond to a report or recommendations made by an overview and scrutiny committee or a sub-committee, within 2 months beginning with the date on which the Combined Authority or Mayor received the notice, and subject to Standing Order 13 below.

### **13. Publishing a Document: Confidential and Exempt Information**

13.1. Standing Order 13.2 applies to the publication of any document comprising a report or recommendations of an overview and scrutiny committee or sub-committee, or a response of the Combined Authority or the Mayor to any such report or recommendations.

13.2. In publishing the document the overview and scrutiny committee, sub-committee, the Combined Authority or the Mayor must exclude any confidential information<sup>8</sup> and may exclude any relevant exempt information<sup>9</sup>, see further the Access to Information Rules in Part 4 of the Constitution.

13.3. When providing a copy of a document, the overview and scrutiny committee, sub-committee, the Combined Authority or the Mayor may exclude any confidential information or relevant exempt information.

13.4. Where information is excluded, the overview and scrutiny committee, sub-committee, the Combined Authority or Mayor:

- may replace so much of the document as discloses the information with a summary which does not disclose that information, and
- must do so if, in consequence of excluding the information, the document published would be misleading or not reasonably comprehensible.

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<sup>8</sup> This has the meaning given by section 100A (3) of the Local Government Act 1972.

<sup>9</sup> This means exempt information of a description specified in a resolution of the overview and scrutiny committee or sub-committee or the Combined Authority which applied to the proceedings, or part of the proceedings at any meeting at which the report was or recommendations were considered.

## 14. Call-In of Decisions

14.1. The following decisions may be called-in for scrutiny:

- any decision of the Combined Authority<sup>10</sup> or of any decision-making committee of the Combined Authority<sup>11</sup>, and
- any Key Decision taken by the Mayor, other Combined Authority Member or an officer.

with the exception of any decision which the decision-maker has resolved is urgent<sup>12</sup>.

14.2. **Five members of the overview and scrutiny committee** to include **at least one member from two different Constituent Councils** may call-in a decision eligible for call-in by notifying the Scrutiny Officer by 4pm on the **fifth working day** following publication under Standing Order 14.2 or 14.3.

14.3. The Head of Legal and Governance Services shall publish details<sup>13</sup> of **the Combined Authority** and any **committee decisions** eligible for call-in within **2 clear working days** of a meeting.

14.4. Any **Key Decision taken by the Mayor or an officer** will be published as a written record within **2 clear working days** of the decision being made, see further Article 13 (Decision Making) in Part 2, and the Access to Information Rules in Part 4 of the Constitution.

## 15. Implementing and Scrutinising Decisions which are Eligible for Call-In

15.1. An urgent decision may be implemented immediately<sup>14</sup>.

15.2. Any other decision of the Combined Authority or a committee, or Key Decision taken by the Mayor, any other Combined Authority Member or an officer may be implemented after **midday** of the **sixth clear working day** after the publication of the decision, unless it is called-in.

15.3. On receipt of a call-in request, the Scrutiny Officer shall:

- notify the decision-maker<sup>15</sup> of the call-in,
- consult with the Chair of overview and scrutiny committee about whether to issue a direction under Standing Order 15.4 below, and

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<sup>10</sup> Including in relation to the Combined Authority's role as the accountable body for the LEP.

<sup>11</sup> With the exception of the Governance and Audit Committee.

<sup>12</sup> A decision will be urgent if any delay likely to be caused by the call-in process would prejudice the Combined Authority's, any Constituent Council's or the public's interests. Nor will any decision relating to approving or amending governance arrangements be open to call-in.

<sup>13</sup> To members of the relevant overview and scrutiny committee.

<sup>14</sup> The Scrutiny Officer must report such decisions to the next available meeting of the relevant overview and scrutiny committee, together with the reasons for urgency.

<sup>15</sup> That is, (for Non-Mayoral Functions) each Combined Authority Member, or the members of the relevant committee or the relevant officer, or (for Mayoral General Functions) the Mayor or other Combined Authority Member or officer.

- call a meeting of the overview and scrutiny committee, to scrutinise the decision.
- 15.4. Where a decision is called-in, the Scrutiny Officer, in consultation with the Chair of the relevant overview and scrutiny committee, may direct that the decision is not to be implemented while it is under review or scrutiny by an overview and scrutiny committee, for a period not exceeding 14 days from the date on which the direction is issued.
  - 15.5. An overview and scrutiny committee must scrutinise the decision within 14 days of the Scrutiny Officer receiving the request for call-in, or before the expiry of any direction, if earlier.
  - 15.6. Where an overview and scrutiny committee has scrutinised a decision, it may recommend that the decision is re-considered by the decision-maker<sup>16</sup>. Any decision which is recommended for re-consideration may not be implemented while any direction under this Standing Order is of effect, except in accordance with Standing Order 15.7 below.
  - 15.7. The Scrutiny Officer will notify the decision-maker<sup>17</sup> of the outcome of the scrutiny by the overview and scrutiny committee, within **2 clear working days** of the meeting. Where the decision has not been recommended for re-consideration, it may be implemented on receipt of this notification.
  - 15.8. The decision-maker must reconsider any decision not later than 10 days after the date on which the recommendations of an overview and scrutiny committee are received.
  - 15.9. The Chair of the overview and scrutiny committee or their nominee may attend any meeting which is re-considering the decision, to present the report or recommendations<sup>18</sup>.
  - 15.10. The decision-maker may confirm, amend or rescind the decision. Their response should be published in accordance with Standing Order 13.
  - 15.11. A decision which has been confirmed or amended by the decision-maker may be implemented immediately.

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<sup>16</sup> The Scrutiny Officer shall in consultation with the Chair of the overview and scrutiny committee determine whether a report or recommendation relating to a decision of an officer or a committee in respect of Non-Mayoral Functions is considered by the Committee (where the decision falls within its terms of reference) or the Combined Authority. A report or recommendation relating to a decision of the Combined Authority shall be considered by the Combined Authority. In relation to Mayoral General Functions, the Mayor should be asked to consider any report or recommendation.

<sup>17</sup> Notification of the outcome shall be provided to each Combined Authority Member, or of any relevant committee, or to the relevant officer.

<sup>18</sup> The Chair must notify the Scrutiny Officer that they intend to attend the meeting 3 clear working days before the meeting. The Mayor should invite the Chair or their nominee to present the report or recommendations to them.

## **16. Guidance of the Secretary of State**

16.1. An overview and scrutiny committee or sub-committee must have regard to any guidance issued by the Secretary of State<sup>19</sup>.

## **17. Statutory Scrutiny Officer**

17.1. Any references in these Standing Orders to the Scrutiny Officer are to the officer designated as such by the Combined Authority, see further Article 12 (Officers) at Part 2 of this Constitution.

17.2. The Combined Authority shall not designate an officer of any Constituent Council as Scrutiny Officer for the Combined Authority.

17.3. The statutory functions of the Scrutiny Officer are:

- to promote the role of any overview and scrutiny committee or sub-committee,
- to provide support and guidance to any overview and scrutiny committee or sub-committee and its members, and
- to provide support and guidance to members of the Combined Authority in relation to the functions of any overview and scrutiny committee or sub-committee.

17.4. The Scrutiny Officer shall also facilitate appropriate scrutiny of LEP decision-making and achievements.

## **18. Additional Rights of Access to Documents**

18.1. Additional rights of access to documents for members of any overview and scrutiny committee or sub-committee are set out in the Access to Information Rules in Part 4 of the Constitution.

## **19. Public Notice of Proposed Key Decisions**

19.1. Provisions relating to the public notice of proposed Key Decisions are set out in the Access to Information Rules in Part 4 of the Constitution.

## **20. Interpretation**

20.1. The Chair of an overview and scrutiny committee meeting or sub-committee meeting shall make any final decision at that meeting about:

- how the Scrutiny Standing Orders should be interpreted with respect to the conduct of the meeting, or
- any question of procedure not provided for by the Scrutiny Standing

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<sup>19</sup> Under Local Democracy, Economic Development and Construction Act 2009 Schedule 5A paragraph 2(9).

Orders.

20.2. The Head of Legal and Governance Services shall make any final decision about how to interpret any Scrutiny Standing Order outside of a formal committee or sub-committee meeting.

<b>Document version control</b>	
<b>Municipal Year:</b>	2021-22
<b>Version:</b>	2 - 21/22
<b>Document approved by:</b>	The Combined Authority
<b>Date:</b>	9 December 2021
<b>To be of effect from:</b>	9 December 2021

**Private Sector representatives on CA Committees (as at November 2021):**

Committee	Private Sector Representative	Organisation	Sector	Current term of Office	Recommendation
203 Business, Economy & Innovation	Andrew Wright (Deputy Chair)	Hainsworth Ltd	Manufacturing	30 April 2023	
	Mike Danby	Advanced Supply Chain	Distribution	31 December 2021	Membership to end 31 December 2021
	Philip Wilson	Slipstream Design	Digital	31 December 2021	To endorse his membership of the Committee and to <b>extend the term of office to 31 December 2022</b>
	Simon Wright	Pexa	Financial Services	31 December 2021	To endorse his membership of the Committee and to <b>extend the term of office to 31 December 2022</b>
	Richard Paxman	Paxman Coolers Ltd	Manufacturing	30 April 2023 (with a further 3 year option)	
	Karl Oxford	African & Caribbean Business Ventures Ltd	Third Sector	21 October 2024	
	David Sidlow	BorgWarner Ltd	Manufacturing	30 April 2023 (with a further 3 year option)	Stepping down 31 January 2022
	Martin Booth	Witt UK Group	Manufacturing	31 December 2023	
	Mandy Ridyard	Produmax Ltd	Manufacturing	24 June 2024	
	Amir Hussain	Yeme Architects	Creative	30 June 2023	

**Private Sector representatives on CA Committees (as at November 2021):**

<b>Committee</b>	<b>Private Sector Representative</b>	<b>Organisation</b>	<b>Sector</b>	<b>Current term of Office</b>	<b>Recommendation</b>	
204	<b>Employment and Skills</b>	Rashik Parmar (Deputy Chair)	IBM Academy of Technology	Digital	30 April 2022	
	Martin Booth	Witt Group Uk	Manufacturing	31 December 2023		
	Glynn Robinson	BJSS	Digital	31 December 2020	Membership to end 31 December 2021	
	Mark Cowgill	Exa Networks	Digital	30 April 2023 (with a further 3 year option)		
	Orlagh Hunt	Yorkshire Building Society	Financial services	30 April 2023 (with a further 3 year option)		
	Richard Mason	ao	Retail	30 April 2023 (with a further 3 year option)		
	Liz Needleman	BT	Communications & digital	30 April 2023 (with a further 3 year option)		
	Amanda Stainton	Portakabin Ltd	Manufacturing	31 May 2023		
	Claire Paxman	Paxman Coolers Ltd	Manufacturing	30 June 2023 (with a further 3 year option)		

**Private Sector representatives on CA Committees (as at November 2021):**

Committee	Private Sector Representative	Organisation	Sector	Current term of Office	Recommendation
205 Climate, Energy & Environment	Mark Roberts (Deputy Chair)	Beer Hawk Ltd	Retail	24 June 2024	
	Simon Pringle	Project Rome	Commercial strategy/innovation	30 April 2023	
	Bill Firth	emr group	Infrastructure/energy	31 December 2021	To endorse his membership of the Committee and to <b>extend the term of office to 31 December 2022</b>
	Natasha Luther-Jones	DLA Piper	Legal	31 December 2021	To endorse his membership of the Committee and to <b>extend the term of office to 31 December 2022</b>
	Alice Owen	University of Leeds	Higher Education	31 December 2021	Stepping down 31 December 2021
	Richard Goodfellow	Addleshaw Goddard	Legal	30 April 2023 (with a further 3 year option)	
	Ben Tongue	NHS Digital	Health/Digital	30 April 2023 (with a further 3 year option)	
	Leah Stuart	Civic Engineers	Engineering	30 April 2023 (with a further 3 year option)	

**Private Sector representatives on CA Committees (as at November 2021):**

<b>Committee</b>	<b>Private Sector Representative</b>	<b>Organisation</b>	<b>Sector</b>	<b>Current term of Office</b>	<b>Recommendation</b>
<b>Place, Regeneration &amp; Housing</b>	Andrew Latchmore	Shulmans	Legal/ Professional services	14 December 2023	Stepping down with immediate effect
	Amir Hussain (Deputy Chair)	Yeme Architects	Creative	30 June 2023	
	Helen Featherstone	Yorkshire Sculpture Park	Culture	31 December 2023 (with a further 3 year option)	Stepping down with immediate effect
	Sam Keighley	Yorkshire Sport Foundation	Culture	21 October 2024	

**Private Sector representatives on CA Committees (as at November 2021):**

<b>Committee</b>	<b>Private Sector Representative</b>	<b>Organisation</b>	<b>Sector</b>	<b>Current term of Office</b>	<b>Recommendation</b>
207 Culture, Arts & Creative Industries	Helen Featherstone (Deputy Chair)	<b>Yorkshire Sculpture Park</b>	<b>Culture</b>	<b>24 June 2024</b> (with a further 3 year option)	
	Alan Lane	Slung Low	Culture/Arts	22 October 2024 (with a further 3 year option)	
	Amy Foster	Creative Scene	Creative Industries	22 October 2024 (with a further 3 year option)	
	Bolu Fagborun	East Bierley Community Sports Association	Sports	22 October 2024 (with a further 3 year option)	
	Nat Edwards	Thackray Museum of Medicine	Heritage	22 October 2024 (with a further 3 year option)	
	Deborah Munt	Culture, Wellbeing & Social Impact Developer	Culture	22 October 2024 (with a further 3 year option)	
	Syima Aslam	Bradford Literature Festival	Arts & Culture	22 October 2024 (with a further 3 year option)	
	Kully Thairai	Leeds 2023	Culture	22 October 2024 (with a further 3 year option)	
	Kamran Rashid	Impact Hub Ltd	Third Sector	22 October 2024 (with a further 3 year option)	

**Private Sector representatives on CA Committees (as at November 2021):**

<b>Committee</b>	<b>Private Sector Representative</b>	<b>Organisation</b>	<b>Sector</b>	<b>Current term of Office</b>	<b>Recommendation</b>
<b>Business Investment Panel</b>	Simon Wright	Pexa	Financial Services	31 December 2021	To endorse his membership of the Committee and to <b>extend the term of office to 31 December 2022</b>
	Michael Allen	NatWest	Financial Services	3 January 2022	To endorse his membership of the Committee and to <b>extend the term of office to 3 January 2023</b>
	Jonathan King	Medusa Holdings Ltd	Manufacturing	3 January 2022	Stepping down on 3 January 2022
	Gareth Yates	Amazon	Professional Services	3 January 2022	To endorse his membership of the Committee and to <b>extend the term of office to 3 January 2023</b>
	Colin Glass	WGN	Professional Services	26 September 2022	

## Culture, Arts & Creative Industries Committee

### Advisory Representatives

Organisation	Representative
Arts Council	Catherine Mitchell
Broadcasting, Entertainment, Communications and Theatre Union (BECTU)	Philippa Childs
Equity UK	Dominic Bascombe
Historic England	Lianna Francis-Kelly
Musicians' Union	Matt Wanstall
National Lottery Heritage Fund	David Renwick
National Union of Journalists	Michelle Stanistreet
Yorkshire Sport Foundation	Sam Keighley
<b>Yorkshire Universities:</b>	
Leeds Art University	Professor Dave Russell
Leeds Beckett University	Professor Lisa Stansbie

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**Report to:** West Yorkshire Combined Authority

**Date:** 9 December 2021

**Subject:** **Economic Recovery**

**Director:** Liz Hunter, Director Policy & Development

**Author:** Alex Clarke, Policy Manager Business Growth and Resilience

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this report

- 1.1 To provide the Combined Authority with an update on developments around the COVID-19 pandemic and economic recovery in West Yorkshire.

## 2. Information

- 2.1 The COVID-19 pandemic continues to be a central factor in the lives of the people of West Yorkshire and economic recovery a key consideration for businesses and the wider economy. The latest Omicron variant and the reintroduction of some measures related to international travel, the use of face masks and an acceleration of the booster programme reinforces the need to continue to carefully monitor the situation and its impact on economic recovery in the region.
- 2.2 However, as reported in previous reports, in terms of the response of the Combined Authority and Local Enterprise Partnership (the LEP) to supporting businesses during the pandemic, the majority of interventions are now completed, or are transitioning into delivery of our economic recovery plan and to the business as usual of the Combined Authority and its decision-making committees.

- 2.3 The following sections provide an update in terms of the latest intelligence picture in the economy followed by a brief overview of next steps regarding the West Yorkshire Economic Recovery Plan.

#### COVID-19 economic monitoring

- 2.4 The latest COVID-19 Economic & Transport Insights Report is attached as a background paper for this report, outlining the latest monitoring on the impacts of COVID-19 in West Yorkshire up to 17 November.

- 2.5 Headline findings from the available intelligence demonstrate the following trends relevant to the progress of economic recovery:

- There were 34,000 employees still on furlough in West Yorkshire on 30 September - the point at which the Job Retention Scheme came to an end. This was down from 40,300 at the end of August.
- Despite this, the claimant count (covering people on out-of-work benefits) continued to decline in October, whilst employment (in terms of PAYE employees) continued to increase beyond pre-pandemic levels.
- Recruitment activity is growing strongly across West Yorkshire, led by Leeds and Calderdale. Occupational areas hardest hit by the pandemic, such as hospitality and clerical, continue to rebound in terms of their vacancy counts.
- There were 398 business liquidations in West Yorkshire up to the week ending October 26th, based on a four week moving average. With the latest figures showing a slight decrease of 1% from the previous four week previous. This trend has been seen across all districts in the West Yorkshire region.
- Data from Bank Search shows the number new business bank accounts opened in the West Yorkshire region during the course of a month. During September the number of new bank accounts opened was 808, with Leeds having the most new accounts with 301. At West Yorkshire level there has been slight growth since the month previous of 2%.
- West Yorkshire house prices reached a record high in August 2021

- 2.6 The Combined Authority will continue to monitor the situation regarding economic recovery and report back to future meetings as required.

#### Economic Recovery Plan

- 2.7 As we monitor the impacts of the trends outlined above, and of the interventions delivered as part of the West Yorkshire Economic Recovery Plan, it is proposed that the recovery plan be kept under review, and further updates completed and brought back to the Combined Authority as required. This will also include reviewing the underlying forecast and assumptions, with consideration being given to how best this can be achieved.

- 2.8 Each of the Committees of the Combined Authority will also take forward discussions on relevant elements of the Plan, and how they will be delivered through the work programmes of those Committees. This will help support

further refinement of the Plan if required, particularly in relation to the actions that will be supported through regional intervention and collaboration with partners.

- 2.9 As reported previously, long-term planning for the economic recovery of West Yorkshire has been overseen by the West Yorkshire Economic Recovery Board<sup>1</sup>, which met as a working group of the Combined Authority bringing together the Mayor, five West Yorkshire Leaders and LEP Chair with partners from the private sector, health, trade unions, business representative organisations, public bodies and the third sector.
- 2.10 The Board met on 30 November for the last time in its current format, recognising the role that they have played collectively over the last 18 months in steering the region's recovery plan and the transition that is now taking place to deliver that recovery plan. The Board reflected on lessons learned in terms of the way of working of the Board and the collaboration between partners, and considered areas where a similar group might be useful in the future. They also discussed areas for monitoring over the next phases of recovery and how announcements from the Comprehensive Spending Review and upcoming Levelling Up White Paper might affect the regional recovery plan.

### **3. Tackling the Climate Emergency Implications**

- 3.1 Tackling the Climate Emergency is identified as one of the overarching goals and golden threads of the Economic Recovery Plan. It also includes a dedicated chapter outlining the Combined Authority's efforts to reach net-zero carbon by 2038 and creating 1,000 green jobs for young people.
- 3.2 In developing and delivering the future interventions as a result of implementing the plan, schemes will be required to demonstrate how they specifically contribute positively to Tackling the Climate Emergency, whether that be through green skills and jobs, reducing emissions of buildings or contributing to wider climate resilience.

### **4. Inclusive Growth Implications**

- 4.1 Inclusive Growth is embedded as an overarching goal in the Economic Recovery Plan. The impact of the pandemic on inequalities make the ambitions for inclusive growth around wellbeing, good work and relevant and transferable skills critical to a fair, just and lasting recovery. The plan also includes specific deliverable activity that is shared with the West Yorkshire Inclusive Growth Framework, such as the Fair Work Charter.
- 4.2 The Economic Recovery Plan recognises that a lasting recovery needs to be felt across both towns and cities, and villages and rural areas. Each of the actions and co-investment propositions identified will need to be designed and

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<sup>1</sup> Further details on the full membership and terms of reference: <https://www.westyorks-ca.gov.uk/erb>

delivered in a way that recognises that each and every place presents distinct opportunities in terms of jobs, businesses and infrastructure.

- 4.3 The plan also identifies the importance of Social Value to inclusive growth, and achieving this in delivery of the plan will include setting out how social value will be enhanced through contracts, including that any businesses that receive grants from the products delivered as part of the plan would be required to contribute to Inclusive Growth actions and outcomes via their funding agreements.

## **5. Equality and Diversity Implications**

- 5.1 The Economic Recovery Plan recognises the disproportionate impact of COVID-19 on certain groups within West Yorkshire, and in its vision for a fair and just recovery plans to make sure its interventions respond particularly to the needs of those most disadvantaged. By focussing particularly on the role of our response interventions, it is also important to recognise that many of the inequality challenges faced prior to the pandemic remain, and therefore should not be lost when responding to the additional effects of the pandemic.
- 5.2 Specific interventions delivered in connection to this plan will be expected to set targets about how equality and diversity will be achieved, for example in the entrepreneurship programme, employment hub and adult skills framework outlined in this paper, targets for BAME and female led businesses are being written into delivery criteria.

## **6. Financial Implications**

- 6.1 There are no financial implications directly arising from this report. However, co-investment opportunities with the public and private sector are outlined within the document, and delivery of the Economic Recovery Plan will require additional financial resources, subject to prioritisation of activities.

## **7. Legal Implications**

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

## **8. Staffing Implications**

- 8.1 There are no staffing implications directly arising from this report.

## **9. External Consultees**

- 9.1 No specific or official external consultations have been undertaken in relation to this report. However, it has been informed by ongoing dialogue and consultation particularly with the West Yorkshire Economic Recovery Board and a wide range of partners, including universities and colleges, business representative and membership bodies, and direct with some individual businesses.

## **10. Recommendations**

- 10.1 That the Combined Authority notes the update on Economic Recovery in West Yorkshire.

## **11. Background Documents**

- 11.1 Draft [West Yorkshire Economic Recovery Plan](#), presented to Combined Authority on 9 September.
- 11.2 [COVID-19 Economic & Transport Insights Report](#), 17 November 2021

## **12. Appendices**

None

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**Report to:** West Yorkshire Combined Authority

**Date:** 9 December 2021

**Subject:** **State of the Region**

**Director:** Alan Reiss, Director of Strategy, Communications and Policing

**Author:** Peter Glover, Economic Evidence Manager

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this report

- 1.1 To provide an update on State of the Region, including details of published outputs, key messages and future plans.
- 1.2 To provide an opportunity for the Board to comment on future plans for State of the Region.

## 2. Information

### Background

- 2.1 State of the Region 2021 is the first annual review of the performance of West Yorkshire against key socio-economic and environmental indicators. The report is intended to provide a stocktake of where West Yorkshire currently stands, using a basket of 40 headline indicators developed as part of the Combined Authority's Strategic Economic Framework. It is designed to be a resource for all partners across West Yorkshire but will also be useful for stakeholders from outside the region, including national government. It

highlights areas of strength and positive trends in the local economy but also flags key issues and challenges that are priorities for future action.

- 2.2 The report aims to provide a balanced and objective view of performance in the region and gives some insight into the difference we are making though the combined action of all partners in West Yorkshire. It is not intended to act as an evaluation of the Combined Authority. The headline indicators are high level, strategic indicators that reflect key dimensions of performance in the West Yorkshire economy, the key areas where we would like to see change and improvement in order to support improved living standards and inclusion as set out in the SEF vision.

### **Publication and key messages**

- 2.3 State of the Region was [published](#) on 25 October 2021 and consists of the following main outputs:

- [Main report](#)
- [Executive summary](#)
- [Women and Girls report](#)
- [Interactive dashboard](#).

- 2.4 Publication was supported with a social media communications campaign and emails to key stakeholders, both regional and national.

- 2.5 The key messages from State of the Region are set out in the executive summary provided as an appendix to this paper. These include the following key points:

- Productivity is increasing in West Yorkshire but not quickly enough to make significant inroads into the gap with the UK average.
- Life expectancy in West Yorkshire remains lower than the England average. The most recent data shows a fall in life expectancy (the first drop in 20 years) due to high mortality rates (Covid-19) in 2020.
- The proportion of people with no / low qualifications in West Yorkshire is falling and the deficit with the national average narrowed in 2020.
- Per capita emissions of carbon dioxide in West Yorkshire are below the national average and are on a downward trend. The rate of reduction needs to be significantly accelerated to achieve net zero by 2038.
- Before the pandemic West Yorkshire saw a decline in trips made by car and an increase in walking but West Yorkshire is still more reliant on the car than nationally.
- Prior to the pandemic West Yorkshire was the only northern Combined Authority area to achieve a positive net fiscal balance (*net difference per head between tax generated and public sector expenditure*).

## **Future plans**

- 2.6 State of the Region will be refreshed on an annual basis. In response to feedback from stakeholders we propose to enhance State of the Region in its 2022 iteration. This would include the following improvements:
- Addition of a section to cover key indicators relating to policing and crime.
  - Increased coverage of equality and diversity issues through preparation of a dedicated mini-report, building on the approach taken to women and girls.
  - A general review of indicators to ensure coverage of all key issues. For example, an indicator relating to the vibrancy of our town and city centres has been suggested for inclusion, as has an indicator of quality of the region's housing stock. Any changes to indicators would be subject to approval by the Combined Authority and LEP Board.
- 2.7 Changes to reporting arrangements are also proposed, with State of the Region indicators becoming more closely aligned to the new Combined Authority committee structure. Under this approach the report would be restructured to reflect the remits of the seven committees and each committee would receive regular reporting against the subset of indicators relevant to its work.
- 3. Tackling the Climate Emergency Implications**
- 3.1 State of the Region includes a selection of indicators that measure West Yorkshire's performance against its climate commitments, including trends in carbon dioxide emissions and the emissions intensity of the region's economy.
- 4. Inclusive Growth Implications**
- 4.1 One of the SEF priorities is inclusive growth and State of the Region therefore includes a set of indicators that focus on various aspects of the inclusive growth agenda, including low pay, household income, skills and housing.
- 5. Equality and Diversity Implications**
- 5.1 A number of indicators in State of the Region look specifically at equality and diversity (differences in employment rates for disadvantaged groups, for example) whilst an equality and diversity lens is applied to a wide range of indicators in the report. A separate mini-report has also been produced focusing on women and girls and the plan is to produce a full equality and diversity report as part of 2022's State of the Region.
- 6. Financial Implications**
- 6.1 There are no financial implications directly arising from this report.
- 7. Legal Implications**

7.1 There are no legal implications directly arising from this report.

**8. Staffing Implications**

8.1 There are no staffing implications directly arising from this report.

**9. External Consultees**

9.1 No external consultations have been undertaken.

**10. Recommendations**

10.1 That the Combined Authority notes the publication of State of the Region and the key messages highlighted within it.

**11. Background Documents**

There are no background documents referenced in this report.

**12. Appendices**

Appendix 1 – State of the Region Executive Summary



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## State of the Region 2021 **Executive Summary**

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## Background and Context

State of the Region 2021 is the first annual review of the performance of West Yorkshire against key socio-economic and environmental indicators. It provides a stocktake using indicators developed as part of the Combined Authority's Strategic Economic Framework. As West Yorkshire takes up its devolved powers

COVID-19 has had a huge impact on all aspects of the West Yorkshire economy during 2020 and 2021, although in many cases this is not directly captured by the indicators because of issues with the timeliness of the available data and the lagging nature of annual reporting. The key implications of the crisis for progress against the priorities are considered within the report but it is not primarily intended to be an assessment of the impact of COVID-19.

**It is an opportune and appropriate time to assess the progress the region is making.**

with the direct election of its new Mayor, it is an opportune and appropriate time to assess the progress the region is making.

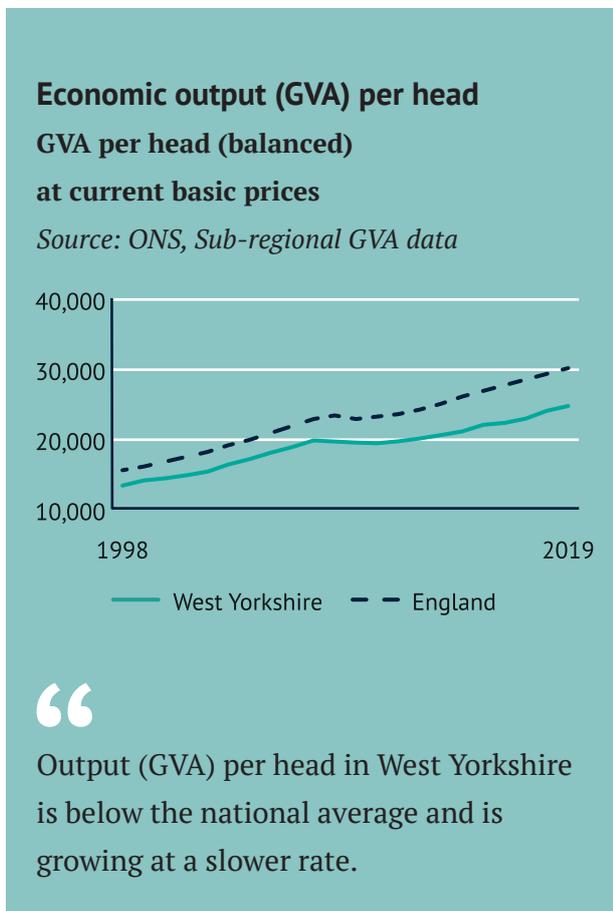




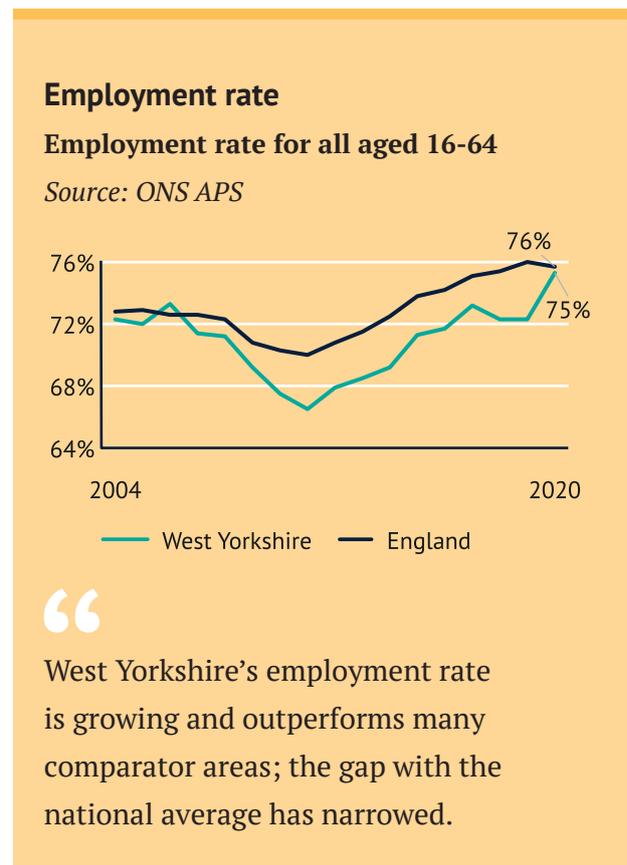
## Boosting Productivity

Helping businesses to grow, and invest in the region and their workforce, to drive economic growth, increase innovation and create jobs

West Yorkshire's **economic output** (GVA) grew at a similar rate to the UK average but the relative position on GVA per head did not improve.



The region's job creation performance has also been positive in recent years, as reflected in the upward trend in its **employment rate**. Although there is still a gap with the national average against this measure, the region compares favourably with most other Combined Authorities.



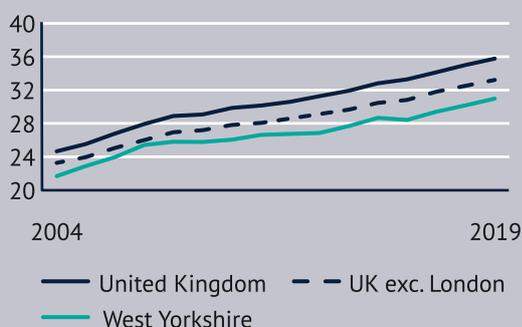
West Yorkshire's **business base** is relatively under-sized, however: it has fewer private sector businesses per head of population than the national average.

The main challenge facing West Yorkshire in this sphere is its **productivity deficit**. Although productivity is increasing in absolute terms there remains a significant gap with the UK as a whole and the gap which opened-up around the recession of 2008 has not closed significantly in recent years. This needs to be tackled if living standards in the region are to be raised.

## Productivity

### Nominal unsmoothed GVA per hour worked

Source: ONS, Sub-regional productivity data



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Productivity is increasing in West Yorkshire but not quickly enough to make significant inroads into the gap with the UK average.



The region’s underperformance on productivity can be traced to a number of factors that constrain its productive capacity. The value of **exports** is relatively low, the proportion of businesses engaging in **innovation** has remained flat in recent years and fewer people have higher level qualifications than nationally.

There are also some bright spots: for example, West Yorkshire has recorded strong growth in **exports of services** in recent years and the proportion of people with **higher level qualifications**, although still below the national average, has improved strongly.

The performance of West Yorkshire’s **local authorities** varies, across many of the indicators. Leeds performs relatively strongly on a number of the indicators, including economic output per head, employment rate, productivity (output per hour worked) and higher-level qualifications. But other local authorities can also point to positives; for example, Calderdale’s economy has seen the fastest rate of output growth of any in West Yorkshire in recent years.

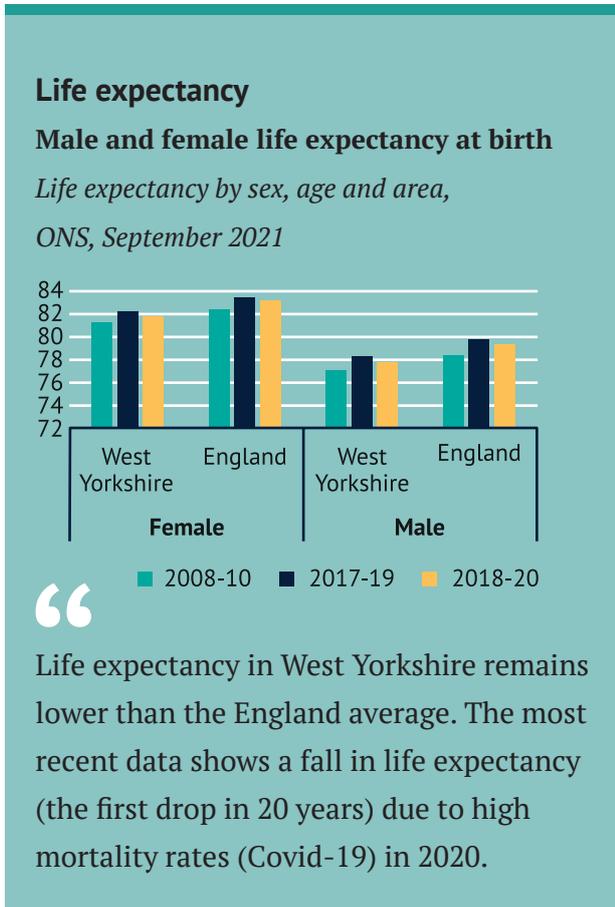
Whilst the national economy is seeing high growth at the outset of the recovery, there is uncertainty about the **long-term structural impacts of COVID-19** on the type and location of economic activity in future. For example, it is unclear whether the shift to remote working seen during the pandemic will persist in the medium to long term, while the implications of such a change for future productivity are poorly understood.



## Enabling Inclusive Growth

Enabling as many people as possible to contribute to, and benefit from, economic growth in our communities and towns, irrespective of their background

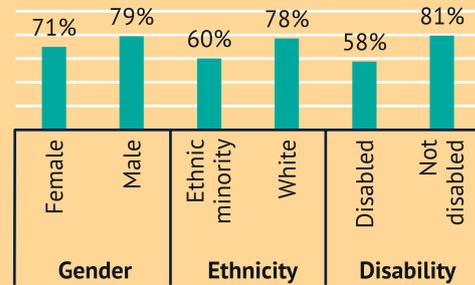
West Yorkshire underperforms against the national average in respect of many inclusive growth indicators. Perhaps more importantly, there is considerable inequality between



### Employment rate gap for disadvantaged groups

Employment rate for all aged 16-64

Source: ONS APS



“ Members of some groups are much less likely to be in employment. Prior to the pandemic there were signs that the employment rate gap was narrowing for disabled people and people from ethnic minorities but there is evidence that progress has been affected by the health crisis.

population groups and areas within the region.

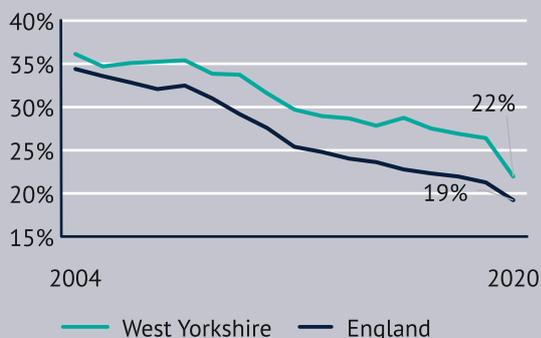
**Life expectancy**, which to a large extent reflects socio-economic conditions, is lower than the England average in West Yorkshire. In parts of the region there is acute inequality in life expectancy between the most and least deprived neighbourhoods.

## The proportion of people with no / low qualifications is falling and the deficit with the national average narrowed in 2020

Supporting good quality **employment** is a key way in which we can promote an inclusive economy. Prior to the pandemic the region was performing well in terms of getting people into work and reducing unemployment; nonetheless some groups, including disabled people, people from ethnic minorities, older people and women were less likely to be in employment.

### People with no / low qualifications Percentage of people aged 16-64 qualified below level 2 or with no qualifications

Source: ONS APS



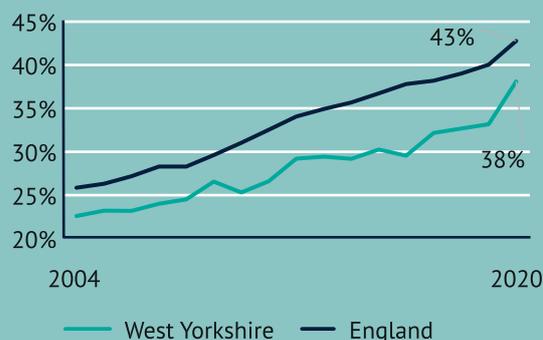
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The proportion of people with no / low qualifications is falling and the deficit with the national average narrowed in 2020.

Not all employment is of good quality. Aside from Leeds, all local authorities in the region have a relatively low proportion of people in **quality work**, based on a combination of pay, hours and preferred contractual status. Looking at pay specifically, one fifth of jobs in the region pay below the Real Living Wage – the hourly rate of pay that offers a decent standard of living.

### People qualified at level 4 and above People whose highest qualification is at Level 4 or above - all aged 16-64

Source: ONS APS



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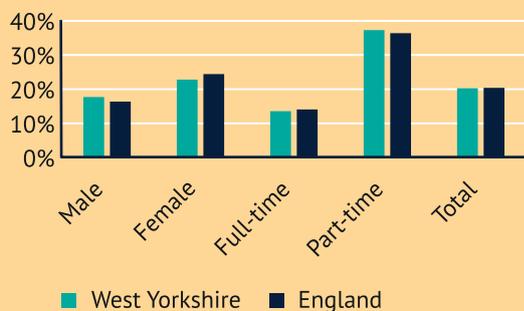
The proportion of people qualified at this level is on an upward trend in West Yorkshire but there is still a significant gap with the national average – albeit narrowing.



## Supporting good quality employment is a key way in which we can promote an inclusive economy

### Jobs paying below Real Living Wage Jobs paying below Real Living Wage by gender and status

Source: Annual Survey of Hours and Earnings, 2020



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The proportion of jobs paying below the Real Living Wage has fallen in West Yorkshire and is now on a par with the national average. Women and part-time workers are more likely to be paid below the Real Living Wage.

Access to employment and career progression to a large extent rely on people having the right **skills**. A lack of skills among the population has long been a key weakness for the region, in terms of individuals having no qualifications or being qualified at a low level. Recent improvements in performance in this area run the risk of being undermined by the negative impact of the pandemic, with a reduction in the

number of apprenticeships and an increase in the number of young people who are NEET (not in education, employment or training).

**Household incomes** in West Yorkshire are some way below the national average on a per capita basis and the gap is widening. There is a mixed picture on living standards in the region.

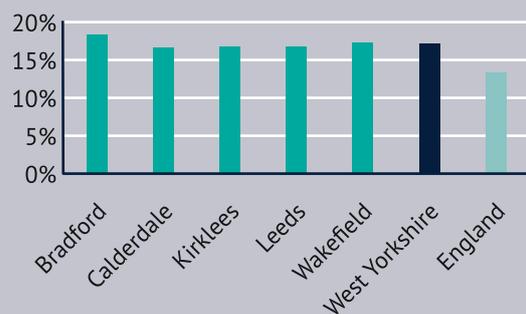
The **housing stock** is growing, **house prices** are affordable and **rents** comparatively low. But there are issues around housing quality: fuel poverty is a key challenge, for example.

There is a risk that the legacy of the **pandemic** could undermine progress and exacerbate existing disadvantage and inequalities in West Yorkshire across a range of dimensions.

### Fuel poverty

#### Proportion of households in fuel poverty, 2019

Source: Fuel poverty detailed tables, Department for Business, Energy and Industrial Strategy, 2021



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Around 169,000 households in West Yorkshire (17% of all households) are in fuel poverty, a prevalence that is above the national average (13%).

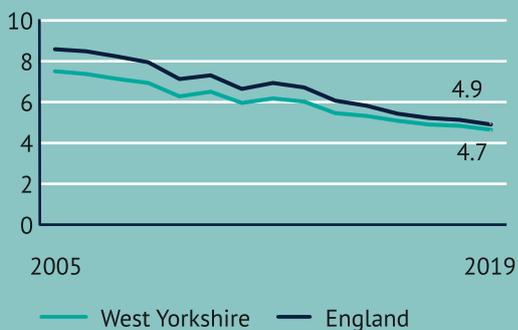


## West Yorkshire has declared a climate emergency and is committed to becoming a net zero carbon economy by 2038

### Carbon dioxide emissions

#### Per capita carbon dioxide emissions (t CO2 per head)

Source: UK local authority carbon dioxide emissions estimates 2019, Department for Business, Energy and Industrial Strategy, 2021



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Per capita emissions in West Yorkshire are below the national average and are on a downward trend. The rate of reduction needs to be accelerated to achieve net zero by 2038.

## Tackling the Climate Emergency

Growing our economy while cutting emissions and caring for our environment

West Yorkshire has declared a climate emergency and is committed to becoming a net zero carbon economy by 2038 and to making significant progress against this challenge by 2030. Net zero carbon means emissions produced and emissions taken in are balanced.

The latest data indicate that CO2 end-user **emissions** in West Yorkshire stand at around 10.8 Mt CO2. This equates to 4.7 tonnes per capita, slightly below the national average of 4.9 tonnes.

Carbon dioxide emissions have fallen less quickly in West Yorkshire than nationally over



the last decade for which we have data, but West Yorkshire's starting point was lower in per capita terms.

A continuation of current rates of **emission reduction** in West Yorkshire will not be sufficient to achieve the target of net zero by 2038. It is projected that current policies will only achieve a fraction of the further reductions required to meet the net zero target.

Over the last decade, emissions from the industry, commercial and domestic sectors of the regional economy fell substantially but **transport emissions** did not register a sustained reduction.

Carbon dioxide (CO<sub>2</sub>) **emissions intensity** measures the level of emissions per unit of gross value added (GVA) and can be used to examine the relationship between economic growth and emissions. The emissions intensity of the West Yorkshire economy, in terms of CO<sub>2</sub> emissions (kt) per £m of GVA, is slightly above the national average and is higher than most of the comparator areas. The region's emissions intensity fell by 40% between 2005 and 2019.

National data show that there was a significant fall of around 11% in the **UK's CO<sub>2</sub> emissions** in 2020, linked to the effects of the pandemic. This was manifested in a large reduction in the use of road transport and a fall in emissions from the business sector.

Buildings are responsible for almost 40% of the UK's energy consumption and carbon emissions. Improving the **energy efficiency** of properties is an important lever for reducing emissions but also for helping households to manage their

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## The region's emissions intensity fell by 40% between 2005 and 2019.

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living costs. The average Energy Performance Certificate rating for domestic properties in West Yorkshire is D (using a scale of A – most efficient to G – least efficient). This is similar to the national average but significant progress is required to meet the government's target to upgrade as many homes as possible to EPC Band C by 2035.

Providing local people with access to nature is vital to health and quality of life. Currently, just over a fifth of West Yorkshire's population have easy access to local **natural greenspace**.

**Flooding** is likely to become a more frequent occurrence as a result of climate change. Around 4% of residential properties in West Yorkshire fall within a flood zone, rising to more than 6% in Calderdale. A significant proportion of neighbourhoods in Bradford and Calderdale are acutely vulnerable to the effects of flooding.





## Delivering 21st Century Transport

Creating efficient transport infrastructure to connect our communities, making it easier to get to work, do business and connect with each other.

A key purpose of an effective transport system is to connect people to better living standards and higher earning jobs. There has been good progress against our key indicator in this area: West Yorkshire's **access inequality ratio** has improved substantially: 85% of jobs that can be reached

within 30 minutes by car from the most deprived neighbourhoods are also accessible in that time via the bus network, up from 68% in 2016/17.

The West Yorkshire Transport Strategy sets out an ambition to reduce **reliance on private car journeys** and substantially grow the number of trips made using sustainable transport. Sixty-one per cent of trips in West Yorkshire are made by car (slightly above the national average) but the car's share of total trips was falling even before the COVID-19 crisis, just as walking was increasing its share. The bus plays a vital role for those who lack access to a car but its share of trips is also falling, although it plays a more important part in the transport mix in West Yorkshire than nationally.

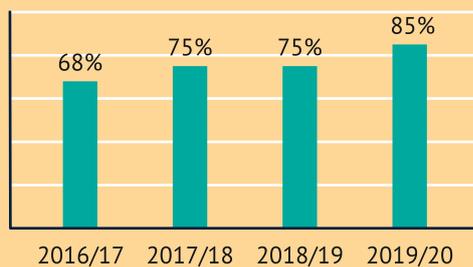
The transport system must play its part in creating clean, safe, healthy places for communities and businesses. Ensuring the safety of all users of our streets and highway network is essential to this as well as enabling people to feel confident to walk or cycle more. For the key indicator of reported **road casualties**, there is a mixed picture. The number of killed or seriously injured casualties arising from traffic accidents has fallen in West Yorkshire in recent years but is still higher than the national average relative to vehicle miles travelled.

<sup>1</sup> This is the ratio of number of jobs accessible in 30 minutes using frequent bus network from most deprived areas in West Yorkshire, to the number of jobs accessible by car in 30 minutes from same areas, during the morning peak

### Access inequality ratio

#### Access inequality ratio (employment)<sup>1</sup>

Source: Combined Authority analysis

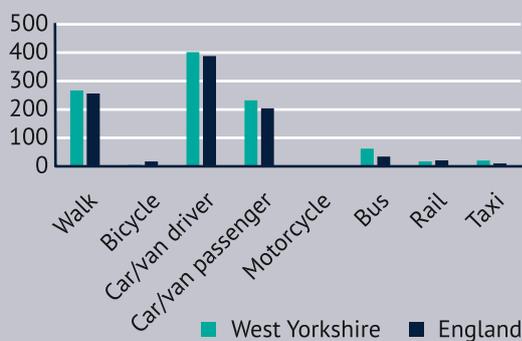


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Inequality of physical access to employment from the most deprived areas in West Yorkshire improved substantially in 2019/20

## West Yorkshire mode share

Average trips per person and year by mode  
(2017/19 average) National Travel Survey,  
Department for Transport, 2020



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Before the pandemic West Yorkshire saw a decline in trips made by car and an increase in walking but West Yorkshire is still more reliant on the car than nationally

Better planning and management of West Yorkshire’s transport networks is essential and smart ticketing products like **MCard** contribute to this. Around 18m bus trips were made using the MCard during 2019, improving the affordability, ease, and experience of bus travel in West Yorkshire. The proportion of travel tickets bought through the MCard mobile app rather than traditional outlets has increased to 35% since its introduction in 2017.

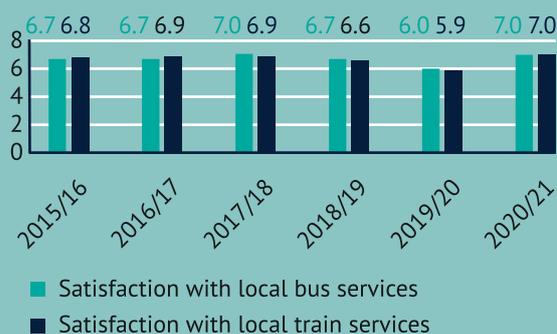
**Satisfaction with transport infrastructure,** is a key measure of performance and public perceptions. In spite of an improvement in ratings in 2020/21, public satisfaction with highway infrastructure remains relatively low, with road maintenance elements having the lowest levels of user satisfaction.

**Satisfaction with local public transport** in West Yorkshire is high, when compared with other aspects of the transport system. The level of satisfaction increased in 2020/21, despite the impact of the pandemic on the operation of the system.

It is uncertain what patterns of travel will emerge over time following the pandemic, particularly around the potential for a sustained shift to home working. There is an opportunity to consolidate the changes in travel choices seen under lockdown and support a shift away from carbon-intensive travel to sustainable modes as the economy recovers and grows, to meet the challenge of becoming a net-zero carbon city region by 2038.

## Satisfaction with public transport

**Satisfaction with bus and rail services in the region** Source: Residents’ Perceptions of Transport Survey



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Satisfaction with public transport services increased in 2020/21 in spite of the effects of the pandemic. But the broad trend over time is flat.



## Securing Money and Powers

Empowering the region by negotiating a devolution deal and successfully bidding for substantial additional funds.

Major progress has been achieved against this priority. In March 2020 the West Yorkshire Combined Authority and the Leeds City Region LEP agreed a substantial devolution deal with government to unlock significant long-term funding of at least £1.8 billion and give our region greater freedom to decide how best to meet local needs. The election of the West Yorkshire Mayor, Tracy Brabin, in May 2021 provides greater accountability in the exercise of these powers.

One of the measures of success in exercising the devolved powers will be the region's ability to grow its economy and make an increased **net contribution to HM Treasury.**

Before the pandemic West Yorkshire was making a small positive net fiscal contribution, the only Combined Authority area in the North of England with a positive net fiscal balance.

The additional public expenditure and reduced tax

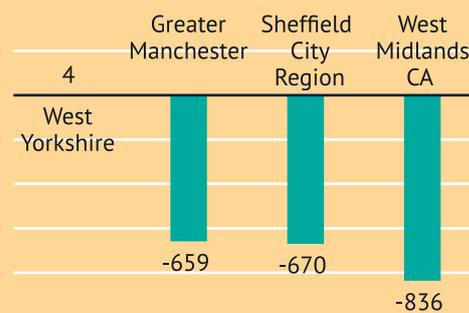


receipts associated with the pandemic will have impacted on the region's fiscal balance but the previous performance against this indicator shows that West Yorkshire has the potential to make a positive contribution in future, subject to achieving a strong economic recovery as we emerge from the pandemic.

### Net contribution of local area to exchequer

Net difference per head between tax generated and public sector expenditure, 2017/18

Source: Espresso area comparison tool, GMCA



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According to the latest (pre-pandemic) figures West Yorkshire achieved a positive net fiscal balance in 2017/18. It is the only northern Combined Authority to do this. COVID-19 will have had a significant impact on the public finances since then.

## Find out more

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**Report to:** West Yorkshire Combined Authority

**Date:** 9 December 2021

**Subject:** **Minutes for Information**

**Director:** Angela Taylor, Director of Corporate and Commercial Services

**Author:** Dominic Martin, Governance Services Officer

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

## 1. Purpose of this report

- 1.1 To provide Members with details of the minutes of committees and panels that have been published on the West Yorkshire Combined Authority’s website since the last meeting.

## 2. Information

- 2.1 The following minutes have been published on the West Yorkshire Combined Authority’s website and can be accessed [here](#):

- Business, Economy and Innovation Committee held on 18 October 2021
- Climate, Energy and Environment Committee held on 19 October 2021
- Employment and Skills Committee held on 29 October 2021
- Finance, Resources and Corporate Committee held on 3 November 2021
- Culture, Arts and Creative Industries Committee held on 10 November 2021
- Place, Regeneration and Housing Committee held on 25 November 2021
- LEP Board held on 30 November 2021

**3. Tackling the Climate Emergency Implications**

3.1 There are no implications directly arising from this report.

**4. Inclusive Growth Implications**

4.1 There are no inclusive growth implications directly arising from this report.

**5. Equality and Diversity Implications**

5.1 There are no equality and diversity implications directly arising from this report.

**6. Financial Implications**

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

**7. Legal Implications**

7.1 There are no legal implications directly arising from this report.

**8. Staffing Implications**

8.1 There are no staffing implications directly arising from this report.

**9. External Consultees**

9.1 No external consultations have been undertaken.

**10. Recommendations**

10.1 That the minutes of the Combined Authority's committees and panels be noted.

**11. Background Documents**

There are no background documents referenced in this report.

**12. Appendices**

None.