

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE AND YORK INVESTMENT COMMITTEE
HELD ON WEDNESDAY, 4 JULY 2018 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Barry Collins (Acting Chair)	Calderdale Council
Councillor Ian Gillies	City of York Council
Councillor Denise Jeffery	Wakefield Council
Councillor Richard Lewis	Leeds City Council
Councillor Peter McBride	Kirklees Council
Councillor Alex Ross-Shaw	Bradford Council

In attendance:

Councillor Eric Firth	Kirklees Council
Councillor Kim Groves	Leeds City Council
Melanie Corcoran	West Yorkshire Combined Authority
Rachel Jones	West Yorkshire Combined Authority
Polly Hutton	West Yorkshire Combined Authority
Fiona Limb	West Yorkshire Combined Authority
Andrew Norman	West Yorkshire Combined Authority
Khaled Berroum	West Yorkshire Combined Authority

1. Apologies for Absence

Apologies for absence were received from Councillor Peter Box and Roger Marsh.

2. Chair of Meeting

Resolved: That Councillor Barry Collins chair the meeting in the absence of the Chair and Deputy Chair.

3. Declarations of Disclosable Pecuniary Interests

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

4. 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 7 to Agenda Item 7 and Appendix 1 to Agenda Item 9 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.

5. Minutes of the Meeting of the West Yorkshire and York Investment Committee held on 5 June 2018

Resolved: That the minutes of the West Yorkshire & York Investment Committee held on 5 June 2018 be approved and signed by the Chair.

6. Governance Arrangements

The Committee considered a report on governance arrangements in respect of the following:

- To note the revised terms of reference for the West Yorkshire and York Investment Committee, and the appointment of the Chair and Deputy Chair of this Committee.
- To appoint an advisory sub-committee of the West Yorkshire and York Investment Committee, the Business Investment Panel, its members and a Chair and Deputy Chair.

At its annual meeting on 28 June 2018, the Combined Authority appointed Councillor Peter Box as Chair of the Committee and Roger Marsh as Deputy Chair. They had also considered the terms of reference which were attached at Appendix 1 to the submitted report.

The Committee considered the appointment of the Business Investment Panel as an advisory sub-committee and the proposed terms of reference and membership which were attached at Appendices 2 and 3.

Resolved:

- (i) That the terms of reference for the West Yorkshire and York Investment Committee attached as Appendix 1 to the submitted report be noted.
- (ii) That the appointments made by the Combined Authority of the Chair and Deputy Chair of the West Yorkshire and York Investment Committee be noted.
- (iii) That the West Yorkshire and York Investment Committee appoints the Business Investment Panel on the terms of reference set out in Appendix 2 to the submitted report, with a quorum of 4 voting members, to include:
 - 1 member of the Combined Authority or local authority co-optee, and

- 1 private sector representative.
- (iv) That the West Yorkshire and York Investment Committee appoints to the Business Investment Panel, members of the Combined Authority as set out in Appendix 3 to the submitted report in accordance with Section 17 Local Government and Housing Act 1989, and other voting members to the Panel as set out in Appendix 3.
- (v) That the West Yorkshire and York Investment Committee appoints:
- Councillor Blake as Chair of the Business Investment Panel, and
 - a Deputy Chair for the Business Investment Panel.
- (vi) That the dates of Business Investment Panel meetings set out in the calendar of meetings approved by the Combined Authority at the Annual Meeting be noted.

7. Capital Programme Update

The Committee considered a report on progress made on the implementation of the West Yorkshire Combined Authority's capital programme.

The report set out performance in relation the capital programme for 2018/19 and focussed on key issues and activity relating to the Growth Deal and the Leeds Public Transport Investment Programme (LPTIP).

Members noted the forecast spend across each Growth Deal priority in 2018/19 which was detailed in Table 2 of the submitted report. The profiled annual expenditure for the programme across its six years was attached at Appendix 1 and the Growth Deal dashboards at Appendices 2 and 3.

The Committee discussed proposals to revise the reporting of Growth Deal RAG ratings which were outlined in the submitted report. It was reported that a requirement of the Cities and Local Growth Unit (CLoG) was that all Growth Deal projects are rated in accordance with the Government RAG rating criteria which was attached at Appendix 4. It was noted that all projects are RAG rated using criteria previously agreed by the Investment Committee and it was proposed that both RAG ratings be reported to future meetings. It was also agreed that the in-year RAG rating be formalised and the proposed revised RAG rating was attached at Appendix 5.

Resolved:

- (i) That the progress made in implementing the Combined Authority Capital Programme be noted.
- (ii) That the Investment Committee agrees to recommend the proposed revision of the Growth Deal RAG rating to include an overall RAG rating as detailed in Appendix 4 and an in-year RAG detailed in Appendix 5.

8. Capital Spending and Project Approvals

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

Members discussed the proposals for the progress of the following four schemes which were detailed in the submitted report:

- Rochdale Canal – Cycle Safety Fund
- Corridor Improvement Programme – A58/A672
- Corridor Improvement Programme – A646/A6033
- Beech Hill (Phase 1a and 1b) Halifax

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

- Forge Lane/Dewsbury Riverside
- Kirklees Housing project
- Bradford One City Park
- Halifax Station Gateway

It was noted that the change request in respect of the Forge Lane/Dewsbury Riverside scheme had also resulted in a recommendation for a decision point 2 (case paper) approval which was also considered as part of the report.

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

- LEP Loan 318 – Canal Road Urban Village Ltd (CRUVL), New Bolton Woods
- LEP Loan 308 (incl 319) – Citu Bridge
- Tackling fuel poverty
- Bus Hotspots

Summaries of the schemes' business cases were attached as Appendices 2-8 of the submitted report.

Resolved:

- (i) In respect of Rochdale Canal - Cycle Safety Fund - Canal Towpath Improvement Phase 2 - Hebden Bridge to Todmorden, the Investment Committee recommends to the Combined Authority:
 - (a) That the Rochdale Canal Towpath Improvement project proceeds through decision point 2 and work commences on activity 4 (full business case)

- (b) That an indicative approval is given to the total project value of £1.553 million and the Combined Authority funding contribution of £1.473 million (from the Department for Transport – Cycle Safety Grant fund) with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs). The remainder will be funded by £80,000 from Calderdale Council,
 - (c) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report including at decision points 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by either Investment Committee or the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (ii) In respect of Corridor Improvement Programme - A58/A672, the Investment Committee recommends to the Combined Authority:
 - (a) That the Corridor Improvements Programme scheme - A58/A672 proceeds through decision point 3 and work commences on activity 4 (full business case)
 - (b) That an indicative approval to the total project value of £6.024 million is given to be funded from the West Yorkshire plus Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (c) That the development costs of £706,665 are approved in order to progress the scheme to decision point 4 (full business case), and that the Combined Authority issue an addendum to the existing Funding Agreement with Calderdale Council for expenditure of up to £706,665 from the West Yorkshire plus Transport Fund taking the total approval to £941,665.
 - (d) That future approvals are made in accordance with the approval pathway and approval route set out in the submitted report, to include at decision points 4 and 5 through a delegation to the Combined Authority's Managing Director. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (iii) In respect of the Corridor Improvement Programme - A646/6033 Calderdale, the Investment Committee recommends to the Combined Authority:
 - (a) That the Corridor Improvements Programme scheme - A646/6033 proceeds through decision point 3 and work commences on Activity 4 (full business case).
 - (b) That an indicative approval to the total project value of £5.092

million is given to be funded from the West Yorkshire plus Transport Fund with full approval to spend being granted once the scheme has progressed through the Assurance Process to decision point 5 (full business case with finalised costs)

- (c) That the development costs of £594,581 are approved in order to progress the scheme to decision point 4 (full business case), and that the Combined Authority issue an addendum to the existing Funding Agreement with Calderdale Council for expenditure of up to £594,581 from the West Yorkshire plus Transport Fund taking the total approval to £789,581.
 - (d) That future approvals are made in accordance with the approval pathway and approval route set out in the submitted report, to include at decision points 4 and 5 through a delegation to the Combined Authority's Managing Director. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (iv) In respect of Beech Hill, Halifax, the Investment Committee recommends to Combined Authority:
- (a) That the Beech Hill project (phase 1a) proceeds through decision point 5 and work commences on activity 6 (delivery).
 - (b) That the Beech Hill project (phase 1b) proceeds through decision point 2 and work commences on activity 4 (full business case) through the provision of an updated business case for both phases 1a and 1b.
 - (c) That indicative approval is given to the total revised Combined Authority funding requirement of £2.197 million, to be funded from the Local Growth Fund. Phase 1b total forecast cost of £797,000 to be funded from over-programming against the Local Growth Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (d) That approval is given for expenditure of up to £1.4 million for Phase 1a of the project to be funded from the Combined Authority's Local Growth Deal and that the Combined Authority enter into a Funding Agreement with Calderdale Council for expenditure up to £1.4 million.
 - (e) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report to include for Phase 1b at decision points 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (v) In respect of Forge Lane / Dewsbury Riverside, the Investment

Committee recommends to the Combined Authority:

- (a) That the change request is approved to omit the Forge Lane site from the Growth Deal Priority 4a programme and that this site is substituted with the Dewsbury Riverside site with an indicative allocation of a grant from the Local Growth Fund to the value specified in the exempt Appendix, with full approval to spend being granted once the scheme has progressed through the Assurance Process to decision point 5 (full business case with finalised costs)
 - (b) That the Dewsbury Riverside project proceeds through decision point 2 and work commences on activity 4 (full business case).
 - (c) That the funding support to the Dewsbury Riverside site is provided in the form of a grant to the value specified in the exempt Appendix, rather than a loan as previously approved for the Forge Lane site.
 - (d) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report, including at decision point 5, following a recommendation by the Combined Authority's programme appraisal team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (vi) In respect of Kirklees Housing, the Investment Committee recommends to the Combined Authority:
- (a) That the change request to the Kirklees Housing project is approved to reduce the Local Growth Fund funding for Phase 1 (Ashbrow Housing and Soothill Housing Sites) to £700,000.
 - (b) That the change request is approved to omit the Stile Common site from the project and that this site is substituted with the Waterfront site (Phase 2) with an indicative allocation for a £300,000 loan from the Local Growth Fund, subject to Phase 2 being brought back through the assurance process in the form of an expression of interest and considered by Investment Committee and the Combined Authority at decision point 2 (case paper)
 - (c) That the Combined Authority enters into an addendum to the existing loan agreement with Kirklees Council to reflect the change request.
 - (d) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (vii) In respect of One City Park, Bradford, the Investment Committee

recommends to the Combined Authority:

- (a) That the change request to the One City Park project is approved to extension to the project timescales and that the project should reconfirm its business case as part of undertaking activity 5 (full business case with finalised costs).
 - (b) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report, including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (viii) In respect of Halifax Station Gateway, the Investment Committee recommends to the Combined Authority:
- (a) That the change request to the Halifax Station Gateway project of £793,000 additional development funds is approved. This takes the total approved development funds to £1.108 million.
 - (b) That the Combined Authority enters into a £793,000 addendum to the existing funding agreement with Calderdale Council for expenditure of up to £1.108 million from the West Yorkshire plus Transport Fund.
 - (c) That future approvals are made in accordance with the Approval Pathway and Approval Route outlined in the submitted report including at decision points 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

9. European Structural and Investment Funds (ESIF) - Sustainable Urban Development (SUD) Update

The Committee considered a report which provided an update on progress made on the implementation of the European Structural and Investment Funds (ESIF) – Sustainable Urban Development (SUD).

Members were updated on the current status of the four projects which had been selected by the Combined Authority to progress to full applications for SUD as part of the ESIF Programme and the one project placed on the reserve list. It was reported that following submission of full applications, two projects had been deemed ineligible by the Managing Authority (the Ministry of Housing, Communities and Local Government – MHCLG) under the EU Regulations and a third project had been withdrawn. This left one project which had submitted a full application and the reserve project which was now progressing to full application. A new Call had therefore been published by the Managing Authority with a closing date of 27 July 2018.

It was noted that MHCLG as Managing Authority for the funds, is responsible for the issuing of Funding Agreements, paying projects and general contract management. All finances go directly through MHCLG's accounts, not the Combined Authority's.

Resolved: That the progress made in implementing the ESIF SUD strategy be noted.

10. Kirklees College Update

The Committee considered a report in respect of Kirklees College.

Members noted the update on the current status of the Dewsbury Learning Quarter Skills Capital Project which was outlined in the submitted report. It was noted that the project consisted of two elements, a new build Springfield Centre and Pioneer House, which includes extensive landlord works by Kirklees Council followed by fit out from Kirklees College.

Consideration was given to the 'intention' to release monies from the Combined Authority held escrow account for the immediate completion of the Springfield Centre and thereafter for works at Pioneer House. This would ensure that Springfield Centre will complete by 2018 and the outputs associated with the centre will be realised. It was noted that there are no direct financial implications on the Combined Authority's budget and the Committee considered the details which were attached at exempt Appendix 1.

Resolved: That the Investment Committee recommends to the Combined Authority the intention to release monies through delegation to the Combined Authority's Managing Director from the Combined Authority escrow account for the immediate completion of the Springfield Centre and thereafter for works at Pioneer House, as detailed in exempt Appendix 1 to the submitted report.