

WEST YORKSHIRE COMBINED AUTHORITY

**MEETING TO BE HELD AT 11.00 AM ON THURSDAY, 2 AUGUST 2018
IN COMMITTEE ROOM A, WELLINGTON HOUSE, 40-50 WELLINGTON
STREET, LEEDS**

A G E N D A

Please note that this meeting will be filmed for live or subsequent broadcast via the Combined Authority's internet site. At the start of the meeting the Chair will confirm if all or part of the meeting is being filmed. Generally the public seating areas will not be filmed; however by entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting. 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 Appendices 7 and 10 to Agenda Item 8 and Appendix 1 to Agenda Item 13 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 report.
 2. To consider whether or not to accept the officers' recommendations in respect of the above information as set out in paragraph 5.2 of Agenda Item 8 and paragraph 5.2 of Agenda Item 13.
 3. If the recommendations are accepted, to formally pass the following resolution:-

RESOLVED –

- (a) 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 Appendices 7 and 10 to Agenda Item 8 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.
- (b) That in accordance with paragraph 5 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 13 on the grounds that it contains legally privileged information and if members of the press and public were present there would be disclosure to them of exempt information. It is considered that the public interest in maintaining the content of the appendix as exempt outweighs the public interest in disclosing the information as publication could prejudice legal proceedings.

4. MINUTES OF THE MEETING OF THE COMBINED AUTHORITY HELD ON 28 JUNE 2018

(Pages 1 - 26)

For Decision

5. GOVERNANCE ARRANGEMENTS

(Member lead: Cllr S Hinchcliffe, Director: Angela Taylor)

(Pages 27 - 34)

6. RAIL PERFORMANCE AND GOVERNANCE

(Member lead: Cllr J Blake, Director: Dave Pearson)

Representatives from Network Rail and Northern will attend for this item.

(Pages 35 - 44)

7. DEVOLUTION AND THE REVIEW OF LOCAL ENTERPRISE PARTNERSHIPS

(Member lead: Cllr S Hinchcliffe, Director: Liz Hunter)

(Pages 45 - 56)

8. CAPITAL SPENDING AND PROJECT APPROVALS

(Member lead: Cllr P Box, Director: Melanie Corcoran)

(Pages 57 - 154)

9. CHANNEL 4 NATIONAL HQ

(Member lead: Cllr J Blake, Director: Sue Cooke)

(Pages 155 - 156)

10. MEDIUM TERM FINANCIAL STRATEGY AND BUDGET 2019/20

(Member lead: Cllr S Hinchcliffe, Director: Angela Taylor)

(Pages 157 - 166)

11. CORPORATE PLANNING & PERFORMANCE

(Member lead: Cllr S Hinchcliffe, Director: Angela Taylor)

(Pages 167 - 176)

12. APPOINTMENT OF DIRECTOR OF POLICY, STRATEGY AND COMMUNICATIONS

(Member lead: Cllr S Hinchcliffe, Director: Ben Still)

(Pages 177 - 186)

13. LEGAL CLAIM IN RESPECT OF COMBINED AUTHORITY LOANS

(Member lead: Cllr S Hinchcliffe, Director: Angela Taylor)

(Pages 187 - 194)

For Information

14. MINUTES FOR INFORMATION

(a) DRAFT MINUTES OF THE WEST YORKSHIRE AND YORK INVESTMENT COMMITTEE HELD ON 4 JULY 2018

(Pages 195 - 204)

(b) DRAFT MINUTES OF THE TRANSPORT COMMITTEE HELD ON 6 JULY 2018

(Pages 205 - 212)

Signed:



**Managing Director
West Yorkshire Combined Authority**

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**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY, 28 JUNE 2018 AT COMMITTEE ROOM A -
WELLINGTON HOUSE, LEEDS**

Present:

Councillor Susan Hinchcliffe (Chair)	Bradford Council
Councillor Peter Box CBE	Wakefield Council
Councillor Stewart Golton	Leeds City Council
Councillor David Hall	Kirklees Council
Councillor James Lewis (Substitute)	Leeds City Council
Roger Marsh OBE	Leeds City Region Enterprise Partnership
Councillor Shabir Pandor	Kirklees Council
Councillor John Pennington	Bradford Council
Councillor Andrew Waller	City of York Council
Councillor Barry Collins (Substitute)	Calderdale Council

In attendance:

Councillor Kim Groves	Incoming Chair, Transport Committee
Councillor Keith Wakefield OBE	Outgoing Chair, Transport Committee
Ben Still	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Ruth Chaplin	West Yorkshire Combined Authority

1. Membership of the West Yorkshire Combined Authority

The Combined Authority considered a report of the Director of Resources in respect of the following:

- The appointment of members and substitute members to the West Yorkshire Combined Authority (the Combined Authority), by the constituent councils (West Yorkshire councils) and the non-constituent council (the City of York Council).
- The appointment of the Leeds City Region Local Enterprise Partnership Combined Authority Member ('the LEP Member') and substitute LEP Member to the Combined Authority.
- Granting of voting rights to the Combined Authority Member appointed by the non-constituent council (the City of York Council) and to the LEP Member, and their substitutes.

Resolved:

- (a) That the members of the Combined Authority and their substitutes appointed by the constituent councils and the non-constituent council (the City of York Council) as set out in the appendix to the report be noted.
- (b) That Roger Marsh be appointed as the LEP Member of the Combined Authority and Bob Cryan as substitute LEP Member, to act in the absence of the LEP Member.
- (c) That the LEP Member and the member of the Combined Authority appointed by the non-constituent council (City of York Council) may vote at any meetings of the Combined Authority (including any committee or sub-committee to which those members are appointed) on any decision, subject to the following exceptions:-
 - Budget and levy setting.
 - The adoption of any implementation plans appended to the West Yorkshire Transport Strategy 2040 which relate specifically to the combined area (that is, West Yorkshire).
- (d) That the substitutes for the LEP Member and the member of the Combined Authority appointed by the non-constituent council (City of York Council) may exercise the voting rights granted to the LEP Member and the member of the Combined Authority appointed by the non-constituent council (the City of York Council) when acting in the absence of their respective member.

2. Appointment of the Chair and Vice Chair

Members were asked to consider nominations for the positions of Chair and Vice Chair of the West Yorkshire Combined Authority (Combined Authority) for the municipal year 2017/18.

Councillor Susan Hinchcliffe was proposed and seconded for the position of Chair and Councillor Tim Swift was proposed and seconded for the position of Vice Chair.

Resolved:

- (a) That Councillor Susan Hinchcliffe be appointed as Chair of the Combined Authority.
- (b) That Councillor Tim Swift be appointed as Vice Chair of the Combined Authority.

3. Apologies for Absence

Apologies for absence were received from Councillors Judith Blake and Tim Swift.

4. Declarations of Disclosable Pecuniary Interests

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

5. 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 9 to Agenda Item 16 and Appendices 1,2,3,4 and 5 to Agenda Item 20 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.

6. Minutes of the Meeting of the Combined Authority held on 10 May 2018

Further to minute 134, draft minutes of the Transport Committee held on 16 March 2018, members discussed rail performance issues in the north following the timetable changes in May 2018.

It was reported that Northern had introduced an emergency timetable which would run until the end of July. The Combined Authority expressed their deep concern about the severe effect the disruptions were having on their constituents and the economy and asked what steps were being taken to ensure people would be compensated, and actions to avoid this happening again.

Members were advised that rail performance was one of the issues being discussed at a meeting of the Transport for the North (TfN) where the Combined Authority's concerns would be raised by Councillor Judith Blake who was their representative on the TfN Members' Board. Members stressed that the situation must continue to be monitored by the Combined Authority and Transport Committee, in particular that the Combined Authority continue to press TfN for a full compensation arrangement for passengers, and that details of compensation be widely communicated.

It was noted that Councillor Blake was also leading a review with Jo Johnson, Minister of State for Transport, on the lessons to be learnt in respect of the timetable issues and the findings and recommendations would be reported to a future meeting.

Resolved: That the minutes of the meeting of the West Yorkshire Combined Authority held on 10 May 2018 be approved and signed by the Chair.

7. Announcements

The Chair paid tribute to Councillor Keith Wakefield who as former Leader of Leeds City Council, had been instrumental in establishing the Combined Authority and since 2015, as Chair of the Transport Committee.

In response Councillor Wakefield thanked members and officers of the Combined Authority for their support over the last 4 years and said he looked forward to continuing to be involved in a constructive role in employment and skills.

Members also welcomed Councillors Shabir Pandor and Stewart Golton who had previously been substitute members of the Combined Authority and Councillor Kim Groves who was the new Chair of the Transport Committee.

8. Committee Arrangements and Appointments

The Combined Authority considered a report of the Director of Resources in respect of committee arrangements and appointments:

- To appoint committees of the West Yorkshire Combined Authority (the Combined Authority).
- To appoint or co-opt members onto the Combined Authority's committees.
- To appoint the Chairs and Deputy Chairs of the Combined Authority's committees.
- To grant voting rights to some members of the Combined Authority's committees.
- To confirm the continuing appointment of Independent Persons.

The Chair thanked Roger Marsh who was stepping down as Chair of the Governance and Audit Committee and advised the meeting that the independent member, Andy Clayton, would take on the role. The Chair of the Inclusive Growth and Public Policy Panel would be Councillor Pandor and Councillor Swift would be Chair of the Place Panel.

Resolved:

- (a) That, in relation to appointment of committees –
- (i) That the following statutory committees be appointed on the terms of reference set out in the relevant Appendix attached to the submitted report:
- Governance and Audit Committee (Appendix 1)
 - Overview and Scrutiny Committee (Appendix 2)
- (ii) That the following committees be appointed, on the terms of reference set out in the relevant Appendix attached to the submitted report:
- Transport Committee (Appendix 3)
 - West Yorkshire and York Investment Committee (Appendix 4)
 - Leeds City Region Partnership Committee (Appendix 5)

- (iii) That the following advisory panels be appointed as advisory committees which also report to the LEP Board, on the terms of reference set out in the relevant Appendix attached to the submitted report:
- Business Innovation and Growth Panel (Appendix 6)
 - Employment and Skills Panel (Appendix 7)
 - Green Economy Panel (Appendix 8)
 - Inclusive Growth and Public Policy Panel (Appendix 9)
 - Place Panel (Appendix 10)
- (b) That, in relation to the appointment of committee members –
- (i) That in accordance with Section 17 Local Government and Housing Act 1989 the Combined Authority appoint the following of its members to:
- The Transport Committee and the West Yorkshire and York Investment Committee, as set out in Appendix 11 to the submitted report.
 - The Leeds City Region Partnership Committee as follows:
 - each of the 5 Combined Authority Members singly appointed by each constituent council; and
 - the member of the Combined Authority appointed by the non-constituent council (the City of York Council).
 - The Business Innovation and Growth Panel, Employment and Skills Panel, Green Economy Panel, Inclusive Growth and Public Policy Panel and the Place Panel as set out in Appendix 12 of the submitted report.
- (ii) That the Combined Authority appoints its members to the Governance and Audit Committee, as set out in Appendix 11 to the submitted report, together with Andy Clayton as an independent member of the Governance and Audit Committee.
- (iii) That the Combined Authority appoints members and substitutes to the Overview and Scrutiny Committee as set out in Appendix 11 of the submitted report.
- (iv) That the Combined Authority co-opts members to:
- the Transport Committee as set out in Appendix 11;
 - the West Yorkshire and York Investment Committee as set out in paragraph 2 of the submitted report;
 - the advisory panels as set out in Appendix 12;

- the Leeds City Region Partnership Committee as set out in paragraph 2 of the submitted report, including a substitute for each member as set out in the submitted report.
- (c) That, in relation to voting rights for committee members, (in addition to each member of the Combined Authority on any relevant committee exercising one vote) –
- (i) It be noted that each member of a constituent council appointed to the Overview and Scrutiny Committee has one vote (and resolves that this may be exercised in their absence by their substitute).
 - (ii) That each member of the City of York Council co-opted to the Overview and Scrutiny Committee shall be a voting member of that committee (and of any sub-committee to which they may be appointed by that committee) and resolves that any such vote may be exercised in their absence by their substitute.
 - (iii) That the independent member of the Governance and Audit Committee will be a voting member of that committee.
 - (iv) That all co-opted members of the Leeds City Region Partnership Committee shall be voting members of that committee and resolves that a vote may be exercised by their absence by their substitute.
 - (v) That any constituent council member co-opted to the Transport Committee shall be a voting member of that committee (and of any sub-committee to which they may be appointed by that committee).
 - (vi) That any constituent council member of member of the City of York Council on the West Yorkshire and York Investment Committee shall be a voting member of that committee (and of any sub-committee to which they may be appointed by that committee).
 - (vii) That each of the following members appointed to the advisory panels set out in Appendix 12 shall be a voting member:
 - each member co-opted from a local authority; and
 - each private sector representative.
- (d) That the Combined Authority appoints:
- Chairs and Deputy Chairs to committees, as set out in paragraph 2.8 of the submitted report for the Leeds City Region Partnership Committee, and Appendices 11 and 12 in respect of other committees and panels; and

- the leader of the opposition position on Transport Committee, as set out in Appendix 11.
- (e) That Ian Brown and Carolyn Lord continue as Independent Persons available to act in relation to complaints concerning allegations of a breach of the Combined Authority's Members' Code of Conduct on the existing terms for remuneration, until the Combined Authority's annual meeting in 2019.

9. Representation on Outside Bodies

The Combined Authority considered a report of the Director of Resources regarding Combined Authority representation on outside bodies.

It was noted that a nomination to the Rail North Committee would be considered at the next meeting.

Resolved: That the appointments to the outside bodies for the municipal year 2018/19 as detailed in Appendix 1 to the submitted report be approved.

10. Governance Arrangements

The Combined Authority considered a report of the Director of Resources in respect of amendments to the Combined Authority's Standing Orders and related governance documents:

Resolved:

- (a) That the following Standing Orders as attached in the relevant appendices to the submitted report be approved:
- Procedure Standing Orders – Appendix 1
 - Access to Information Annex to Procedure Standing Orders – Appendix 2
 - Code of Practice for recording meetings – Appendix 3
 - Scrutiny Standing Orders – Appendix 4
 - Contracts Standing Orders – Appendix 5
 - Financial Regulations – Appendix 6
- (b) That the Members' Code of Conduct attached as Appendix 7 and the Procedure for Considering Complaints against Members attached at Appendix 8 to the submitted report be approved.

11. Corporate Governance Code and Framework

The Combined Authority considered a report of the Director of Resources in respect of a revised Corporate Governance Code and Framework and the Annual Governance Statement for inclusion in the annual statutory accounts.

Resolved:

- (a) That the revised Corporate Governance Code and Framework be approved.
- (b) That the Annual Governance Statement be endorsed.

12. Members' Allowances Scheme

The Combined Authority considered a report of the Director of Resources in respect of the Members' Allowances Scheme.

Resolved: That the Members' Allowances Scheme, attached as Appendix 1 to the submitted report, be adopted for the municipal year 2018/19.

13. Officer Delegation Scheme

The Combined Authority considered a report of the Director of Resources in respect of the Combined Authority's Officer Delegation Scheme.

Resolved: That the Officer Delegation Scheme, attached as Appendix 1 to the submitted report, be approved.

14. Calendar of Meetings 2018/19

The Combined Authority considered a report of the Director of Resources setting out a proposed calendar of meetings for 2018/19.

Resolved:

- (a) That the dates of meetings for the LEP Board as agreed by the LEP Board at its annual meeting be noted.
- (b) That the calendar of meetings of the Combined Authority, its committees and sub-committees for 2018/19 as detailed in Appendix 1 to the submitted report be approved.

15. Capital Spending and Project Approvals

The Combined Authority considered a report of the Director of Delivery on the progression and funding for the following schemes through the Combined Authority's assurance process:

- Land Release Fund
- Leeds Integrated Station Masterplan
- Northgate House, Halifax
- Real Time Bus Information
- Ultra Low Emissions Vehicles (ULEV) taxi scheme

Details of the five schemes were provided in the submitted report and it was noted that these had been considered and recommended by the Investment

Committee for approval. In respect of real time bus information, it was reported that the Investment Committee had asked that consideration be given to rolling the scheme out across West Yorkshire if funding could be secured.

The Combined Authority also considered the following schemes which have had change requests which have been assessed in the line with the Combined Authority's Assurance Process and also been considered and recommended by the Investment Committee for approval:

- Harrogate Road New Line – junction improvement
- A65-A658 airport link road project

Consideration was also given to additional expenditure for Highways Maintenance Incentive funding and the Strategic Cycle Network project which was detailed in the submitted report.

Resolved:

(a) In respect of the Land Release Fund (LRF)

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Land Release Fund (LRF) project proceeds through decision point 2 and work commences on activity 6 – delivery.
- (ii) That an approval to the total project value of £662,125 is given from the OPE Capital Grant fund with full approval to spend granted.
- (iii) That delivery costs of £662,000 are approved in order to progress the scheme to activity 6 – delivery, taking the total project approval to £662,125.
- (iv) That the Combined Authority enter into a funding agreement with Craven, Wakefield, Leeds and Selby Councils for expenditure of up to £493,750, £18,750, £130,875 and £18,750 respectively from the OPE Capital Grant Fund.
- (v) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the report.

(b) In respect of the Leeds Integrated Station Masterplan (LISM) project –

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Leeds Integrated Station Masterplan project proceeds through decision point 2 and work commences on activity 3 (outline business case).
- (ii) That an indicative approval to the total project value of £6.32 million of which £5 million will be funded by the Combined Authority (to be funded from the Leeds Public Transport Investment Programme (LPTIP)), £320,000 from the LCR HS2 Growth Strategy and West Yorkshire plus Transport Fund and £1 million match funding from Network Rail, 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).
- (iii) That development costs of up to £1 million are approved in order to progress the scheme to decision point 3 (outline business case).
- (iv) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report including at decision point 3 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.

(c) In respect of Northgate House, Halifax -

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Northgate House project proceeds through decision point 2 and work commences on activity 4 (full business case).
- (ii) That an indicative approval from the Combined Authority of £3 million from the Local Growth Fund (previously a £1.3 million loan) is given 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 total project value is £11.87 million.

(Note - £300,000 of this £3 million has already been paid to Calderdale Council as a loan).

- (iii) That approval be given to amend the terms of the funding agreement from an interest free loan to grant funding.
- (iv) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report which includes a Combined Authority approval at decision point 4 and at decision point 5 through a delegation to Combined Authority's Managing Director following a recommendation by Combined Authority's Programme

Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

(d) In respect of Real Time Bus Information -

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Real Time project proceeds through decision point 3 (outline business case) and work starts on activity 5 (full business case with finalised costs).
- (ii) That approval to the total indicative project value of £7.2 million from the LPTIP is given 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).
- (iii) That approval be given for development costs of £1.74 million for the purchase and installation of the first 490 units and bus shelters with existing power supply along the core network (£1.64 million) and for funding a project manager (£100,000).
- (iv) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report including at decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

(e) In respect of the Ultra Low Emissions Vehicles (ULEV) taxi scheme -

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the ULEV Taxi Scheme project proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
- (ii) That an indicative approval to the Combined Authority's contribution of £3.18 million which will be funded through £1.2 million from the LTP fund and £1.98 million from the OLEV grant is given 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).
- (iii) That approval be given to the additional £200,000 development costs to allow advance site preparation tasks to commence, taking the total development costs for the project to £380,000.

- (iv) 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.
- (f) In respect of Harrogate Road - New Line – junction improvement -
- That following a recommendation from the Investment Committee, the Combined Authority approves:
- (i) That the change request to the Harrogate Road New Line Junction Improvement project to increase the indicative approval to the Combined Authority's contribution to £6.765 million, which will be funded from the Transport Fund and is given 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 total project value is £8.691 million (£6.765 million plus £1.926 million Bradford council section 106 monies) is approved.
 - (ii) That the change request to the Harrogate Road New Line – Junction Improvement project to additional development costs of £585,000 in order to progress the scheme to decision point 5 (full business case with finalised costs) is approved.
 - (iii) That the Combined Authority enters into an addendum of £585,000 to the existing funding agreement with the City of Bradford for expenditure of up to £1.885 million from the Transport Fund.
 - (iv) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report including at decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (g) In respect of the A65-A658 airport link road project -
- That following a recommendation from the Investment Committee, the Combined Authority approves:
- (i) That the Change Request to A65-A658 airport link road project for additional development costs of £975,000 are approved in order to progress the scheme to decision point 3 (outline business case), taking the total project approval to £1.785

million. This will be funded from the West Yorkshire plus Transport Fund.

- (ii) That the Combined Authority enter into an addendum for £975,000 to the existing funding agreement with Leeds City Council for total expenditure of up to £1.785 million.
 - (iii) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (h) In respect of Highways Maintenance Incentive funding, additional expenditure of £66,000 of the Highways Maintenance Incentive Funding, taking the total approval to £2.498 million to be funded from the Highways Maintenance Incentive funding award from the Department for Transport be approved.
- (i) In respect of the Strategic Cycle Network, additional expenditure of £86,000 on the Strategic Cycle Network project to be funded from the revenue grant award from the Department for Transport, taking the total expenditure approval to £186,000 be approved.

16. Further Capital Spend Proposals (following the 'Call for Projects')

The Combined Authority considered a report of the Director of Delivery which, following the call for projects in Autumn 2017, put forward proposals regarding progression of the following West Yorkshire Combined Authority supported projects, for funding through the West Yorkshire plus Transport Fund (Transport Fund) and Growth Deal, for consideration by the Investment Committee at stage 1 of the Combined Authority's assurance process.

- Institute for High Speed Railways and System Integration – Phase 1
- Leeds City Region Enterprise Zones Programme
- Leeds Inland Port
- Gateway to Huddersfield – Phase 1
- CityConnect Cycle City Ambition Programme (CCAG) Phase 1 & 2 extension
- Bradford City Centre Heritage Properties
- Halifax Living, Halifax
- Wakefield City Centre – South East Gateway
- Rail Park & Ride Programme – Phase 2
- York Central Kickstarter – Phase 1
- Leeds City Centre Package – change request

It was noted that in-principle support for the 11 projects listed above had been approved in February 2018 by the Combined Authority and the promoters had been invited to resubmit their expressions of interest and provide updated information.

A summary of the call for project submissions was attached at Appendix 1 and the background information on the Combined Authority's assurance framework through which each of the schemes are being approved was attached at Appendix 2. The Investment Committee had considered the benefits of the schemes at a workshop held on 5 June 2018 and the location maps for the projects were attached at Appendices 3-8.

It was noted that the York Central Kickstarter Phase 1 project was not seeking a recommendation at the present time although it may be resubmitted at a later stage in the programme.

It was reported that the Investment Committee had strongly supported the Leeds Inland Port scheme and had asked that opportunities be investigated in the other districts.

Resolved:

- (a) In order to allow these additional and accelerated Local Growth Fund benefits to be delivered on new jobs created and new homes completed, the Combined Authority approves that:
 - (i) The Local Growth Fund be over-programmed.
 - (ii) The Combined Authority agree to borrow to a maximum of £90 million (above currently agreed borrowing on the Transport Fund of circa £40 million to £50 million by March 2021, part of the £217 million already agreed as match within the £1 billion programme).
 - (iii) The above will be reviewed bi-annually dependent upon the progress of schemes / more accurate forecasting and will be implemented as phased expenditure to ensure borrowing limits and approvals are closely monitored. It is proposed that schemes achieve an approval at decision point 5 (full business case with costs) by 30 June 2020 at the latest.
 - (iv) In order to minimise the risk of over commitment, as schemes are developed and pass through the assurance process the phasing of schemes will be encouraged to ensure commitments are kept within the agreed borrowing cap.
- (b) In respect of the Institute for high speed railways and system integration -

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Institute for High Speed Rail and System Integration scheme Phase 1 proceeds through decision point 2 and work commences on activity 4 (full business case).
- (ii) That an indicative approval to the Combined Authority's contribution of £11.44 million is given, which will be funded

through 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). The total Phase 1 value is £22.88 million (The University of Leeds will contribute match funding of £11.44 million).

- (iii) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report including at decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

(c) In respect of Leeds City Region Enterprise Zones -

That following a recommendation from the Investment Committee the Combined Authority approves:

- (i) That the full Enterprise Zones programme proceeds through decision point 2 (case paper) and work commences on Activity 3 (outline business case) for all Enterprise Zones sites, with the exception of Leeds (Aire Valley) which will continue progressing through Activity 4 (full business case).
- (ii) That an indicative approval to the Combined Authority's contribution of £45.044 million is given (which will be funded through £20 million from Local Growth Fund's existing approval, £24.939 million from over-programming against the Local Growth Fund, £75,000 of Department of Communities and Local Government Grant funding and £30,000 of other Combined Authority budget funding), with full approval to spend being granted once individual schemes have progressed through the assurance process to decision point 5 (full business case with finalised costs). The total programme value is £49.558 million.
- (iii) That development costs of up to £1.541 million are approved in order to progress the schemes within the programme to decision point 3 (outline business case) taking the total development cost approval up to £1.923 million. This will be funded from Local Growth Fund (£1.516 million) and the Department of Communities and Local Government Grant funding (£25,000).
- (iv) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report. This will be subject to the programme remaining within the tolerances outlined in the submitted report.

(d) In respect of Leeds Inland Port -

That following a recommendation from the Investment Committee the Combined Authority approves:

- (i) That the Leeds Inland Port project proceeds through decision point 2 and work commences on activity 3 (outline business case).
- (ii) That an indicative approval to the Combined Authority's contribution of £3.17 million is given, which will be funded through 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). The total project value is £3.37 million (Canal & Rivers Trust match funding of £200,000).
- (iii) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report including at decision points 3 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.

(e) In respect of Gateway to Huddersfield - Phase 1 -

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Gateway to Huddersfield Phase 1 project proceeds through decision point 2 and work commences on activity 3 (outline business case).
- (ii) That an indicative approval to the Combined Authority's contribution of £5.05 million is given, to be funded from over-programming against 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). The total value of this element of the project is £5.55 million (£500,000 contribution from Kirklees Council). The total forecast value of the project as a whole is £10.55 million (this incorporates the existing allocation within the West Yorkshire plus Transport Fund).
- (iii) That development costs of up to £115,000 are approved in order to progress the scheme to decision point 3 (outline business case), taking the total development cost approval to £165,000.
- (iv) That the West Yorkshire Combined Authority enter into a funding agreement with Kirklees Council for expenditure of up

to £115,000. This funding agreement will also acknowledge the existing £50,000 development funding approval.

- (v) 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 Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

- (f) In respect of the City Connect Cycle City Ambition Programme - Phase 1 & 2 extension -

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the City Connect Cycle City Ambition Programme – Phase 1 & 2 extension proceeds through decision point 2 and work commences on activity 3 outline business case for each of the projects within the programme.
- (ii) That an indicative approval to the total project value of £14.824 million is given of which £14.424 million will be funded by the Combined Authority with full approval to spend being granted once each of the projects within the programme have progressed through the assurance process to decision point 5 (full business case with finalised costs). The Combined Authority contribution will be funded from £12.053 million from over-programming against the West Yorkshire plus Transport Fund and £2.371 million from the existing City Connect programme funding from the Department for Transport.
- (iii) That development costs of up to £350,000 are approved in order to progress the projects within the programme to decision point 3 (outline business case) to be funded from over-programming against the West Yorkshire plus Transport Fund.
- (iv) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report including at decision point 3 (outline business case) 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.

- (g) In respect of the Bradford city centre heritage properties development scheme -

That following a recommendation from the Investment Committee the Combined Authority approves:

- (i) That the Bradford city centre heritage properties development scheme proceeds through decision point 2 and work commences on activity 3 (outline business case).
 - (ii) That an indicative approval to the Combined Authority's contribution of up to £7.4 million, which will be funded through over-programming against the Local Growth Fund, is given 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 total project value is £31.602 million (private sector investment estimated at £24.202 million).
 - (iii) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report, including the use of a delegation to the Combined Authority's Managing Director at decision point 5 (full business case with finalised costs). This will be subject to the scheme remaining within the tolerances outlined in the submitted report.
- (h) In respect of the Halifax Living programme (Phase 1) -

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Halifax Living Programme (Phase 1) proceeds through decision point 2 and work commences on activity 3 (outline business case).
- (ii) That an indicative approval to the Combined Authority contribution to the programme of £764,000 is given 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). In addition, that an additional £797,000 of over-programming against the Local Growth Fund can be utilised to fund the land remediation element of the Beech Hill project (which will be considered as a separate business case at a later meeting) and subject to satisfactory progress through the assurance process.
- (iii) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report, including through a delegation to the Combined Authority's Managing Director at decision point 5. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

(i) In respect of Wakefield City Centre South East Gateway -

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Wakefield City Centre South East Gateway project proceeds through decision point 2 and work commences on activity 3 (outline business case) or 4 (full business case) dependent on sufficient detail being available at submission stage.
- (ii) That an indicative approval to the total project value of £41.55 million is given, which includes a £6.505 million contribution from the Combined Authority 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).
- (iii) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report, including through a delegation to the Combined Authority's Managing Director at decision points 5, following a recommendation by the Combined Authority's Investment Committee or Programme Appraisal Team respectively. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

(j) In respect of the Rail Park & Ride Programme Phase 2 -

That following a recommendation from the Investment Committee, the Combined Authority approves:

- (i) That the Rail Park & Ride Programme Phase 2 proceeds through decision point 2 and work on the individual schemes commences on activity 3 (outline business case).
- (ii) That an indicative approval to the total project delivery cost of £33.638 million is given which will be funded entirely by the Combined Authority (with £5 million from the Leeds Public Transport Investment Programme to fund works at New Pudsey rail station and £28.638 million from over-programming against the West Yorkshire plus Transport Fund) with full approval to spend being granted once individual projects have progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) That development costs of up to £2.016m are approved in order to progress the scheme to decision point 3 (outline business case) from over-programming against the West Yorkshire plus Transport Fund.

- (iv) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report, including the use of a delegation to the Combined Authority's Managing Director at decision points 3 and 5, following a recommendation by the Combined Authority's Programme Appraisal Team. This approval route will be subject to the scheme remaining within the tolerances outlined above.

- (k) In respect of the Leeds City Centre Package -

That following a recommendation from the Investment Committee, the Combined Authority approves:
 - (i) That the change request for Leeds City Centre Package (LCCP) to increase the funding contribution from the West Yorkshire plus Transport Fund from £36.5 million to £66.8 million is given indicative approval, that the LCCP package will now be delivered as four individual phases is approved and work continues on Activity 4 (full business case) for Phase 1 and on Activity 3 (outline business case) for Phases 2, 3 and 4.
 - (ii) That the revised total package delivery cost of £149.8 million is noted of which indicative funding from the Combined Authority is £79.6 million. This will be funded from the West Yorkshire plus Transport Fund's original allocation (£36.5 million), over-programming against the West Yorkshire plus Transport Fund's requested as part of this report (£30.3 million) and Leeds Public Transport Investment programme (£12.8 million).
 - (iii) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report, including at decision point 5, which will be made through a delegation to Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This approval route will be subject to the scheme remaining within the tolerances outlined above.

17. Corporate Planning and Performance

The Combined Authority considered a report of the Director of Resources in respect of corporate planning and performance.

The report provided an update on corporate performance including progress against corporate priorities, risk management and budget position and an overview of work currently underway to review and revise internal governance procedures at the Combined Authority.

In respect of performance, the report set out some of the key highlights for the last municipal year and a final year end position for the 2017/18 Key Performance Indicators was attached at Appendix 1. Members noted the summaries provided at Appendices 2, 3 and 4 in respect of the Corporate

Risk Register, Final outturn 2017/18 budget and current spend to budget for 2018/19. In respect of the 2017/18 Budget Summary provided at Appendix 3, it was requested that a 'performance of spend against budget' column be added to the table.

The Combined Authority noted the update in respect of the internal governance review and the current senior management structures which were attached at Appendix 5. It was now considered appropriate to review the current officer decision making structures to ensure they are effective and fit for purpose and Members discussed the proposals which were outlined in the submitted report.

Resolved:

- (a) That the information on corporate performance be noted.
- (b) That the proposals for changes to the internal governance arrangements of the Combined Authority including that the senior leadership team meet with the Chairs of the Combined Authority and LEP Board on a quarterly basis to drive the strategic agenda of the organisation be endorsed.

18. Corporate Priorities

The Combined Authority considered a report of the Director of Resources on corporate priorities which:

- Provided an update on the work underway on the Corporate Technology Programme.
- Sought approval for the progression of the intranet project through decision point 2.
- Put forward proposals for the progression of, and funding for, the head office accommodation project, in accordance with the recommendations of the Combined Authority's assurance process.

Resolved:

- (a) That the work underway to progress the corporate technology programme be noted.
- (b) In respect of the intranet project, the Combined Authority approves:
 - (i) That the intranet project proceeds through decision point 2 and commences work on activity 3 (outline business case).
 - (ii) That future approvals are made in accordance with the approval pathway and approval route set out in the case paper, including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by Combined Authority's Programme

Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the case paper.

- (c) In respect of the West Yorkshire Combined Authority head office accommodation project, the Combined Authority approves:
- (i) That the head office accommodation project proceeds through decision point 3 and work commences on activity 4 (full business case).
 - (ii) That an indicative approval to the forecast total project cost of £5.942 million is given. This will be funded entirely by the Combined Authority (from the approved budget for corporate projects), 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).
 - (iii) That development costs of £275,000 are approved in order to progress the scheme to decision point 5, taking the total development cost approval to £375,000.
 - (iv) That further spend of up to £127,000 on the previously awarded NEC3 Professional Services contract to NPS Property Consultants for design team services on the WYCA head office accommodation project, taking the total approved spend on this contract to £175,000 be approved.
 - (v) That future approvals are made in accordance with the approval pathway and approval route set out in the submitted report, including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

19. Superfast Broadband West Yorkshire and York

The Combined Authority considered a report of the Interim Director of Policy and Strategy and the Director of Delivery which provided an update on progress of the funding bids and governance review on Superfast Broadband West Yorkshire and York.

It was noted that the Combined Authority had previously considered a report on future funding bids for a third phase of broadband infrastructure delivery across West Yorkshire and York including the use of Gainshare.

In respect of governance, it was noted that the Broadband Programme Board, together with Directors of Development have recommended that the Combined Authority remains the accountable body for the third phase of the broadband delivery programme and Leeds City Council remain the primary delivery partner. The existing partnership agreement for phase two is being reviewed and may require some amendments to bring the work of the

Programme Board in line with the Combined Authority's Contract Standing Orders and scheme of delegations.

Details of the funding bids which had been submitted and the next steps in respect of phase three were outlined in the report and it was noted that the Programme Board and Directors of Development have recommended that up to £1.7m Gainshare from Contract 1 is reinvested into a third contract, across the West Yorkshire and York geography.

Resolved:

- (a) That the Combined Authority notes progress with the governance review to date, approves the proposed governance structure for a future third phase of broadband as outlined in paras 2.8 - 2.9 of the submitted report and delegates to the Managing Director, in consultation with the Chair of the Combined Authority and Chair of the Local Enterprise Partnership, the finalisation of any future changes to the Partnership Agreement for Contract Two once discussions with partner councils have concluded.
- (b) That the use of up to £1.7 million Gainshare from the Phase One Investment Fund to support proposed Phase Three of the West Yorkshire and York broadband programme be endorsed.

20. Rail Station Legacy Projects - Final Accounts

The Combined Authority considered a report of the Director of Delivery on Rail Legacy Projects – Final Accounts which:

- Provided an update on the outcome of discussions with Network Rail on final accounts for the Kirkstall Forge, Apperley Bridge, Leeds Station Southern Entrance (LSSE) and Low Moor projects.
- Sought approvals of relevant budget allocations and virements in relation to the proposed final accounts and payment(s) to Network Rail for Kirkstall Forge, Apperley Bridge and LSSE and to delegate authority to the Managing Director, in conjunction with the Chair of the Combined Authority, to conclude final account discussions and payments on Low Moor.

The report provided information on the final account discussions with Network Rail and members considered the information provided in the exempt appendices 1-5 which were attached to the submitted report. It was noted that cost overruns on all four projects were experienced and the quantum of costs payable by the Combined Authority have now been established and agreed in principle with Network Rail for Kirkstall Forge, Apperley Bridge and LSSE. Members welcomed the positive resolution to this matter and thanked officers for their work and delivery of these stations. In respect of Low Moor, discussions were continuing and it was proposed that the finalisation of this account and payment to Network Rail within the maximum funding envelope outlined in Appendix 1 be delegated to the Combined Authority's Managing Director.

Resolved:

- (a) That the proposed final account and payment(s) with Network Rail for Kirkstall Forge and Apperley Bridge outlined in Appendix 2 and 3 to the submitted report be approved, subject to receipt in writing of Network Rail's acceptance of the terms.
- (b) That the final account and payment(s) with Network Rail for LSSE outlined in Appendix 4 to the submitted report be approved, subject to receipt in writing of Network Rail's acceptance of the terms.
- (c) That the current status of discussions with Network Rail on Low Moor and the potential budget implications be noted and that authority be delegated to the Managing Director, in conjunction with the Chair of the Combined Authority, to conclude final account discussions and make the relevant payment(s) within the funding approval detailed in Appendix 1 of the submitted report, subject to receipt in writing of Network Rail's acceptance of the terms.
- (d) That the budget allocations and virements detailed in Appendix 1 of the submitted report be approved.

21. Draft minutes of the Green Economy Panel held on 17 April 2018

Resolved: That the draft minutes of the Green Economy Panel held on 17 April 2018 be noted.

22. Minutes of the West Yorkshire and York Investment Committee held on 18 April 2018

Resolved: That the minutes of the West Yorkshire and York Investment Committee held on 18 April 2018 be noted.

23. Draft Minutes of the Land and Assets Panel held on 20 April 2018

Resolved: That the draft minutes of the Land and Assets Panel held on 20 April 2018 be noted.

24. Draft Minutes of the Business Innovation and Growth Panel held on 24 May 2018

Resolved: That the draft minutes of the Business Innovation and Growth Panel held on 24 May 2018 be noted.

25. Draft Minutes of the Transport Committee held on 25 May 2018

Resolved: That the draft minutes of the Transport Committee held on 25 May 2018 be noted.

26. Draft Minutes of the Employment and Skills Panel held on 1 June 2018

Resolved: That the draft minutes of the Employment and Skills Panel held on 1 June 2018 be noted.

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

Resolved: That the draft minutes of the West Yorkshire and York Investment Committee held on 5 June 2018 be noted.

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Report to: West Yorkshire Combined Authority

Date: 2 August 2018

Subject: **Governance arrangements**

Director: Angela Taylor, Director of Resources

Author(s): E Davenport and A Shearon

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:	

1. Purpose of this report

- 1.1 To provide an update on appointments to committees and panels of the Combined Authority.
- 1.2 To consider proposals in relation to membership of the Inclusive Growth and Public Policy Panel
- 1.3 To note the nomination made to Transport for the North (TfN), in respect of the Rail North Committee.

2. Information

Appointments to Committees and Panels

- 2.1 At the date of the Combined Authority's annual meeting, there were a number of nominations still to be received from partner councils in respect of membership for some Combined Authority committees and panels. **Appendices 1 and 2** to this report are updated schedules setting out the additional appointments for the Combined Authority's committees and panels.

Membership of the Inclusive Growth and Public Policy Panel

- 2.2 The Combined Authority's annual meeting appointed a new Inclusive Growth and Public Policy Panel, to be chaired by Councillor Shabir Pandor. The Combined Authority resolved to co-opt five local authority representatives onto the panel, (one from each West Yorkshire council), together with one private sector representative (now confirmed as Nicola Greenan).
- 2.3 It is now proposed to appoint a non-voting advisory representative to the panel, for each of the following:
- Yorkshire Universities,
 - Leeds City Region Universities,
 - the Joseph Rowntree Foundation, and
 - the West Yorkshire and Harrogate Sustainability and Transformation Partnership (STP) - a partnership between NHS organisations and local councils developing shared proposals to improve health and care.
- 2.4 The proposed appointments are set out in **Appendix 2** to this report.

Rail North Committee

- 2.5 Rail North Ltd is in the process of being wound up, since franchising functions are now discharged by TfN (as a statutory body), through its Rail North Committee. In accordance with the TfN constitution, one member of the Rail North Committee will represent both the Combined Authority and the City of York Council, exercising weighted voting rights to reflect rail passenger demand for both areas. This reflects current arrangements for Rail North Ltd. Further to consultation with Leaders, and by agreement with the City of York Council, the Combined Authority's nomination for this position was confirmed as Councillor Blake with Councillor Hinchliffe as substitute, before the first meeting of the committee.

3. Inclusive Growth Implications

- 3.1 The role of the Inclusive Growth and Public Policy Panel at the annual meeting is to facilitate and promote inclusive growth.

4. Financial Implications

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

5. Legal Implications

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

6. Staffing Implications

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

7. External Consultees

- 7.1 Leaders of West Yorkshire councils and the City of York Council were consulted in relation to the nominations to the Rail North Committee.

8. Recommendations

- 8.1 That the Combined Authority notes the updated appointments as set out in **Appendices 1 and 2** to this report.
- 8.2 That the Combined Authority approves the membership of the Inclusive Growth and Policy Panel as set out in **Appendix 2** to this report.
- 8.3 That the Combined Authority endorses the appointment of Cllr Blake as the representative for the Combined Authority and the City of York Council on the Rail North Committee of Transport for the North, with Councillor Hinchcliffe as her substitute.

9. Background Documents

There are no background documents referenced in this report.

10. Appendices

Appendix 1 – West Yorkshire Combined Authority appointments 2018-19

Appendix 2 – West Yorkshire Combined Authority advisory panel appointments 2018-19

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West Yorkshire Combined Authority Appointments 2018 / 2019

West Yorkshire Combined Authority		Bradford	Calderdale	Kirklees	Leeds	Wakefield	York	LEP
Chair: Susan Hinchcliffe	Member	Susan Hinchcliffe (L)	Tim Swift (L)	Shabir Pandor (L)	Judith Blake (L)	Peter Box (L)	Andrew Waller (LD)	Roger Marsh
Deputy Chair: Tim Swift	Substitute	Imran Khan (L)	Barry Collins (L)	David Sheard (L)	James Lewis (L)	Denise Jeffery (L)	Ian Gillies (C)	Bob Cryan
Members appointed to better reflect political balance across West Yorkshire:		<u>Conservative</u>	<u>Conservative</u>	<u>Conservative</u>	<u>Liberal Democrat</u>			
	Member	John Pennington	David Hall	David Hall	Stewart Golton			
	Substitute	Simon Cooke (Bradford)	Scott Benton (Calderdale)	Scott Benton (Calderdale)	John Lawson (Kirklees)			

West Yorkshire Combined Authority Committees

	CA Members (Voting)	Bradford Co-optees (Voting)	Calderdale Co-optees (Voting)	Kirklees Co-optees (Voting)	Leeds Co-optees (Voting)	Wakefield Co-optees (Voting)	York Co-optees (Voting ¹)	Other Co-optees
Governance and Audit	David Hall (C) Susan Hinchcliffe (L) Shabir Pandor (L) Tim Swift (L)	N/A	N/A	N/A	N/A	N/A	N/A	Andy Clayton (Independent Member)
Chair: Andy Clayton								(Voting member)
Overview and Scrutiny	N/A	Sarfraz Nazir (L) Sub: Angela Tait	Stephen Baines (C) Sub: Geraldine Carter	Paul Kane (L) Sub: tbc	Peter Harrand (C) Sub: tbc	Glenn Burton (L) Sub: Martyn Ward	Jenny Brooks (C) Sub: tbc	N/A
Chair: Robert Light		Mike Pollard (C) Sub: Naveed Riaz	James Baker (LD) Sub: Ashley Evans	Robert Light (C) Sub: Elizabeth Smaje	David Jenkins (L) Sub: tbc	Graham Isherwood (L) Sub: Richard Forster	Ian Cuthbertson (LD) Sub: tbc	
		Rosie Watson (L) Sub: Joanne Dodds	Dot Foster (L) Sub: Steve Sweeney	Marielle O'Neill (L) Sub: tbc	Denise Ragan (L) Sub: tbc	Elizabeth Rhodes (L) Sub: Faith Heptinstall	Tina Funnell (L) Sub: tbc	
Transport Committee	Peter Box (L)	Michael Ellis (C)	Peter Caffrey (C)	Martyn Bolt (C)	Kayleigh Brooks (L)	David Dagger (L)	Peter Dew (C) (Non-Voting)	Ian Cherry (Private Sector Rep) 1 private sector rep vacancy (Non-Voting members)
Chair: Kim Groves Deputy Chair: Eric Firth Leader of the Opposition: Martyn Bolt		Ian Greenwood (L)	*Daniel Sutherland (L)	Eric Firth (L)	Neil Buckley (C)	*Kevin Swift (L)		
		Hassan Khan (L)		*Manisha Kaushik (L)	Kim Groves (L)			
		*Taj Salam (L)			*Michael Lyons (L)			
West Yorkshire and York Investment	Peter Box (L)	Ex-officio Portfolio Holder	Ex-officio Portfolio Holder	Ex-officio Portfolio Holder	Ex-officio Portfolio Holder	Ex-officio Portfolio Holder	Ex-officio Portfolio Holder	N/A
Chair: Peter Box Dep Chair: Roger Marsh	Roger Marsh	Alex Ross-Shaw (L)	Barry Collins (L)	Peter McBride (L)	Richard Lewis (L)	Denise Jeffery (L)	Ian Gillies (C)	

¹ Except for Transport Committee

*Chair of relevant District Consultation Sub-Committee

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West Yorkshire Combined Authority - Advisory Panel Appointments 2018/2019

Panel	CA Members (voting)	Local Authority Co-optees (voting)	Private Sector Rep (voting)	Advisory Representatives (non-voting)	Chief Exec Lead
Business Innovation and Growth	Tim Swift (L) Shabir Pandor (L)	Barnsley: Roy Miller (L) Bradford: tbc Calderdale: Barry Collins (L) Craven: tbc Kirklees: tbc Leeds: Mohammed Iqbal (L) North Yorks: Andrew Lee (C) Wakefield: Darren Byford (L)	Martin Booth Mike Danby Nicola Greenan Amir Hussain Will Roebuck Lee Savage Philip Wilson Andrew Wright (Chair) Simon Wright	<ul style="list-style-type: none"> - Yorkshire Universities; Director (Peter O'Brien) - Leeds City Region Universities; 2 reps at Pro-VC level (Prof Lisa Roberts & Prof Liz Towns-Andrews) - West Yorkshire Consortium of Colleges; FE Rep (Marie Gilluley) - West & North Yorkshire Chamber of Commerce; Chief Executive (Sandy Needham) - Innovate UK; Regional Manager (Steph Morris) - Digital Health Enterprise Zone; Chief Executive (Ian Sharp) - Department for International Trade; Regional Director for Yorkshire & Humber (Mark Robson) 	Kersten England (Bradford)
Employment and Skills	Susan Hinchcliffe (L)	Bradford: tbc Calderdale: Daniel Sutherland (L) Kirklees: Naheed Mather (L) Leeds: Jonathan Pryor (L) North Yorks: Patrick Mulligan (C) Wakefield: Darren Byford (L) York: Carol Runciman (LD)	Simon Barratt Peter Duffy Tom Keeney Karen Milner Rashik Parmar (Chair) Beverley Parrish Mark Roberts Glynn Robinson Amanda Stainton	<ul style="list-style-type: none"> - Leeds City Region Skills Network; Chair (Ian Billyard) - Leeds City Region Skills Network; 2 Deputy Chairs (Prof Margaret House & 1 vacancy) - Leeds City Region Headteachers Network; Rep (Nick Bowen) - Yorkshire & Humber NHS; Head of Workplace Development (vacancy) - Department of Work and Pensions; Rep (Sue Soroczan) 	Merran McRae (Wakefield)
Green Economy	Andrew Waller (LD)	Bradford: tbc Calderdale: Jenny Lynn (L) Kirklees: Andrew Cooper (G) Leeds: James Lewis (L) Wakefield: Maureen Cummings (L)	William Firth Natasha Luther-Jones Dr Alice Owen Simon Pringle (Chair) John Williams	<ul style="list-style-type: none"> - Northern Powergrid; Rep (Jim Cardwell) - Yorkshire Water; Rep (Nevil Muncaster) - Northern Gas Grid; Rep (David Gill) - The Environment Agency; Rep (Rosa Foster) 	Wallace Sampson (Harrogate) Martin Farrington (West Yorkshire Local Nature Partnership)
Inclusive Growth & Public Policy Panel	Shabir Pandor (L) (Chair)	Bradford: tbc Calderdale: Barry Collins (L) Kirklees: Cathy Scott (L) Leeds: Debra Coupar (L) Wakefield: Denise Jeffery (L)	Nicola Greenan	<ul style="list-style-type: none"> - Yorkshire Universities (Peter O'Brien) - Leeds City Region Universities (Prof Liz Towns-Andrews) - West Yorkshire and Harrogate Sustainability and Transformation Partnership (STP) (Rob Webster) - Joseph Rowntree Foundation (Mike Hawking) 	Kersten England (Bradford)

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Note: There are no formal arrangements for Deputies on Panels

West Yorkshire Combined Authority - Advisory Panel Appointments 2018/2019

Panel	CA Members (voting)	Local Authority Co-optees (voting)	Private Sector Rep (voting)	Advisory Representatives (non-voting)	Chief Exec Lead
Place Panel	Susan Hinchcliffe (L) Roger Marsh Tim Swift (Chair) (L)	Barnsley: tbc Bradford: tbc Calderdale: Daniel Sutherland (L) Craven: tbc Harrogate: Graham Swift (C) Kirklees: Peter McBride (L) Leeds: Richard Lewis (L) North Yorkshire: Andrew Lee (C) Selby: John Mackman (C) Wakefield: Denise Jeffery (L) York: Helen Douglas (C)	Amir Hussain Andrew Latchmore	<ul style="list-style-type: none"> - National Housing Federation; Rep (Sharon Squires) - Homes England; Rep (Rob Pearson) 	Jacqui Gedman (Kirklees)
Chair: Tim Swift					



Report to: West Yorkshire Combined Authority

Date: 2 August 2018

Subject: **Rail Performance and Governance**

Director: Dave Pearson, Director of Transport Services

Author(s): Dave Pearson, James Nutter

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:	

1. Purpose of this report

- 1.1 To update members of the Combined Authority on issues emerging from the introduction of the revised rail timetable on 20 May 2018 and their impact on passengers in the City Region.
- 1.2 To advise members of the Combined Authority of the review of rail governance led by Cllr Blake and Rail Minister Jo Johnson and to recommend key points for the Combined Authority to submit to the review.
- 1.3 Representatives from Network Rail and Northern will attend for this item.

2. Information

Events Leading Up To The Rail Timetable Change

- 2.1 The Northern and TransPennine rail franchises commenced on 1 April 2016 under a new arrangement whereby management of the franchises is shared between Transport for the North (Rail North) and the Department for Transport. The franchises place obligations on the franchisees to provide new

and refurbished rolling stock, increased peak capacity and enhanced service levels.

- 2.2 Delivery of these enhancements was to be phased in over the first three years of the franchises subject to the procurement and manufacture of new and refurbished trains and the completion of infrastructure projects within and beyond the North. The infrastructure projects being largely electrification works which free up diesel rolling stock to supplement the current fleet and enable the withdrawal of Pacer units.
- 2.3 When the franchises were originally let, the intention was that the major improvements would be introduced in December 2017 and December 2019 in line with other significant changes throughout the national network. Delays to projects throughout the country led to the December 2017 changes being delayed until May 2018. Uncertainty about the completion of these projects led to a final decision to proceed with the May 2018 changes being taken in January 2018. This compressed the amount of time required for the rail industry to plan the new timetable.
- 2.4 The May 2018 timetable in the North presumed completion of the electrification projects between Manchester and Bolton and Preston and Blackpool. These would not be ready in time meaning that the expected movement of electric and diesel rolling stock could not occur. This had a consequence, not only for rolling stock, but also the deployment of drivers trained on the appropriate routes and train types.
- 2.5 The rail industry was therefore engaged in planning a major timetable change at short notice with a number unknown factors. This resulted in the deferral of some expected service enhancements and, in some cases, sub-optimal changes to existing timetables and service levels.
- 2.6 The impact of the timetable changes for the City Region were set out in a report to the Transport Committee on 26 May 2018. Members of the Committee recorded concerns about the new timetable and the ensuing performance issues which officers have raised with TfN and the respective train operators. These concerns were carried into the ensuing high level discussions between the Minister and TfN Board members including Cllr Blake.

Events Following the Rail Timetable Change

- 2.7 The breakdown in rail performance across the North in the early weeks of the new timetable was well documented in the media. The impacts in the City Region can be summarised as follows;
 - Cancellations and delays were felt across the network but were most acute on routes in the North West where Northern did not have sufficient trained drivers to deliver the service. The driver availability issue also affected services between Manchester and Leeds on the Calder Valley Line.

- Congestion in the rail infrastructure in the Manchester area caused delays in the North TransPennine (Leeds – Huddersfield- Manchester) route. Partly due to the problems above and also the revised service patterns utilising the new link between Victoria and Piccadilly.
 - Incomplete planning by Network Rail especially with regard to the operation of Leeds station caused delays throughout the City Region.
 - Overcrowding due to short formation resulting from rolling stock shortage.
- 2.8 Short term action was taken introducing a reduced timetable with “planned cancellations” on the most affected routes in the North West until end July. This led to some stabilisation of performance, however, passengers continued to experience an unreliable service.
- 2.9 The Delay Repay system will refund the single journey ticket value for passengers where their journey is delayed by more than 30 minutes, however, it does not apply to passengers using season tickets and other multiple journey products. On 28 June, Transport for the North Board considered a compensation package which would provide a refund of the value of four weeks or one week’s travel for season ticket holders on the routes most affected by the problems in the first month of the new timetable. Whilst this was beneficial to those people on the routes affected, it did not reflect the disruption experienced by passengers across the wider City Region.
- 2.10 Whilst the greatest disruption arising from the timetable change was felt in the North and the South East, there are national structural issues to be addressed to prevent future problems of this nature. The Secretary of State has commissioned a national review of rail industry processes led by Stephen Glaister, Chair of the Office of the Rail Regulator.
- 2.11 On 6 July 2018, the Transport Committee received an update from David Hoggarth, Strategic Rail Director for Transport for the North. The Transport Committee provided a very clear message to TfN and the rail industry that there was still a lot of work to do to address the very real issues passengers are still experiencing and sought reassurance that there would not be more chaos and disruption to passengers when the normal timetable is restored at the end of July. The Committee was concerned that such reassurances were not yet forthcoming from the rail industry.
- 2.12 On 10 July 2018, it was announced that, following a review by Network Rail into the circumstances surrounding the introduction of new timetables in May 2018, the infrastructure provider and maintainer has recommended to the Department for Transport that for those areas where the December 2018 timetable change is reliant on the completion of infrastructure schemes, the existing May 2018 timetable will be largely rolled-over. This recommendation has been accepted by industry (the Rail Delivery Group), meaning that the

majority of the timetable changes planned by Northern and TransPennine Express for December will now not take place until later.

- 2.13 The Rail North Partnership (RNP), which manages the Northern and TransPennine Express franchises on behalf of TfN and the Department for Transport, asked the rail industry to assess and recommend options to improve the reliability of services for customers from the end of Northern's interim timetable, which ends on Sunday 29 July. RNP approved the industry's recommendation which included the option of a phased reintroduction of all services. However concern has been raised that elected members on the TfN Board had no direct involvement in this decision illustrating the need for change in governance and accountability.
- 2.14 The missing trains in the North West are being re-introduced on a route by route basis. From Monday 30 July, 75% (125) of these services will be reintroduced, with the remaining 25% (43) to be reintroduced during September. The congestion issues on the North TransPennine route require a further review of the timetable between Leeds, Huddersfield and Manchester. Options to review the arrangements of the "stopping" services on this route are being assessed. TfN officers are consulting with the CA's rail team on this with a view to changes being made in the autumn.

Current Position on Performance

- 2.15 Rail Service Performance - Rail Periods 1-3 (1st April – 23rd June 2018)

Northern: Public Performance Measure (PPM)

- The Public Performance Measure (PPM) shows the percentage of trains which arrive at their terminating station within 5 minutes (short distance/regional services) or 10 minutes (for long distance services). It combines figures for punctuality and reliability into a single performance measure.
- In Period 3 (June) was the first full period of the new timetable. Northern's overall PPM in this Period was 77.3% whereas in the same period last year the PPM was 90.9%. It should be noted that performance had deteriorated before the timetable change; Periods 1 and 2 had a significantly lower PPM than in the same periods the previous year. Northern's annual PPM target is 92.80%. This target has only been reached three times since the start of this franchise and this was in the first year of the franchise.
- There were three lines of route that scored above 90% in all of the last three periods. There was one line of route that scored above 92% in all of the last three periods. The best performing route was Knottingley – Wakefield in Period 1. Other high performing routes include Leeds – Bradford Forster Square, Leeds-Harrogate-Knaresborough, Leeds - Ilkley and Bradford Forster Square – Ilkley.

- The poorest performing lines over the last three periods were the Calder Valley and the Huddersfield lines. The lowest recorded performances were on the Blackpool North – Leeds/York route at 46.15% in Period 2 and the York/Selby – Manchester Victoria (stopper) at 61.13% in Period 3.

Northern: Short Forming (Periods 1-3)

- Short forming is when a train is run with less capacity than specified in the train plan. In June (Period 3) Northern's level of short formations was 6.4% against a target of 0%, last year's same period figure was 2.4%. Period 3's level of short forming is the highest since the start of the franchise, impacted by the new timetable and the train refurbishment programme.

TransPennine Express (TPE): Public Performance Measure (PPM)

- In Period 3 TransPennine Express had a PPM of 71% whereas in the same period last year the PPM was 91.1%. Performance was down in all of the last three periods against the same periods last year. TPE's annual PPM target is 90.90% which has not been reached in the last twelve periods.

TransPennine Express (TPE): Short Forming (Periods 1-3)

- In Period 3 TPE's level of short formations was 0.15%, this is an improvement on Periods 1 and 2 where the levels were 0.71% and 0.31% respectively.

Other Train Operating Companies

- Over the last three periods Cross Country, East Midlands, Grand Central and Virgin East Coast all had lower PPMs than in the same period the previous year. The PPMs for these TOCs in Period 3 were - Cross Country 81.8%, East Midlands 90.9%, Grand Central 80.4% and Virgin East Coast 77.5%.

Period 4 (25 June to 22 July) results were not available at the time of publication of this report – a verbal update will be given to the meeting.

- 2.16 The franchises prescribe performance standards which determine whether the train operating companies are compliant. These measures are assessed once the rail industry processes which establish who is responsible for each event leading to the cancellation or delay have been resolved. This process is still underway for the May and June Periods. The Rail North Partnership will determine franchise compliance and will initiate the appropriate contractual processes should it be found that one or both of the train operating companies are in breach.

Customer Impacts

- 2.17 During the weeks immediately after 20 May, customers throughout the City Region experienced delays, cancellations, overcrowding and passengers left at stations due to short formed trains. Whilst some routes have stabilised, passengers travelling on the Calder Valley and Huddersfield Lines continue to experience an unacceptable level of delays and cancellations.
- 2.18 Through its Metroline contact centre, social media channels and elected members; customers have contacted the Combined Authority to express not only their frustration with the disruption but in many cases to explain how this impacts on their lives. For many people, being regularly late for work or for childcare may have a lasting impact on their career and family life. Mitigating the impact on passengers has been stressed as the highest priority to TfN, DfT and the train operators.
- 2.19 Transport Focus, the customer advocate for transport, is collating customer “stories” from throughout the North for input into the reviews of what went wrong and how to prevent future difficulties. The Combined Authority is promoting passenger interests in close co-operation on issues including compensation with Transport Focus.

Blake / Johnson Review

- 2.20 The Transport for the North Board convened several times in the early days of the new timetable with the Minister and DfT officials to discuss immediate actions and the longer term steps to be taken in the North. It was apparent that decisions had been taken by the TOCs and Network Rail in the lead up to the timetable change with no accountability to passengers and their elected representatives. The devolved franchise management had not been effective in ensuring the interests of passengers in the North. A review of the circumstances leading up to timetable change was agreed to identify and act on the lessons learned. It was agreed that the review would be led jointly by Cllr Judith Blake, Leader of Leeds City Council, and Jo Johnson, Rail Minister.
- 2.21 Terms of reference for the Blake/Johnson Review have been agreed and are attached as **Appendix 1**. The remit of the review is to make recommendations in respect of:
- The management working, resources, custom and practice of the Rail North Partnership;
 - Recommendations on the arrangements for the TfN Rail North Committee – including any ‘early warning’ systems;
 - Any changes to the Rail North Partnership Agreement to facilitate change;
 - Links between the Partnership and Network Rail;

- The specification of future franchise requirements;
- Potential changes to rail devolution.

2.22 The Review will proceed during July and August with an initial report and recommendations in September. The pace of the review is to ensure the recommendations are in place ahead of subsequent timetable changes.

2.23 There is, therefore, an opportunity at this meeting to make observations and recommendations which will be incorporated into the Blake/Johnson Review.

Key Points to Submit Into The Review

2.24 It is, therefore, proposed that the Managing Director submits the following key points to the review team as part of the CA's formal submission.

- Transport for the North must exercise its role in franchise management in the interests of passengers, residents and business in the region and, where necessary, challenge the rail industry to deliver the service it is obliged to deliver.
- The remit of the Transport for the North Rail North Committee should enable political oversight of operational performance of the franchises and the planning of changes to service delivery. It needs to understand the anticipated impact on passengers of any change to services and to direct the Rail North Partnership to safeguard their interest.
- The formal agreement between DfT and TfN must put the Minister and Transport for the North on an equal footing with dual decision making.
- Network Rail must be accountable for the impact of its decisions on passengers in the North. The Transport for the North Rail North Committee should be a formal consultee of Network Rail and be able to nominate onto key decision making boards within the Network Rail governance.
- The rail franchises are supported by public funds, there must be greater transparency in their management.
- The Train Operators should be contractually required to improve communication to help passengers adjust their travel plans when timetables change and services are disrupted.

3. Inclusive Growth Implications

3.1 Whilst there are no implications directly arising from this report the delivery of an effective local rail service is crucial to inclusive growth.

4. Financial Implications

4.1 There are no financial implications directly arising from this report.

5. Legal Implications

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

6. Staffing Implications

6.1 Combined Authority staff are assisting with the Blake/Johnson review. CA input is being led by Dave Pearson Director, Transport Services.

7. External Consultees

7.1 No external consultations have been undertaken.

8. Recommendations

8.1 That the Combined Authority notes the update on the impact on passengers of the May 2018 rail timetable change.

8.2 That the Combined Authority approves the submission of the key points set out in paragraph 2.24 to the Blake/Johnson Rail North Partnership Joint Review.

9. Background Documents

There are no background documents referenced in this report.

10. Appendices

Appendix 1 – Blake / Johnson Review Terms of Reference

Rail North Partnership Joint Review

1. Objective:

- 1.1 To jointly review the Rail North Partnership arrangements for managing the devolved Northern and TPE rail franchises with a particular focus on learning from the May 2018 performance issues and steps leading up to this. Recommending solutions to avoid such events happening again.

2. Output:

- 2.1 It is expected that the review team will produce a short report with a set of high level recommendations for joint partners (DfT and TfN) with a focus on making this form of partnership more effective including improving information flows. This may include lessons that would be relevant to other areas pursuing rail devolution and/or potential future stages of rail devolution for TfN.

3. Timescale:

- 3.1 The review will take place over the next two months – with final report in time to influence TfN’s governance arrangements and lessons for the management of future timetable changes.

4. Oversight and Support :

- 4.1 Political oversight will be provided by Jo Johnson MP (for DfT) and Cllr Judith Blake (for TfN).
- 4.2 Support from officials will be provided by team comprising Eddie Muraszko (DfT), David Hoggarth (TfN) and Dave Pearson (Director at West Yorkshire Combined Authority with experience of rail and also pan-Northern transport co-ordination for Tour de France)
- 4.3 Administrative support will be provided by the Rail North Partnership team.

5. Terms of Reference:

1. Set out the main terms of the current Rail North Partnership Agreement and how it works including the governance arrangements and operational custom and practice. Identify any issues of ‘diluted accountability’ within the devolved franchise working.
2. Set out the role and resources of the joint Partnership Management Team.



3. Summarise clearly the events that led up to issues with the May 2018 timetable and the consideration given to passengers during this process.
4. Identify and the concerns and issues highlighted as a result (including the direct impacts on passengers), noting that other reviews will be examining in detail the industry processes that led to the problems, and therefore such issues are out of scope of this review.
5. Understand how communications to Political leaders have worked to date including issues around timely sharing of information and engagement at key decision points. Recommend changes to TfN processes to enable engagement on key issues affecting passengers and stakeholders.
6. Review the level of interaction between the DfT/Rail North Partnership and Network Rail on key decisions that affect passengers making recommendations to strengthen this in future.
7. Propose potential improvements for the planning, resourcing, communications and oversight at times of emergency, change or disruption with a focus on the interests of the passenger.
8. Set out any short term actions (including recovery plans) to address current issues.
9. To ensure the interests of the passenger is at the heart of the process of planning and implementation of future timetable changes and that there is appropriate readiness in place for changes in December 2018.
10. Where appropriate, recommend changes in relation to:
 - The management working, resources, custom and practice of RNP;
 - Recommendations on the arrangements for the (forthcoming) TfN Rail North Committee – including any ‘early warning’ systems; and
 - Any changes to the Rail North Partnership Agreement needed to deliver the above.
11. To flag any longer term lessons that would be relevant in terms of:
 - Links between the Partnership and Network Rail
 - The specification of future franchise requirements; and
 - Potential changes concerning rail devolution.

Methodology:

The following methodology is proposed:

1. *Gathering background information.*
2. *Gathering informal political, business and industry views – possibly through a questionnaire methodology/interviews.*
3. *Developing options and recommendations.*
4. *Drafting a report.*
5. *Review of draft by lead politicians.*
6. *Presentation of draft to DfT and Transport for the North.*



Report to: West Yorkshire Combined Authority

Date: 2 August 2018

Subject: **Devolution and Review of Local Enterprise Partnerships**

Director: Liz Hunter, Interim Director of Policy and Strategy

Author(s): James Flanagan, David Walmsley

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:	

1 Purpose of this report

- 1.1 To provide an update on progress towards securing devolution to Leeds City Region and, separately, the proposals contained in the Review of Local Enterprise Partnerships (LEP), announced by the Government on 24 July 2018.

2 Information

Devolution overview

- 2.1 The “One Yorkshire” proposal is to secure an ambitious deal for the widest possible Yorkshire geography, including Leeds City Region, drawing down from Whitehall a broad range of devolved powers and funding, including a £125m p.a. investment fund, in return for the election of a Yorkshire Mayor by May 2020.
- 2.2 The devolved powers and funding would be locally directed at: raising living standards for everyone in Yorkshire; closing the jobs gap with the UK average by delivering 200,000 additional jobs; boosting productivity via an extra £12bn of economic growth; and moving the region towards becoming a net contributor to the public purse. It is proposed that new powers and funding

would be exercised in ways that do not impose net additional costs and bureaucracy.

- 2.3 The 5 April 2018 meeting of the Combined Authority received a report outlining the developments and progress made in securing the devolution of additional powers and funding to the City Region, including the following:
- Government has not to date formally responded to the Leeds City Region devolution proposal submitted in September 2015, suggesting this was not a deliverable option.
 - Leaders of 18 of the 20 Yorkshire Councils, including those of all the Leeds City Region Councils, and the Sheffield City Region/ South Yorkshire Councils of Barnsley and Doncaster, had subsequently formed a coalition under the 'One Yorkshire' banner seeking the widest possible Yorkshire deal.
 - The then Secretary of State confirmed at a meeting with One Yorkshire coalition Leaders in February 2018 that the Government would consider any concrete proposal and that he would not seek to prevent a deal based on the election of a Yorkshire Mayor from taking effect in 2020, providing it was consistent with the existing Sheffield City Region deal, and that some, or all, South Yorkshire authorities would not be prevented from joining a One Yorkshire deal from the start.
 - On the basis of the Secretary of State's enabling position, One Yorkshire Leaders met on 5 March 2018 and agreed to finalise their devolution proposition.
 - A ten page One Yorkshire devolution proposal was duly submitted by the 18 Yorkshire Leaders to the Government on the 5 March 2018, and simultaneously published in the interests of transparency.
- 2.4 Noting the above developments, the Combined Authority endorsed the ongoing supporting work being progressed by officers, including to:
- Develop and agree detailed governance arrangements for the operation of the proposed Yorkshire Mayoral Combined Authority;
 - Demonstrate the economic case for a Yorkshire deal, and;
 - Prepare a public facing version of the deal which communicates the proposals and benefits in plain English.

Recent developments on devolution

- 2.5 On 9 July, the Secretary of State responded to One Yorkshire Leaders' 5 March submission (his letter is included at **Appendix 1**) stating that: "Until the Sheffield City Region devolution deal is fully implemented, the Government is not prepared to enter into any discussion about wider devolution arrangements [across Yorkshire] that would include some or all of the Sheffield City Region authorities".
- 2.6 One Yorkshire Leaders, including the Mayor of Sheffield City Region, met in York on 12 July 2018 and, noting the contents of the Secretary of State's

letter, resolved to continue with their previously agreed preparations which will form the basis of the business case for a Yorkshire deal, including:

- Conducting an independent study to support the economic rationale for a Yorkshire deal
- Devising robust decision making arrangements for a Yorkshire Mayoral Combined Authority, and
- Preparing a route map, including the statutory steps needed to enable the election of a One Yorkshire Mayor by May 2020.

2.7 One Yorkshire Leaders responded to the Secretary of State on 16 July (their letter is included at **Appendix 2**) expressing disappointment about: "...the focus of [the Secretary of State's] letter on identifying obstacles to the delivery of a One Yorkshire devolution deal rather than proposing a positive way forward". Their letter also requests the Secretary of State's support in "...accelerating the delivery of the Sheffield City Region devolution deal whilst assuring those who want to join One Yorkshire that option will be available to them as early as 2020."

2.8 It is understood that campaigning activity may increase in order to progress the One Yorkshire proposition with Government, including separate activity undertaken independently by others such as local MPs. An update on any relevant activities will be provided at the meeting.

Review of Local Enterprise Partnerships

2.9 A Review of LEPs was announced in the Industrial Strategy White Paper in November 2017¹. The Review was led by cross-departmental Ministerial group: Jake Berry (Ministry of Housing, Communities and Local Government), Margot James (Department of Business, Energy and Industrial Strategy) and Andrew Jones (HM Treasury). Engagement with local authorities and others has been carried out through working groups (Cllr Blake (Leeds City Council) was a member of the stakeholder group). The Government's summary of the Review's proposals is attached at **Appendix 3**.

2.10 The LEP Network on behalf of LEPs has welcomed the Review's endorsement of LEPs as the main drivers of local growth. The Chair of the Leeds City Region Enterprise Partnership has similarly welcomed the Review. There will

¹"We remain firmly committed to Local Enterprise Partnerships (LEPs). From next year, the Prime Minister will chair a biannual 'Council of LEP Chairs'. This will provide an opportunity for LEP leaders to inform national policy decisions.

While LEPs across the country have played an important role in supporting local growth, feedback suggests that their performance has varied. We are reviewing the roles and responsibilities of LEPs and will bring forward reforms to leadership, governance, accountability, financial reporting and geographical boundaries. We will work with LEPs to set out a more clearly defined set of activities and objectives in early 2018. These will be driven by influential local leaders, acting as figureheads for their area's economic success, and a clear strategy for local and national partnership. We will agree and implement appropriate structures for holding LEPs to account.

We will work with LEPs to review overlapping geographies and ensure people are clear as to who is responsible for driving growth in their area. We recognise that in order to deliver their role effectively, LEPs need financial support. We will make additional financial resources available to LEPs that demonstrate ambitious levels of reform following the review"

now need to be extensive engagement with stakeholders within the City Region and outside to determine how best to respond to the Review's recommendations, particularly in relation to the requirement to remove overlaps from LEP geographies. Leeds City Region Enterprise Partnership is one of 21 LEPs affected by this proposal.

3. Financial Implications

3.1 There are no financial implications directly arising from this report.

4. Legal Implications

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

5. Staffing Implications

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

6. External Consultees

6.1 No external consultations have been undertaken.

7. Recommendations

7.1 Note and discuss the recent developments in relation to securing devolution to Leeds City Region and the LEP Review.

8. Background Documents

None.

9. Appendices

Appendix 1 - Letter dated 9 July from the Secretary of State for Housing, Communities and Local Government to One Yorkshire Leaders

Appendix 2 - Response dated 16 July from One Yorkshire Leaders to the Secretary of State

Appendix 3 - Summary of the Government's Review of Local Enterprise Partnerships

Agenda Item 7

Appendix 1



Ministry of Housing,
Communities &
Local Government

Ben Still
Chief Executive
West Yorkshire Combined Authority
Wellington House
40-50 Wellington Street
Leeds, LS1 2DE

Rt Hon James Brokenshire MP
*Secretary of State for Housing, Communities and
Local Government*

**Ministry of Housing, Communities and Local
Government**

4th Floor, Fry Building
2 Marsham Street
London SW1P 4DF

Tel: 0303 444 3450

Email:
james.brokenshire@communities.gsi.gov.uk

www.gov.uk/mhclg

9 July 2018

Dear Mr Still,

I am replying to your letter of 5 March to my predecessor, Sajid Javid, which enclosed a short outline of proposals for devolution to authorities within Yorkshire. A copy of this letter is going to the leaders of the eighteen local authorities who signed this letter to Dan Jarvis who subsequently has been elected Mayor for the Sheffield City Region; and to the leaders of Rotherham, Sheffield, North Lincolnshire, and North East Lincolnshire councils, since those four authorities share functional economic areas with authorities who have signed up to the initial outline proposals.

As the previous Secretary of State indicated, we are prepared to consider any proposal submitted to us, on the same criteria that we have used to consider devolution proposals elsewhere. However, as you know the Government has always been clear that the first step to any devolution deal across Yorkshire is the full implementation of the 2015 Sheffield City Region devolution deal.

Dan Jarvis was elected as Mayor of SCR in May for a four year term, with a commitment first to implementing in full the SCR devolution deal before seeking devolution on a wider geographic basis. Until the Sheffield City Region deal is fully implemented, the Government is not prepared to enter into any discussion about wider devolution arrangements that would include some or all of the SCR authorities.

Yours sincerely,

RT HON JAMES BROKENSHERE MP

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James Brokenshire MP
Secretary of State
Ministry of Housing Communities and Local Government
Fry Building
2 Marsham Street
London
SW1P 4DF

16 July 2018

Dear Secretary of State,

Thank you for your letter of 9 July in response to the submission of our proposal for a One Yorkshire devolution deal in March.

We were disappointed at your characterisation of this substantive document as a “short outline” and the focus of your letter on identifying obstacles to the delivery of a One Yorkshire devolution deal rather than proposing a positive way forward.

The One Yorkshire proposal has the cross-party support of 18 authorities and the Mayor of the Sheffield City Region. This support was reaffirmed again at our meeting of 12 July.

Together we are ready to deliver a devolution deal at pace which would offer huge benefits for the region and the wider UK economy. With the constructive support of the Government, an agreement can be in place and a Mayor for One Yorkshire elected by 2020 unlocking those benefits for all.

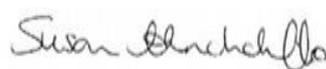
We are already developing the detail of the economic case underpinning One Yorkshire and would welcome the involvement of officials from Government in that process. We hope you will respond constructively so that rapid progress can be made in the coming weeks and months. Your support is essential to accelerating the delivery of the Sheffield City Region devolution deal whilst assuring those who want to join One Yorkshire that option will be available to them as early as 2020.

We are united in our determination to deliver this devolution agreement to the benefit of our communities and the UK as a whole and are willing to meet you and other Ministers at any time to move this process forward quickly.

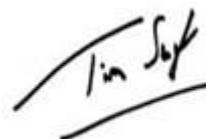
Yours sincerely,



Cllr Stephen Houghton
Leader, Barnsley Council



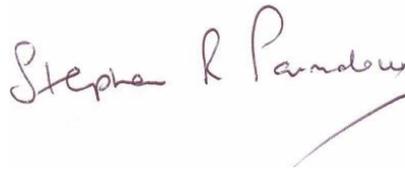
Cllr Susan Hinchcliffe
Leader, Bradford Council



Cllr Tim Swift
Leader, Calderdale Council



Cllr Ros Jones
Mayor, Doncaster Council



Cllr Stephen Parnaby
Leader, East Riding of
Yorkshire Council



Cllr Stephen Brady
Leader, Hull City Council



Cllr Shabir Pandor
Leader, Kirklees Council



Cllr Judith Blake
Leader, Leeds Council



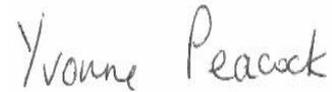
Cllr Carl Les
Leader, North Yorkshire
County Council



Cllr Richard Foster
Leader, Craven District
Council



Cllr Mark Robson
Leader, Hambleton
District Council



Cllr Yvonne Peacock
Leader, Richmondshire
Council



Cllr Derek Bastiman
Leader, Scarborough
Borough Council



Cllr Mark Crane
Leader, Selby District
Council



Cllr Ian Gillies
Leader, City of York
Council



Cllr Peter Box
Leader, Wakefield
Council



Clare Slater
CEO (Interim), Ryedale
Council
On behalf of the Council



Cllr Richard Cooper
Leader, Harrogate
Borough Council



Mayor Dan Jarvis MP
Sheffield City Region

STRENGTHENED LOCAL ENTERPRISE PARTNERSHIPS – SUMMARY RECOMMENDATIONS

Role and responsibilities:

Government will:

- Publish a **statement on the role and responsibilities** of LEPs. LEPs will focus on enhancing productivity. This will be achieved through the development and delivery of their Local Industrial Strategy.
- Publish a **further statement on Local Industrial Strategies** to guide locally-led work. This statement will be published over the summer. Government will aim to agree Local Industrial Strategies with all areas of England by early 2020.
- Commission an **annual economic outlook** to independently measure economic performance across all LEPs and the areas they cover.

Government will support all LEPs to:

- Develop an evidence-based **Local Industrial Strategy** that sets out a long-term economic vision for their area based on local consultation.
- Publish an **annual delivery plan and end of year report**. This will include key performance indicators to assess the impact of their Local Industrial Strategy, funding and interventions. It will inform objective assessment on LEP performance.

Leadership and organisational capacity:

Government will:

- Increase **regular dialogue** with LEPs. This includes the **Prime Minister chaired Council** announced in the Industrial Strategy, as well as a **senior official sponsor** for every LEP from across government departments.
- Actively **work with LEPs to advertise opportunities** for private sector leaders to become a LEP Chair when vacancies emerge. While these are not public appointments, we will offer to list vacancies on the Centre for Public Appointments website.
- Offer an **induction and training** programme for LEP board members and officers on working with Government. We will work with the LEP Network, Local Government Association and other professional development bodies to develop this programme.
- Provide **up to £20 million between 2018-19 and 2019-20 in additional capacity funding to support LEPs** to implement the review and to provide the strategic and analytical capability needed to develop ambitious Local Industrial Strategies.

Government will support LEPs to:

- **Consult widely and transparently** with the business community before appointing a new Chair; and introduce **defined term limits** for Chairs and Deputy Chair.
- Establish more **representative boards of a maximum of 20 persons** with the option to co-opt up to five additional board members. Our aspiration is that two-thirds of board members should be from the private sector;
- **Improve the gender balance and representation of those with protected characteristics on boards** with an aim that women make up at least one third of

Appendix 3

LEP boards by 2020 with an expectation for equal representation by 2023, and ensuring all LEP boards are representative of the businesses and communities they serve.

- **Provide a secretariat independent of local government** to support LEPs' decision making.
- **Develop a strong local evidence base of economic strengths, weaknesses and comparative advantages** within a national and international context. This will be supported by **robust evaluation of individual projects and interventions**.

Accountability and performance:

Government will:

- Continue to maintain **overall accountability for the system** of LEPs and local growth funding, and implement in full the recommendations of the Ney Review and any future recommendations that may be made as the performance of LEPs is scrutinised and reviewed.
- Assess and publish annual performance against **quantitative and qualitative measures** set out within LEP delivery plans.
- Set out within a revised National Assurance Framework a clear statement on an **escalating approach to intervention** in any instances where LEPs demonstrate that they are found to be underperforming.
- Develop with the LEP Network and LEPs a **sector-led approach to assessing and improving performance** through regular peer review.

Government will support all LEPs to:

- Have a **legal personality**, such as incorporation as companies, or mayoral combined authorities or combined authorities where they exist.
- Set out clearly and transparently the **responsibilities of the Chair, Board, Director, and Accountable Body**, including over spending decisions, appointments, and governance.
- Actively participate in relevant **local authority scrutiny panel** enquiries to ensure effective and appropriate democratic scrutiny of their investment decisions.
- Hold **annual general meetings** open to the public to attend to ensure the communities that they represent can understand and influence the economic plans for the area.

Geography:

Government will:

- Ask LEP Chairs and other local stakeholders to come forward with **considered proposals by the end of September on geographies which best reflect real functional economic areas, remove overlaps and, where appropriate, propose wider changes such as mergers**. Government will respond to these proposals in the autumn and future capacity funding will be contingent on successfully achieving this.

Appendix 3

Government will support all LEPs to:

- **Collaborate across boundaries** where interests are aligned when developing strategies and interventions to maximise their impact across their different objectives.

Mayoral combined authorities:

Government will:

- **Consolidate its engagement with mayoral combined authorities and their LEPs** with a collaborative approach to agreeing a Local Industrial Strategy.

In mayoral combined authority areas, we will work with each LEP and mayoral combined authority to:

- **Ensure LEPs have a distinctive role in setting strategy and commissioning interventions** to drive growth, jobs and private sector investment
- **Require LEPs and mayoral combined authorities to develop local agreements** which clearly set out roles and responsibilities and accountability.
- **Encourage LEPs and mayoral combined authorities to move towards coterminous geographies where appropriate** in line with the wider discussions on LEP geographies.

Implementation

We will work with LEPs to develop revised proposals for geography by 28 September 2018 and a detailed plan for implementing the above changes before 31 October 2018. We will then work with LEPs, as above, to ensure these plans are implemented effectively across the country.

To support this, Government will publish a revised National Assurance Framework. This will clearly define what is required of each LEP to be compliant and to receive future core and growth funding.

We will also work with the LEP Network to identify and develop case studies of good practice and commission an additional training offer that will be available to LEP Chairs and board members.

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Report to: West Yorkshire Combined Authority

Date: 2 August 2018

Subject: **Capital Spending and Project Approvals**

Director: Melanie Corcoran, Director of Delivery

Author(s): Craig Taylor / Cath Pinn

1 Purpose of this report

- 1.1 To put forward proposals for the progression of, and funding for, a number of West Yorkshire Combined Authority supported projects, including West Yorkshire plus Transport Fund (Transport Fund) and Growth Deal, for consideration by the Combined Authority’s assurance process.
- 1.2 This report presents proposals for the progression of four schemes, which have been recommended for approval by the West Yorkshire and York Investment Committee, and considered in line with the Leeds City Region Assurance Framework. These schemes have a total combined funding value of £34.462 million when fully approved, of which £14.786 million will be funded by the Combined Authority. A total expenditure recommendation to the value of £2.701 million 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.

Scheme	Scheme description	Decision sought
Rochdale Canal - Cycle Safety Fund Calderdale	As part of the CityConnect Programme, this scheme will deliver 6km of high quality cycle route in the Calderdale District between the centres of Hebden Bridge and Todmorden, building on the projects currently being delivered in the corridor to create a continuous traffic free route along the Calder Valley.	Approval to proceed beyond decision point 2 and work commence on decision point 4 (full business case with finalised costs). Total value - £1.553 million Total value of Combined Authority funding - £1.473 million Funding recommendation sought - £0

	<p>The project is funded from Department for Transport's Cycle Safety Fund</p> <p>The scheme has a benefit cost ratio of 3.25:1 at this stage and this will be reassessed in the full business case.</p> <p>The scheme's wider social benefits include health benefits such as improved fitness and reduction in accidents.</p>	
<p>Corridor Improvement Programme - A58/A672 Calderdale</p>	<p>To improve connectivity and accessibility to support economic growth through highway improvements, and improving cycling and walking facilities along this part of the West Yorkshire Key Route Network (WYKRN).</p> <p>The project is funded from the West Yorkshire plus Transport Fund.</p> <p>The benefit to cost ratio of this scheme has been assessed as 4.3:1</p> <p>The scheme's wider social benefits include improving air quality, improved fitness and reduction in accidents.</p>	<p>Approval to proceed beyond decision point 3 and work commence on activity 4 (full business case).</p> <p>Total value - £6.024 million</p> <p>Total value of Combined Authority funding - £6.024 million</p> <p>Funding recommendation sought - £706,665</p>
<p>Corridor Improvement Programme - A646/A6033 Calderdale</p>	<p>To improve connectivity and accessibility to support economic growth through a package of improvements to improve resilience to incidents and weather events and encourage more walking and cycling along this part of the West Yorkshire Key Route Network (WYKRN).</p> <p>The project is funded from the West Yorkshire plus Transport Fund.</p> <p>The benefit to cost ratio has been assessed as 3.3:1</p> <p>The scheme's wider social benefits include improving air quality, improved fitness and reduction in accidents.</p>	<p>Approval to proceed beyond decision point 3 and work commence on activity 4 (full business case).</p> <p>Total value - £5.092 million</p> <p>Total value of Combined Authority funding - £5.092 million</p> <p>Funding recommendation sought - £594,581</p>

<p>Beech Hill (Phase 1a and 1b) Halifax</p>	<p>A scheme consisting of phases 1a and 1b, to enable the Beech Hill site to be prepared for housing development through demolition works, removal of asbestos, land remediation and provision of green infrastructure.</p> <p>A cost benefit analysis has been undertaken confirming that the preferred option to include the tower block and depot site together, bringing together phase 1a demolition and 1b abnormal infrastructure costs, provides value for money compared to other options at a cost of £191,342/unit. Other options were considered and while this option is complex it will provide long term benefits e.g. quality affordable housing, facilitating town centre living and the sustainability of the town centre.</p> <p>The scheme's wider social benefits also include a more enjoyable sense of place for residents and visitors.</p>	<p>Phase 1a</p> <p>Approval to proceed beyond decision point 5 and work commence on activity 6 (delivery).</p> <p>Total value of Combined Authority funding - £1.4 million</p> <p>Funding recommendation sought - £1.4 million</p> <p>Phase 1b</p> <p>Approval to proceed beyond decision point 2 and work commence on activity 4 (outline business case) in the form of an updated business case for both phases 1a and 1b merging.</p> <p>Total value of Combined Authority funding - £797,000</p> <p>Funding recommendation sought - £0</p> <p>Total scheme costs</p> <p>Total value - £21.813 million</p> <p>Total value of Combined Authority funding - £ 2.197 million</p> <p>Funding recommendation sought - £1.4 million</p>
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1.3 This report also presents recommendations for the following schemes that have had change request reports assessed in line with the Combined Authority's assurance process. These change requests have all been recommended for approval by the West Yorkshire and York Investment Committee. These schemes have a total combined funding of value of * £34.400 million when fully approved, £16.800 million of which will be funded by the Combined Authority. A total expenditure recommendation to the value of £793,000 million 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. Please note the Forge Lane/Dewsbury Riverside scheme change request has also resulted in a recommendation for a decision point 2 (case paper) approval, which is also presented in this section.

*Does not include exempted amount referenced in paragraph 2.81.

Scheme	Scheme description	Decision sought
<p>Forge Lane / Dewsbury Riverside Kirklees</p>	<p>A major regeneration project to deliver new housing in the North Kirklees Growth Zone through substituting the current site, Forge Lane, with replacement adjacent site within Dewsbury Riverside.</p> <p>The replaced site represents good value for money at this stage.</p>	<p>This scheme presents two separate decisions as part of the assurance process</p> <p>(Decision 1): Stage 3 (delivery) change request to omit the Forge Lane site and substitute with the Dewsbury Riverside site.</p> <p>(Decision 2): Approval for the Dewsbury Riverside site to proceed beyond decision point 2 (case paper) and work commence on activity 4 (full business case)</p> <p>Total value of Combined Authority funding - Exempt (see this section of the report for further details)</p> <p>Funding recommendation sought - £0</p>
<p>Kirklees Housing project Kirklees</p>	<p>To accelerate delivery and improve viability on Council owned housing sites by addressing transport access through highways improvements and site condition to accelerate delivery of housing units through undertaking appropriate levels of preparatory and investigation work to facilitate this.</p>	<p>Stage 3 (delivery) change request to descope the Stile Common housing site from the Local Growth Fund scheme and replace it with the Waterfront housing site. Both sites are located in Huddersfield. Of the approved £1 million loan, £700,000 should be spent on the Phase 1 sites of Ashbrow and Soothill (currently in delivery) and the remaining £300,000 to be allocated for expenditure on the Phase 2 Waterfront site subject to successful progression through the Combined Authority assurance process.</p> <p>Total value of Combined Authority Funding - £1 million</p> <p>Funding recommendation sought - £0</p>
<p>Bradford One City Park Bradford</p>	<p>To support the sustainable regeneration of Bradford city centre through the redevelopment of the Tyrils building (former West Yorkshire Police station) and adjoining council owned land</p>	<p>Change request for Stage 3 (delivery) to refine the timeframes for project delivery to March 2021 rather than December 2018 and recommendation that the project submit a full</p>

	for the creation of high quality commercial accommodation.	business case (with finalised costs) as part of the Combined Authority's assurance process in order to release funding. Total value of Combined Authority Funding - £5.2 million Funding recommendation sought - £0
Halifax Station Gateway Halifax	To deliver a transformational redevelopment of Halifax Rail Station.	Stage 2 (development) change request that project development funding is brought forward to spend within activity 3 (outline business case). This will support further project development. Total value - £28.2 million Total value of Combined Authority Funding - £10.6 million Funding recommendation sought - £793,000

1.4 This report also presents recommendations for the following schemes that are proceeding directly to the Combined Authority due to the nature of the funding streams or timescales related to delivery, having been assessed in line with the Combined Authority's assurance process.

Scheme	Scheme description	Decision sought
Skills re-boot project	To offer individuals the chance to upskill, gain new skills and qualifications and enter employment through delivery of a social media and a careers campaign. This scheme represents good value for money as it will contribute to improving in-work productivity for the region through upskilling individuals to secure jobs in growth sectors. Additionally the unit cost for the scheme is lower than the European Structural Investment Fund bid requirements at £1,310.61.	Approval to proceed beyond decision point 2 and work commence on activity 5 (full business case with finalised costs). Total value – £3.145 million Total value of Combined Authority funding - £2.870 million Funding recommendation sought - £0

<p>Leeds City Region Employment Hub</p>	<p>To further establish links between education and business, and promote apprenticeships in schools. Increase student contact with, and understanding of, business. To encourage businesses to offer apprenticeships. To establish a talent pool of young people who can be placed in identified education, apprenticeship or employment opportunities</p> <p>The scheme indicates that it will provide good value for money and has a benefit cost ratio forecast of 2.8:1 which could increase following a wider appraisal of outcomes.</p>	<p>Approval to proceed beyond decision point 2 and work commence on activity 5 (full business case with finalised costs).</p> <p>Total value – £9 million</p> <p>Total value of Combined Authority funding - £8.738 million</p> <p>Funding recommendation sought - £0</p>
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- 1.5 In addition, this report also contains a recommendation to enter into a Funding Agreement with Wakefield Council in relation to the Wakefield Eastern Relief Road. This decision has also been progressed directly to the Combined Authority for consideration.
- 1.6 Finally, it was anticipated that a full business case for the Leeds New Station Street scheme would be considered by this meeting. However, costs are likely to increase and therefore value engineering on the scheme is underway. Other sources of funding are also being explored. A final business case will be presented to Investment Committee in September and due to expediency and not delaying the scheme it is proposed that the full business case (decision point 4) and full business case with finalised costs (decision point 5) approval for this scheme be delegated to the Combined Authority’s Managing Director in consultation with the Chair of the Combined Authority.
- 1.7 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.
- 1.8 This report provides information required to enable the Combined Authority to approve each of the above elements.

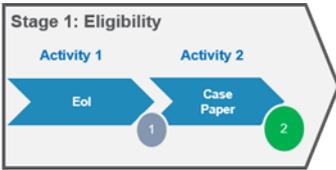
2 Information

- 2.1 The background information 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**. In addition, this appendix also provides a description of the approach for the future assurance approval pathway and the assurance tolerances for each scheme.
- 2.2 Four schemes that have been set out in this report have been considered by the Investment Committee on 4 July 2018 and have been recommended for approval. These are summarised as:

Rochdale Canal - Cycle Safety Fund	Decision point 2 (case paper)
Corridor Improvement Programme - A58/A672	Decision point 3 (outline business case)
Corridor Improvement Programme - A646/A6033	Decision point 3 (outline business case)
Beech Hill (Phase 1a and 1b)	Phase 1a Decision point 5 (full business case with finalised costs) Phase 1b Decision point 2 (case paper)

Programmes and projects for consideration

Projects in stage 1: Eligibility



- 2.3 Projects at the eligibility stage are seeking entry into the portfolio and should demonstrate a strategic fit in terms of project outcomes, with further project definition including costs and detailed timescales to be developed as the project progresses through the assurance process. At this stage funding may be sought to enable this work to progress.

Project Title	Rochdale Canal - Cycle Safety Fund - Canal Towpath Improvement Phase 2 - Hebden Bridge to Todmorden
Stage	1 (Eligibility)
Decision Point	2 (Case paper)

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:	

Background

- 2.4 The scheme, which forms part of the CityConnect Programme, will deliver 6 km of high quality cycle route in the Calderdale District between the centres of Hebden Bridge and Todmorden, building on the projects currently being delivered in the corridor to create a continuous traffic free route along the Calder Valley.
- 2.5 The project has been awarded £1.473 million funding by the Department for Transport following a competitive bidding process to improve cycle safety in the area and will be delivered in partnership with the Canal and River Trust and Calderdale Council.
- 2.6 The project will deliver against Priority 4 of the Leeds City Region Strategic Economic Plan – Infrastructure for growth, through linking people in the towns and settlements along the Calder Valley (including connecting to the rail stations) to jobs and other opportunities in the region. The proposal will contribute to the Transport Strategy target of increasing journeys by bike by 300% and “improving safety on the transport network”. In addition the scheme will contribute to the Priority 3 – Clean energy and environmental resilience through the improvements that will be made to the canal’s wash walls.
- 2.7 The route will provide a safe and attractive alternative to the heavily trafficked A646 for cyclists and pedestrians, which has seen an increase in road traffic accidents involving vulnerable road users. It is expected that the scheme will also unlock latent cycling and walking demand for both transport and leisure purposes, with similar projects realising increases in use of around 70% following completion. An initial assessment of the scheme suggests a BCR of 3.25:1 could be achieved.
- 2.8 Initial feasibility and development work has been completed previously as part of the wider CityConnect programme and it is expected that the project can

progress quickly with a start on site planned for early in 2019 and completion by summer 2019.

2.9 A location map is included in **Appendix 2**.

Outputs, benefits and inclusive growth implications

2.10 The forecast outputs, benefits and inclusive growth implications for the scheme are:

- 6km of high quality cycle route (16.3km when taken in context of the wider CCAG programme delivery in the corridor)
- Connecting people to urban centres, key employment sites and economic opportunities.
- Congestion benefits will be realised through increased uptake of cycling and associated mode shift away from private car use. Mode share for cycling has been predicted to increase from 1.3% to 3.5% along the corridor, leading to a corresponding decrease in CO2 production and increasing local air quality.
- The scheme will realise significant health benefits through improved physical fitness, reduced absenteeism as well as a reduction in accidents (and the associated cost to the economy).
- Additional benefits resulting from the scheme which provides additional flood protection to homes and businesses will be realised through the associated wash wall repairs.

2.11 The scheme proposals demonstrate good value for money at this stage and its wider social benefits include health benefits such as improved fitness and reduction in accidents.

Risks

2.12 The key risks and mitigating actions for this project are:

- Failure to manage tight timescales and receive approvals at appropriate stages as defined on outline project plan, allowing funding deadline to be met - Action - Detailed project plan to be produced in partnership with delivery partners.
- Insufficient funds to deliver scope of project – Action - Part of procurement exercise, design for the scheme should be packaged to allow Potential Value Engineering should costs exceed budget. The design and packages (scope) should be agreed and signed off by Executive (including Advisory Group and Programme Board sign off). Additional funding sources will also be explored to retain the project scope.
- Start on site is delayed, leading to time and cost increases – Action - twin track drafting of funding agreement with business case documentation.

- Failure to deliver project benefits due to economic case not stacking up – Action - Further analysis to be undertaken and detailed business case is to be developed.

Costs

- 2.13 The total forecast cost to deliver the project is £1.553 million, to be funded through £1.473 million from the Combined Authority through the Department for Transport Cycle Safety Grant and £80,000 from Calderdale Council funds.
- 2.14 The Department for Transport grant is limited to £1.473 million.
- 2.15 No Combined Authority development costs are requested as part of this approval

Timescales

- 2.16 The timescales of the project are:
 - Completion of detailed design, consultation and sign off of designs early July 2018
 - Procurement and firm costs early September 2018
 - Completion of full business case (decision point 5) end September 2018
 - Delivery Jan 2019 – Summer 2019 (decision point 6)

Future assurance pathway and approval route

Assurance pathway	Approval route
Decision point 4 Full business case	Recommendation: Investment Committee Decision: Combined Authority’s Managing Director
Decision point 5 Full business case with finalised costs	Recommendation: Combined Authority’s Programme Appraisal Team Decision: Combined Authority’s Managing Director

Tolerances

Project tolerances
That scheme costs remain within those outlined in this report. That programme timescales remain within 2 months of the timescales set out in this report.

Project responsibilities

Senior Responsible Officer	Kate Thompson, Combined Authority
Project Manager	Fiona Limb, Combined Authority Peter Stubbs, Calderdale Council
Combined Authority case officer	Nicholas Kiwomya

Appraisal summary

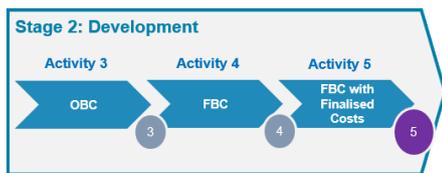
- 2.17 The project has a clear strategic case and will deliver against the Leeds City Region's Strategic Economic Plan (SEP) priority 4 – Infrastructure for Growth, through providing sustainable and active transport infrastructure connecting key towns and settlements in the Calder Valley between Hebden Bridge and Todmorden and SEP priority 3 – Clean Energy and Environmental resilience through the work that will be required to the canal wash walls (to enable an improved towpath to be built) improving flood resilience. In addition, there is a strong alignment with the Transport Strategy objectives to increase trips by bike and improve the safety of vulnerable road users as well as local plans and strategies including Calderdale's Local Plan and Health and Wellbeing strategy. The project's objectives are well defined and include the delivery of 6km of high quality cycle route which will; increase the numbers of walking and cycling trips, link to and enhance other planned transport projects in the area (CCAG and Transport Fund), deliver carbon reductions and improve air quality, reduce cyclist and pedestrian casualties and provide economic benefit to the region. The scheme has been assessed as providing good value for money with an initial benefit to cost ratio of 3.25:1, and further work will be undertaken to refine the economic appraisal for this scheme to measure the full range of benefits possible including, congestion, environmental, health and economic.
- 2.18 The project is well established and forms part of the CityConnect programme within initial feasibility design and costings work completed. The project has resources in place to take the scheme forward to delivery with a team from Canal and River trust and Calderdale Council undertaking the project management, design and procurement of the delivery going forward, with support from the Combined Authority's programme management team. Funding has been secured for the delivery of the project from the Department for Transport and this is being matched by external funding from Calderdale Council. The Department for Transport funding conditions and Canal and Rivers Trust working restrictions mean that the timetable for delivery is constrained but a clear critical path and key milestones are in place to deliver to this ambitious timeframe. Procurement plans are in place through the established Canal and Rivers Trust framework contractor, which has successfully been utilised for the first phase of the project, which is currently being delivered on site.

Recommendations

2.19 That the Combined Authority approves that:

- (i) The Rochdale Canal Towpath Improvement project proceeds through decision point 2 and work commences on activity 4 (full business case)
- (ii) 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.
- (iii) Future approvals are made in accordance with the approval pathway and approval route outlined in this 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 this report.

Projects in Stage 2: Development



- 2.20 Projects at Development stage should demonstrate that they have tested the feasibility of a solution through their business case. This business case should then be developed in order to confirm and detail the preferred solution including finalising its cost.

Corridor Improvement Programme Summary

- 2.21 The Corridor Improvement programme is a programme of low and medium cost highway interventions on strategic highway corridors on the West Yorkshire Key Route Network (WYKRN), which aims to improve connectivity and accessibility to support economic growth. In order to achieve this the programme aims to deliver an 8% reduction in journey times for all traffic, with a higher target of 12% reduction in journey times for buses.
- 2.22 The creation of a West Yorkshire Key Route Network (WYKRN) is designed to facilitate economic growth and job creation by delivering reliable journey times for all modes across the core road network in West Yorkshire, regardless of authority boundaries. Improved reliability of the WYKRN will contribute to goals of the Leeds City Region Strategic Economic Plan (SEP) by improving connectivity and better connecting people, jobs and goods. Such improvements will help to attract investment and facilitate housing growth across the City Region.
- 2.23 The Corridor Improvement Programme will be delivered in three phases. The total forecast cost of the programme is £130.3 million, £125 million of which will be funded from the Combined Authority's West Yorkshire plus Transport Fund.
- 2.24 The following two schemes which are presented in this report form part of the Corridor Improvement Programme. They are the
- A58/A672 Corridor Improvement project
 - A646/A6033 Corridor Improvement project
- 2.25 Both schemes are located in the Calderdale district and are being promoted by Calderdale Council.
- 2.26 The Corridor Improvement Programme received decision point 2 approval (case paper) from the Combined Authority on the 29th June 2017 for the programme as a whole, as part of this approval it was agreed that the 13 projects within the programme would be progressed on an individual basis to outline business case. These two schemes are the first projects from the

programme to be brought forward for decision point 3 (outline business case) approval.

- 2.27 At decision point 2, a total forecast cost for phase 1 of the programme received an indicative approval of £67.8 million. This forecast only comprised of costs for 11 of the 13 projects from phase 1. Costs were not included for both the A58/A672 Corridor Improvement project, and the A646/A6033 Corridor Improvement projects (both of which are presented in this report for consideration). This was due to robust cost forecasts not being available at the time.
- 2.28 It is considered that both schemes are affordable through a mix of over-programming of Phase 1 and also from the wider Phase 2 and 3 forecast programme costs. It is intended that the Corridor Improvement Programme will be fully reviewed over the next 6 months and, if required, a change request approval sought to update the total forecast cost for Phase 1 schemes.

Project Title	Corridor Improvement Programme - A58/A672
Stage	2 (Development)
Decision Point	3 (Outline 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:	

Background

- 2.29 This scheme forms part of Phase 1 of the Corridor Improvement Programme.
- 2.30 This scheme proposes a package of focused transport interventions on the A58/A672 corridor in Calderdale to deliver highway improvements, along with improving facilities for active travel modes (cycling and walking). This includes a package of measures to improve highway efficiency for the benefit of all road users along this part of the West Yorkshire Key Route Network (WYKRN), comprising the A58/A672 between Halifax and the M62 Junction 22 via Sowerby Bridge, Ripponden and Rishworth. Currently there are issues with the journey time variability between peak and off-peak time periods particularly for public transport, poor air quality due to congestion and lack of appetite for growth due to these issues on the route.
- 2.31 Halifax is identified as a spatial priority area in the SEP. Improved links to the economic opportunities available in Halifax from Sowerby Bridge, Ripponden

and Rishworth will connect people to higher value jobs. Improvements to the A58 in Sowerby Bridge will also better link residents of the Upper Calder Valley with similar economic opportunities available in Brighouse, Elland and Huddersfield, whilst improved air quality through reduced congestion on the A58 will ensure 'good growth' is achieved.

2.32 As part of the WYKRN, the A58/A672 provides a key role linking Calderdale to the Greater Manchester City Region. Improvements to this route will ensure sustainable growth of Halifax and surrounding economic centres such as Copley, whilst boosting the visitor economy by enhancing links with neighbouring areas. Increased accessibility of Halifax from the south west will also complement parallel improvements planned on the A629, helping erode the productivity gap that exists with other areas, reducing barriers that deter future investment and improving the quality of life for residents.

2.33 A location map for the scheme is included in **Appendix 3**.

Outputs, benefits and inclusive growth implications

2.34 The forecast outputs, benefits and inclusive growth implications for the project are:

- Improved journey time reliability on the A58/A672, particularly for public transport users and reduced variability between peak and off-peak time periods.
- Reduced congestion along the A58/A672 by reducing journey times for general traffic along the corridor by 8% or more in the AM and PM peak by opening year, in order to improve productivity and attract new investment, in particular to attract new businesses to occupy employment land allocated in the emerging Local Plan.
- future housing growth supported by reducing transport constraints to development on the corridor– enabling residential units located on preferred sites accessed via the corridor in the emerging Calderdale Local Plan to be realised by 2032.
- Enhanced provision for active modes in order to increase the sustainability of new development – closing gaps in network connectivity on the walking and cycling networks to limit net growth in car trips by 2026, once trips generated by new development are accommodated.
- Improved air quality – ensure the annual mean nitrogen dioxide levels observed in the AQMA declared in Sowerby Bridge town centre are improved by the end of the opening year.
- Accidents reduced by 10% throughout the corridor by 2022, with a particular focus on collisions involving pedestrians and cyclists.

2.35 The benefit to cost ratio of this scheme has been assessed as 4.3:1 and its wider social benefits include improving air quality, improved fitness and reduction in accidents.

Risks

2.36 The key risks and mitigating actions for this project are:

- Drainage repairs required as a result of detailed design surveys. This will be mitigated by minimising drainage design modification to reduce the impacts of changes, ensuring detailed statutory utility plans are obtained and liaison with the relevant utility companies.
- Difficulties managing utilities leading to cost increases and programme delays. This will be mitigated through early engagement and regular dialogue with utility companies and timely requests for information.
- Adverse weather conditions impacting on scheme delivery. This will be mitigated through where possible works being scheduled outside of key adverse weather periods. Work will be packaged into smaller sections, so it can be rearranged within the overall programme. Extra time will be factored into the build period for each section to allow for delays.
- Local acceptance of the impacts of proposals. This will be mitigated by continued engagement with councillors and the wider community throughout the life of the project.

Costs

2.37 The total forecast cost to deliver the project is £6.024 million. This will be funded entirely by the Combined Authority from the West Yorkshire plus Transport Fund.

2.38 Phase 1 of the programme received a total development cost approval of £4.483 million, of which £235,000 was allocated for the development of this scheme. The scheme now requires a further £706,665 to progress the scheme to full business case (decision point 4), taking the total development cost requirement to £941,665. To date, 16% of costs have been spent on developing the scheme which is in line with expectations.

Timescales

2.39 The timescales of the project are:

- It is forecast that the full business case (decision point 4) will receive approval in August 2019
- It is forecast that construction will be completed by March 2021 (decision point 6)

Future assurance pathway and approval route

Assurance pathway	Approval route
Decision point 4	Recommendation: Investment Committee
Full business case	Decision: Combined Authority's Managing Director

Decision point 5 Full business case with finalised costs	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director
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Tolerances

Project tolerances
That costs should remain within 10% of the total project cost set out in this report The timescales should remain within 3 months of the timescales set out in this report

Project responsibilities

Senior Responsible Officer	Melanie Corcoran, Combined Authority
Project Manager	Peter Stubbs, Calderdale Council
Combined Authority case officer	Simon Collingwood

Appraisal summary

- 2.40 A package of small-scale transport interventions on the A58/A672 corridor focused on highway improvements, along with improving facilities for active modes. The scheme involves a package of measures to improve highway efficiency for the benefit of all road users along part of the West Yorkshire Key Route Network (WYKRN), comprising the A58/A672 between Halifax and the M62 Junction 22 via Sowerby Bridge, Ripponden and Rishworth. The scheme has good management, strategic, economic commercial and financial cases and is designed to facilitate economic growth and job creation by delivering reliable journey times for all modes across the core road network in West Yorkshire, regardless of authority boundaries. Improved reliability of the WYKRN will contribute to goals of the Leeds City Region Strategic Economic Plan (SEP) by improving connectivity and better connecting people, jobs and goods. Such improvements will help to attract investment and facilitate housing growth across the City Region.
- 2.41 This scheme is judged to represents good value for money, which is demonstrated through a forecast benefit cost ratio of 4.3 to 1.

Recommendations

- 2.42 That the Combined Authority approves that:
- (i) That the Corridor Improvements Programme scheme - A58/A672 proceeds through decision point 3 and work commences on activity 4 (full business case)
 - (ii) 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).

- (iii) 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.
- (iv) That future approvals are made in accordance with the approval pathway and approval route set out in this 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 this report.

Project Title	Corridor Improvement Programme - A646/6033 Calderdale
Stage	2 (Development)
Decision Point	3 (Outline 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:	

Background

- 2.43 This scheme forms part of Phase 1 of the Corridor Improvement Programme,
- 2.44 The scheme will deliver a multi-modal package of improvements to address identified pinch-points, improve resilience to incidents and weather events and encourage modal shift along the A646/A6033 corridor. Current issues which will be addressed are inefficient junctions and required changes in traffic management, lack of bus facilities, lack of pedestrian crossing points, lack of cycle facilities and poor links to existing walking and cycling routes.
- 2.45 Halifax is identified as a spatial priority area in the Leeds City Region Strategic Economic Plan (SEP). Improved links to the economic opportunities available in Halifax from the Upper Calder Valley, will connect people to higher value jobs, whilst improvements to air quality through reduced congestion will deliver a better environment, ensuring 'good growth' credentials of the SEP are met. Potential improvements to public realm will also improve quality of life.
- 2.46 As part of the WYKRN, the A646/A6033 provides a key role linking Calderdale to the Greater Manchester City Region and to Lancashire. Improvements to this route will ensure sustainable growth of Halifax and surrounding economic centres, whilst boosting the visitor economy by enhancing links with neighbouring areas. Increased accessibility of Halifax from the west will also complement parallel improvements planned on the A58/A672, helping to erode the productivity gap that exists with other areas, reducing barriers that deter future investment and improving the quality of life for residents.
- 2.47 A location map of the scheme is included in **Appendix 4**.

Outputs, benefits and inclusive growth implications

- Improved journey time reliability, particularly for public transport users by reducing journey time variability between peak and off-peak time periods by 12% or more by opening year.
- Improve accessibility to employment sites by reducing journey times for general traffic along the corridor by 8% or more in the AM and PM peak by opening year.
- Enable future housing growth by 2032 at sites proposed along the corridor in the Calderdale Local Plan to be realised.
- Enhanced provision for active modes and closed gaps in connectivity on the walking and cycling networks by opening year, provides an environment which promotes and encourages active mode use.
- Improve air quality by making an improvement to levels of nitrogen dioxide/particulates and achieve the European target values in the two AQMAs declared in Luddenden Foot and Hebden Bridge by opening year.
- Reduce accidents by 10% throughout the corridor by 2022, with a particular focus on collisions involving pedestrians and cyclists.
- Improving efficiency on the Key Route Network by removing parking at key pinchpoints.

2.48 The benefit to cost ratio for the scheme has been assessed as 3.3:1 and its wider social benefits include improving air quality, improved fitness and reduction in accidents.

Risks

2.49 The key risks and mitigating actions for this project are:

- Drainage repairs required as a result of detailed design surveys. This will be mitigated by minimising drainage design modification to reduce the impacts of changes, ensuring detailed statutory utility plans are obtained and liaison with the relevant utility companies.
- As the design is developed it may be identified that permanent works require land purchase or access outside of adopted highway boundary. This will be mitigated through early identification of third party land requirements, early engagement with relevant land owners and managing designs where possible to mitigate the need for third party land.
- Difficulties managing utilities leading to cost increases and programme delays. This will be mitigated through early engagement and regular dialogue with utility companies and timely requests for information.
- Adverse weather conditions impacting on scheme delivery. This will be mitigated through, where possible, works being scheduled outside of key adverse weather periods. Work will be packaged into smaller sections, so

it can be rearranged within the overall programme. Extra time will be factored into the build period for each section to allow for delays.

Costs

- 2.50 The total forecast cost to deliver the project is £5.092 million. This will be funded by the Combined Authority from the West Yorkshire plus Transport Fund.
- 2.51 Phase 1 received a total development cost approval of £4.483 million, of which £195,000 was allocated for the delivery of this scheme. The scheme now requires a further £594,581 to progress the scheme to full business case (decision point 4), taking the total development cost requirement to £789,581. To date, 16% of costs have been spent on developing the scheme which is in line with expectations.

Timescales

- 2.52 The timescales of the project are:
- It is forecast that the full business case (decision point 4) will receive approval in August 2019
 - It is forecast that construction will be completed by March 2021 (decision point 6, delivery)

Future assurance pathway and approval route

Assurance pathway	Approval route
Decision point 4 Full business case	Recommendation: Investment Committee Decision: Combined Authority's Managing Director
Decision point 5 Full business case with finalised costs	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Tolerances

Project tolerances
That costs should remain within 10% of the total project cost set out in this report The timescales should remain within 3 months of the timescales set out in this report

Project responsibilities

Senior Responsible Officer	Melanie Corcoran, Combined Authority
Project Manager	Peter Stubbs, Calderdale Council

Appraisal summary

- 2.53 The scheme will deliver a multi-modal package of improvements to address identified pinch-points, improve resilience to incidents and weather events and encourage modal shift along the A646/A6033.
- 2.54 The scheme has good management, strategic, economic commercial and financial cases and is designed to facilitate economic growth and job creation by delivering reliable journey times for all modes across the core road network in West Yorkshire, regardless of authority boundaries. Improved reliability of the WYKRN will contribute to goals of the Leeds City Region Strategic Economic Plan (SEP) by improving connectivity and better connecting people, jobs and goods. Such improvements will help to attract investment and facilitate housing growth across the City Region.
- 2.55 It is judged that the scheme represents good value for money and will deliver a predicted benefit cost ratio value of 3.3 to1.

Recommendations

- 2.56 That the Combined Authority approves:
- (i) That the Corridor Improvements Programme scheme - A646/6033 proceeds through decision point 3 and work commences on Activity 4 (full business case).
 - (ii) 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)
 - (iii) 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.
 - (iv) That future approvals are made in accordance with the approval pathway and approval route set out in this 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 this report.

Project Title	Beech Hill, Halifax
Stage	Phase 1a: 2 (Development) Phase 1b: 1 (Eligibility)
Decision Point	Phase 1a: 5 (Full business case with finalised costs) Phase 1b: 2 (Case paper)

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:	

Background

- 2.57 The Beech Hill Estate Regeneration Scheme lies on the western edge of Halifax town centre, a sustainable location in close proximity to a range of services, facilities and transport links. It is a mixed use area comprising three vacant tower blocks, a council depot (in the process of being vacated), existing low rise housing, a local primary school, the police headquarters and various other land parcels. The regeneration of the site is a joint venture partnership between Calderdale Council and Together Housing Association (THA).
- 2.58 Since decision point 4 (full business case) there has been a change in scope to the project. The full business case originally focused only on securing the gap funding for the tower block and depot demolition at the site. In conjunction with this, Calderdale Council had submitted a separate £797,000 bid to the Housing Infrastructure Funding (HIF) for the remediation and green infrastructure that was also essential in order to prepare the site for the construction of housing. This HIF bid was unsuccessful, and as a result it was subsequently submitted as part of the Halifax Living funding bid to the Combined Authority as part of the recent Call for Projects (which were considered by Investment committee in June 2018). As part of the appraisal of the Halifax Living funding bid it was determined that the Beech Hill element (£797,000 of Combined Authority funding) should instead be developed and appraised as part of the existing Beech Hill project. This created the opportunity to bring together the two elements to create a whole site approach.
- 2.59 It was recommended by Investment Committee in June 2018 that an additional £797,000 of over-programming against the Local Growth Fund (with the other 'Call for Project' schemes) could be considered as part of the Beech Hill scheme, to fund the land remediation element of the project (which will be considered as a separate business case at a later meeting) and subject to satisfactory progress through the assurance process.

- 2.60 The revised scope of the project is now the asbestos strip out and demolition of three high-rise tower blocks and Stannary Depot (Phase 1a, which has decision point 4 approval) and the site remediation and green infrastructure (phase 1b) to enable the delivery of the housing development.
- 2.61 As the two elements of the scheme are at different stages of development, it is proposed that Phase 1a now progresses through decision point 5 (full business case with finalised costs) and commences the demolition works and that Phase 1b progresses through decision point 2 (case paper) and work commences on activity 4 (full business case). Rather than a separate full business case for phase 1b it is proposed that the phase 1a full business case is updated to incorporate phase 1b. This will ensure that the business case is assessed as one project rather than two separate projects.
- 2.62 A location map of the scheme is included in **Appendix 5**.

Outputs, benefits and inclusive growth implications

- 2.63 The scheme's outputs (Phase 1 and 1b combined) are:
- 113 construction jobs created
 - Enabling 114 new homes of which 57 affordable homes will be created to meet local housing needs.
 - 50% of the outputs would be apportioned to the Combined Authority and 50% (the affordable units) would be apportioned to Homes England.
 - 3.05 ha of brownfield land assembled for residential development
- 2.64 The combination of the two phases has resulted in 14 additional housing units.
- 2.65 A cost benefit analysis has been undertaken confirming that the preferred option to include the tower block and depot site together, bringing together phase 1a demolition and 1b abnormal infrastructure costs, provides investment in the site to the cost of £191,342/unit. The scheme's wider social benefits include a more enjoyable sense of place for residents and visitors.
- 2.66 The scheme's associated benefits are:
- Improved living environment
 - Improved access to green infrastructure and local amenities
 - Improved access to employment
 - Increased availability of mixed tenure housing
 - Facilitating town centre living and increasing sustainability in the town centre

Risks

- 2.67 The key risks, and mitigating actions, which have been highlighted by the project promoter are:

- Not securing the Combined Authority funding for Phase 1b due to an insufficiently strong business case mitigated by value for money for whole scheme (Phase 1a and 1b) is proven prior to the Combined Authority approval.
- Tender costs come in over budget for Phase 1b - this was an issue for phase 1a. This is low risk as Board approval is already in place for £5 million and Together Homes have committed to meet the additional costs. It is anticipated that this would be the case for phase 1b.

Costs

- 2.68 The total delivery cost of the project is £21.813 million, this will be funded through Combined Authority, Calderdale Council, other public sector funding including from Homes England, and a contribution from Together Housing Association. The public and private funding has been secured.
- 2.69 Financial forecasts have been reviewed by an independent cost consultant and have been confirmed to be realistic.
- 2.70 The total funding requirement from the Combined Authority’s Local Growth Fund is £2.197 million, from this £1.4 million is required for Phase 1a and £797,000 for phase 1b.

Timescales

- 2.71 Timescales for Phase 1a and Phase 1b are:
- Asbestos/ demolition contract starts June 2018
 - Demolition complete May 2019
 - Remediation start on site summer 2019
 - Remediation completed June 2019
- 2.72 Timeframes for the outputs for this scheme are:
- Residential development outline planning approval June 2018
 - Residential development planning approved Oct 2019
 - Housing start on site Jan 2020
 - Completion of housing May 2022

Future assurance pathway and approval route

Assurance pathway	Approval route
Phase 1a	
Decision point 6 Delivery	Recommendation – Programme Appraisal Team

	Approval – Delegated to the Combined Authority’s Managing Director
Phase 1b	
Decision point 4 Full business case	Recommendation - Combined Authority’s Programme Appraisal Team Approval - Combined Authority’s Managing Director
Decision point 5 Full business case with finalised costs	Recommendation - Combined Authority’s Programme Appraisal Team Approval - Combined Authority’s Managing Director

Tolerances

Project tolerances
That the Combined Authority contribution remains at the value set out in this report (zero tolerance).
That the project timescales remain within 3 months of the timescales set out in this report.
That the forecast number of housing units that the Combined Authority can claim should remain within 10% of the figure outlined in this report.

Project responsibilities

Senior Responsible Officer	Heidi Wilson, Calderdale Council
Project Manager	Steph Furness, Calderdale Council
Combined Authority case officer	Caroline Farnham-Crossland

Appraisal summary

- 2.73 The full business case clearly articulates the need for the scheme to take place. The strategic and economic case are both strong and the benefits of regenerating this particular area of Halifax are clear. Furthermore, consultation has taken place with the public and independent reports have been undertaken which support the preferred option. With regards to Phase 1b, further work is needed to understand in detail the costs following the changes in scope and a value for money assessment is required.

Recommendations

- 2.74 That the Combined Authority approves that:
- (i) The Beech Hill project (phase 1a) proceeds through decision point 5 and work commences on activity 6 (delivery).

- (ii) 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.
- (iii) 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).
- (iv) 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.
- (v) Future approvals are made in accordance with the approval pathway and approval route outlined in this 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 this report.

Project Title	Forge Lane / Dewsbury Riverside
Stage	3 (Delivery) and 1 (Eligibility)
Decision Point	Change Request at activity 6 followed by decision point 2 (case paper)

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	3

Background

- 2.75 The Forge Lane and Dewsbury Riverside sites are located in the North Kirklees Growth Zone, a strategic priority area within the Leeds City Region Strategic Economic Plan.
- 2.76 The Forge Lane project received approval from the Combined Authority in July 2016 for a loan from the Local Growth Deal to fund site acquisition of a stalled 6.1 hectare brownfield development site to deliver 170 homes.
- 2.77 This report seeks two decisions in line with the Combined Authority's assurance process. Firstly a change request to formally de-commit from funding of the Forge Lane site, secondly a decision point 2 approval to a substitute scheme which will progress the Dewsbury Riverside site utilising the de-committed funding from the Forge Lane site in the form of a grant not a loan.
- 2.78 A scheme location map is included in **Appendix 6**.

Description of Change Request (Activity 6, Delivery)

- 2.79 This request is seeking approval to substitute the current scheme, Forge Lane, with replacement adjacent sites within Dewsbury Riverside.
- 2.80 Negotiations with the Forge Lane site owner to begin the acquisition process resulted in the site owner marketing the site independently. It has therefore been decided it would not be appropriate for a public sector body to interfere with or compete with the market. Negotiations to acquire have therefore ceased to allow a market solution to conclude.
- 2.81 It is proposed that Local Growth funding should instead be redirected to accelerate housing delivery on enabling phases of the Dewsbury Riverside scheme. The number of housing output delivered is approximately 265 homes.

Due to the commercial nature of the current market developments relating to this site, the value of the proposed grant has been provided in exempt **Appendix 7**.

- 2.82 The wider sites within the Dewsbury Riverside scheme have been endorsed for Housing Infrastructure Funding by Homes England. Kirklees Council will be submitting for the next stage within the approval process in December 2018 with a funding decision in February 2019. The Housing Infrastructure Fund (HIF) funding will unlock homes within future development phases.
- 2.83 The Local Growth Funding was originally approved as an interest-free loan to Kirklees Council, with an intended repayment once the site, Forge Lane, was disposed of. In addition to substituting the sites, this change request also seeks approval that the funding allocated to the new site at Dewsbury Riverside is provided in the form of a grant rather than the loan previously approved. The project sponsor has confirmed that public sector investment is required to make the scheme viable by meeting the funding gap.

Description of decision point approval (decision point 2, case paper)

- 2.84 The Dewsbury Riverside scheme is a major regeneration project, which will bring forward a sustainable urban extension to Dewsbury. The site is controlled by Kirklees Council and Miller Homes. The full site extends to 162 hectares and will provide circa 4,000 homes. 2,310 homes are planned within the period 2018 to 2033.
- 2.85 The Combined Authority grant contribution would fund works at Dewsbury Riverside in order to unlock the wider site. The funding will contribute to the three new access routes into the site and a connecting spine road. The work will also include provision of sustainable urban drainage system and green infrastructure with walking and cycling routes.

Outputs, benefits and inclusive growth implications

- 2.86 The Riverside scheme outputs for phase 1 and 2 are:
- Enabling up to 265 homes of which 104 will be affordable
 - Based on 'Laying the Foundations' published by the government, in November 2011, every £1 million investment in new housing creates 12 jobs, (7 directly and 5 indirectly). For this project this equates to approximately 204 jobs, 119 directly and 85 indirectly
- 2.87 The Riverside scheme associated benefits are:
- Improved access to employment
 - Increased availability of mixed tenure housing
- 2.88 As part of decision point 4 the value for money assessment will be undertaken which, if appropriate, will include a benefit cost ratio.

Risks

2.89 The key risks, and mitigating actions are:

- The planning approval is delayed and impacts on the build programme and delivery of outputs. Outline planning has been confirmed for Phase 1 & 2 and there is ongoing dialogue between the project team and Kirklees planning department.
- Previous piecemeal mining land use causes cost overruns and programme delays. Ground investigations to be undertaken through project development and contingency built into costings.

Costs

2.90 The overall funding request from the Combined Authority is specified in the exempt appendix provided.

2.91 The funding is now requested in the form of a grant rather than a loan from the Local Growth Fund.

Timescales

2.92 The anticipated timescales for phase 1 & 2 of the Riverside site are:

- Full planning approval by March 2019
- Housing construction commencement by March 2020
- The funds will be spent by 2021
- The houses will be delivered by 2024 (decision point 6, delivery)

Future assurance pathway and approval route

Assurance pathway	Approval route
Activity 4 Full business case	Recommendation: Investment Commitment Decision: Combined Authority
Activity 5 Full business case with finalised costs	Recommendation: Programme Appraisal Team Decision: Managing Director

Tolerances

Project tolerances
That the Combined Authority contribution remains within the costs in this report That the project timescales remain within 3 months of the timescales set out in this report. That the number of houses delivered is forecast to remain within 10% of the figures outlined in this report.

Project responsibilities

Senior Responsible Officer	Alan Seasman, Kirklees Council
Project Manager	Alison Bruton, Kirklees Council
Combined Authority case officer	Heather Briggs

Appraisal summary

- 2.93 There is a strong case behind the development of Dewsbury Riverside in place of Forge Lane. Housing growth benefits are clear and there is evident alignment with the strategic aims of the Combined Authority and Kirklees Council to deliver sustainable developments to meet local housing need.

Recommendations

- 2.94 Please note the Combined Authority grant value has been excluded from the recommendations. However, the scheme will be considered by Investment Committee and Combined Authority again at decision point 4 (full business case), at which point the Combined Authority grant contribution will be available in the public report.
- 2.95 That the Combined Authority approves that:
- (i) 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)
 - (ii) The Dewsbury Riverside project proceeds through decision point 2 and work commences on activity 4 (full business case).
 - (iii) That 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 as a loan, (which was previously approved).
 - (iv) Future approvals are made in accordance with the approval pathway and approval route outlined in this 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 this report.

Project Title	Kirklees Housing
Stage	3 (Delivery and evaluation)
Decision Point	Change Request - activity 6

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:	

Background

- 2.96 The Kirklees Housing programme is intended to accelerate delivery and improve viability on Council owned housing sites, by addressing the costs of transport access and site condition.
- 2.97 The Kirklees Housing scheme received approval from Combined Authority in July 2015 of a £1 million loan from the Local Growth Fund to fund site enabling works.
- 2.98 The original sites identified were; Ashbrow Housing Site; Soothill Housing Site and Stile Common site and would provide circa 600 new homes, of mixed tenure.
- 2.99 The Council has completed the access work to the Ashbrow site and the construction contract has been awarded for the delivery of up to 180 homes across a number of tenures. A further site in Soothill, Batley will deliver a cross tenure development of 400 new homes.

Description of Change Request

- 2.100 The original Stile Common site (envisaged as a 'Passivhaus' voluntary standard for energy efficiency in a new building) was to deliver 30 homes. Progress stalled on the Stile Common site due to the costs of pursuing a Passivhaus housing solution.
- 2.101 While the Stile Common site remains a housing site it is now judged that the homes cannot be delivered on this site within the timeframe Growth Deal programme and therefore Huddersfield Waterfront, which is a council-owned, brownfield site, is being proposed as a substitution site.
- 2.102 The remaining Ashbrow Housing and Soothill Housing Sites (Phase 1) requires £700,000 of the approved Local Growth Fund loan to complete.

- 2.103 The remaining £300,000 of the Local Growth Fund loan would be used to support site access and remediation elements along with master planning works at the Waterfront site (Phase 2), with spend programmed to be achieved by March 2021. The Site Investigations will be used to help inform the programme of works (including the enabling works).
- 2.104 It is proposed that although the scheme as a whole has received (the equivalent of) decision point 5 approval (full business case with finalised costs), that the Waterfront (phase 2) element of the scheme is brought back in the form of an expression of interest for re-approval of this element at decision point 2 (case paper) by the Combined Authority following a recommendation by the Investment Committee.

Outputs, benefits and inclusive growth implications

- 2.105 The Ashbrow site will deliver 180 homes and the Soothill site 400 homes.
- 2.106 The change in site from the Stile Common to the Waterfront site has the capacity to deliver 150 homes, an increase of 120 from the Stile Common site.
- 2.107 As part of business case development the value for money assessment will be undertaken which, if appropriate, will include a benefit cost ratio.

Risks

- 2.108 The key risks, and mitigating actions, for the Waterfront site (Phase 2) are:
- 2.109 Contamination of land due to previous land usage. Land assessments are being carried out to determine the depth and level of contamination.
- 2.110 Drainage and flood risks due to the close proximity to the canal and river. Further investigations will be carried out as to how the site is impacted by this.
- 2.111 Demolition is required to be carried out on existing structures. There may be complications that arise due to this which could lead to increased timescale and costs. Structural surveys will be commissioned within the next stage to allow for risk management.

Costs

- 2.112 The overall scheme costs (for phases 1 & 2) have not changed from the original approval. A £1 million loan from the Local Growth Fund is still requested for the Kirklees Housing scheme as a whole. £700,000 will be spent on Phase 1 (the Ashbrow Housing and Soothill Housing Sites) and £300,000 is intended to be spent on the Phase 2 (Waterfront site) works rather than the Stile Common site.

Timescales

- 2.113 The anticipated timescales of the Huddersfield Waterfront project:
- The funds will be spent by 2021

- The houses will be delivered by 2024 (decision point 6, delivery)

Future assurance pathway and approval route

Assurance pathway	Approval route
Activity 2 Case paper	Recommendation: Combined Authority's Programme Appraisal Team Approval: Combined Authority
Activity 5 Full Business Case with Finalised Costs	Recommendation: Combined Authority's Programme Appraisal Team Approval: Combined Authority's Managing Director

Tolerances

Project tolerances
<p>The Combined Authority's contribution to Phase 1 (the Ashbrow Housing and Soothill Housing Sites) should remain within £700,000. That the project timescales remain within 3 months of the timescales set out in this report.</p> <p>That the Combined Authority's contribution to Phase 2 (Waterfront) should remain within £300, 000.</p> <p>That programme timescales remain within 3 months of the timescales outlined within this report.</p> <p>That the number of houses delivered is forecast to remain within 10% of the figures outlined in this report for the Ashbrow Housing and Soothill Housing sites.</p>

Project responsibilities

Senior Responsible Officer	Alan Seasman, Kirklees Council
Project Manager	Alison Bruton, Kirklees Council
Combined Authority case officer	Heather Briggs

Appraisal summary

- 2.114 The original business case detailed that 30 affordable homes would be built at Stile Common, all of which would be built to Passivhaus standards. Stile Common was selected as a key priority for the council to increase the supply of housing but the area was not originally tested for viability and as such has experienced delays due to emerging issues.
- 2.115 It is therefore proposed that Stile Common is de-scoped and that the Waterfront site (Phase 2) takes its place in the programme. Waterfront was not originally approved in the Business Case. Waterfront has been identified as the replacement site due to it being a council priority site, an assessment identified it as an area with significant need for new housing and the

opportunities to develop environmentally friendly housing within the timeframes.

2.116 For an unchanged level of Combined Authority contribution, the Waterfront site (Phase 2) could enable the delivery of up to 150 homes, an increase of 120 from the original site. Further details are required to be submitted at Activity 1: expression of interest regarding the programme of works and timescales for the delivery of this phase.

Recommendations

2.117 That the Combined Authority approves that:

- (i) 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.
- (ii) 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)
- (iii) The Combined Authority enters into an addendum to the existing loan agreement with Kirklees Council to reflect the change request.
- (iv) Future approvals are made in accordance with the approval pathway and approval route outlined in this 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 this report.

Project Title	One City Park, Bradford
Stage	3 (Delivery and evaluation)
Decision Point	Change Request – activity 6 (Delivery)

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:	

Background

- 2.118 This scheme aims to support the sustainable regeneration of Bradford city centre through the redevelopment of the Tyrls building (former West Yorkshire Police station) and adjoining council owned land for the creation of high quality commercial accommodation.
- 2.119 The creation of targeted infrastructure and support initiatives to stimulate business growth, a skilled workforce, high value jobs and economic growth are priorities outlined in the Core Strategy of the adopted Local Plan and embedded in the aims of Bradford Councils Economic Strategy. The successful delivery of the One City Park scheme, creating new business accommodation will make a major contribution to achieving these key strategic aims.
- 2.120 This scheme is expected to bring forward private sector investment, attract corporate firms to the location and enhance the overall image of Bradford.
- 2.121 The project received an approval to £5.2 million Growth Deal funding, split into a £400,000 loan and £4.8 million grant. To date £400,000 has been spent on the demolition and temporary landscaping of the site, while the grant allocation has not been drawn down.

Description of Change Request

- 2.122 The programme for delivery has slipped from the original forecast of 2018 to 2021. The original timeframes for this project were estimates produced in 2014 based on expectations at the time.
- 2.123 There had been interest from a developer with a potential secured end user and extensive planning, feasibility and cost/funding appraisal work was carried out. However the end user determined not to progress with their involvement in the scheme. The developer remained committed and produced proposals to undertake a new commercial development on a joint venture basis with

Bradford Council. Following consideration of the proposals it was decided that an alternative approach to assess market interest on a wider, transparent, competitive basis would be a more beneficial approach. Subsequent pre-tender market consultation as part of the Council's presence at the MIPIM UK 2017 and MIPIM 2018 events have confirmed appetite from the market for bringing the scheme forward.

2.124 In addition, this change request also recommends that the scheme undertakes activity 5 (full business with finalised costs), so that that the revised business case which takes account of the changes can be considered in line with the Combined Authority's current assurance process.

Outputs, benefits and inclusive growth implications

2.125 The project aims to create 8,500 square metres of commercial accommodation which could lead to the creation of 432 permanent jobs and 395 temporary construction jobs at the site.

2.126 As part of the next stage of the assurance process a value for money assessment will be undertaken.

Risks

2.127 The key risks, and mitigating actions, for this project are:

- That the timeframe for procuring a developer is not met. This will cause the project to be delayed. This risk is being mitigated through the appointment of a development advisor to develop a suitably robust procurement strategy.
- That there will be a lack of end-user interest. This risk is being mitigated through work being undertaken to identify occupier interest and formal discussions will be held with prospective occupiers as part of the delivery process.

Costs

2.128 The total Combined Authority contribution to the scheme is £5.2 million, which consists of a £400,000 loan and £4.8 million grant from the Local Growth Fund. The full loan amount has been drawn down by Bradford Council.

2.129 The grant request of £4.8 million has remained unchanged since its approval in September 2016.

2.130 This scheme is expected to bring forward private sector investment and attract corporate firms to the location.

Timescales

2.131 The anticipated timescales of the project:

- Full business case with finalised costs by April 2019

- A developer will be appointed by April 2019
- The funds will be spent by 2021
- The commercial space will be developed by 2021 (decision point 6, delivery)

Future assurance pathway and approval route

Assurance pathway	Approval route
Activity 5 Full business case with finalised costs	Recommendation: Combined Authority's Programme Appraisal Team Approval: Combined Authority's Managing Director

Tolerances

Project tolerances
<p>The Combined Authority's grant contribution should remain within £4.8 million.</p> <p>That programme timescales remain within 3 months of the timescales outlined within this report.</p> <p>That the number of jobs delivered is forecast to remain within 10% of the figures outlined in this report.</p> <p>That the total commercial floorspace delivered should remain within 10% of the figure outlined in this report</p>

Project responsibilities

Senior Responsible Officer	Shelagh O'Neil, Bradford Council
Project Manager	Tina Parry, Bradford Council
Combined Authority case officer	Heather Briggs

Appraisal summary

- 2.132 This project aims to provide high quality commercial accommodation in the centre of Bradford. The area for development is a key priority for development in Bradford City Centre and it could lead to a growth in employment.
- 2.133 The project has the potential to create 8,500sqm of commercial space which could lead to the creation of 432 permanent jobs and 395 temporary construction jobs which will assist with the regeneration of Bradford City Centre and enhance the overall image to attract further private sector investment.
- 2.134 Procurement of a developer to take this project forward is not expected to be complete until April 2019. The timeframes to enable delivery by 2021 are very

tight and there is the possibility that this project will be further delayed if the developer is not appointed in a timely manner.

Recommendations

2.135 That the Combined Authority approves that:

- (i) 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).
- (ii) Future approvals are made in accordance with the approval pathway and approval route outlined in this 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 this report.

Project Title	Halifax Station Gateway
Stage	2 (Development)
Decision Point	Change Request activity 3 (Outline business case)

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:	

Background

- 2.136 The Halifax Station Gateway project will deliver a transformational redevelopment of Halifax Rail Station. A new iconic station building will be constructed, connecting architecturally with the Grade II Listed 1855 Building.
- 2.137 A new platform will be delivered, substantially increasing passenger platform capacity at Halifax. The land in front of the station - owned by Calderdale Council and currently leased to Eureka! The Children's Museum - will be developed into an attractive landscaped 'Station Gardens'. The 'Station Gardens' will connect the station with Halifax Town Centre via both the Piece Hall and Horton Street, and to Eureka! The Children's Museum.
- 2.138 The project will provide environmentally sensitive regeneration to legacy railway land, and deliver high quality pedestrian journey opportunities between Halifax rail station and the town centre core. The project is being developed by Calderdale Council in parallel with the West Yorkshire plus Transport Fund A629 Halifax Town Centre (phase 2) project. In combination these projects will transform the Eastern Gateway to Halifax Town Centre.

Description of Change Request

- 2.139 Calderdale Council requires additional development funding to support further project development to maintain the project programme leading to outline business case (OBC) submission.

Outputs, benefits and inclusive growth implications

- 2.140 It is expected that the project will:
- Increase the number of jobs and income per capita within Halifax above baseline trends within 5 years of project completion

- Increase the number and proportion of journeys to Halifax by rail in excess of industry forecasts (RUMS) within 5 years of project completion
- Increase the level of investment by existing employers within Halifax above current levels within 5 years of project completion
- Increase the number of visitors to Halifax and the average duration of their stay against baseline visitor numbers within 5 years of project completion
- Increase the number of local business start-ups and external businesses establishing a base in Halifax above the baseline trend within 5 years of project completion
- Further work will take place on the business case which will include the production of a benefit cost ratio as the project develops.

Risks

2.141 The key risks, and mitigating actions, for this project are:

- The scheme does not secure all the required funding to be delivered. This will be mitigated by the promoter working closely with other public and private sector partners to identify potential match funding early in the development process, and pursuing relevant funding opportunities.
- A lack of funding leads to the timescales slipping further, which impacts on the project programme. This will be mitigated by robust programme management, and early identification of potential appropriate match funding sources.

Costs

2.142 The total cost of the scheme is forecast to be £28.2 million, of which £10.6 million will be funded by the Combined Authority from the West Yorkshire plus Transport Fund. £315,000 development costs were approved, when the scheme passed through the equivalent to decision point 2 in 2016. An additional £793,000 is now sought by Calderdale Council to undertake additional feasibility works and produce a comprehensive outline business case and progress the scheme to decision point 3. This takes the total expenditure approval to £1.108 million. 16% of anticipated revised scheme costs are forecast to be spent on development.

Timescales

2.143 The anticipated timescales of the project:

- Approval of an updated outline business case (decision point 3) is forecast to be achieved in Spring 2019
- The revised full approval at decision point 5 is forecast to be achieved in Winter 2020
- The revised forecasted completion date (decision point 7), will be Winter 2023

Future assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 Outline business case	Recommendation – Investment Committee Approval – Combined Authority
Decision point 4 Full business case	Recommendation – Combined Authority's Programme Appraisal Team Approval – Combined Authority's Managing Director
Decision point 5 Full business case with finalised costs	Recommendation – Combined Authority's Programme Appraisal Team Approval – Combined Authority's Managing Director

Tolerances

Project tolerances
That costs should remain within 10% of the costs outlined in this report That timescales should remain within 3 months of the timescales set out in this report

Project responsibilities

Senior Responsible Officer	Mark Thompson, Calderdale Council
Project Manager	Sarah Callaghan, Calderdale Council
Combined Authority case officer	Rachel Jones

Appraisal summary

2.144 The scheme requires additional development funding to be brought forward to undertake further feasibility work to enhance the outline business case. The updated outline business case will be re-appraised when it is submitted, and recommendations presented to the Programme Appraisal Team.

Recommendations

2.145 That the Combined Authority approves that:

- (i) 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.

- (ii) 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.
- (iii) Future approvals are made in accordance with the Approval Pathway and Approval Route outlined in this 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 this report.

Projects in Stage 3: Delivery and Evaluation



2.146 There are no schemes in stage 3 to present in this report.

Schemes proceeding directly to the Combined Authority

2.147 The following schemes are proceeding directly to the Combined Authority due to the nature of the funding streams or timescales related to delivery, having been assessed in line with the Combined Authority's assurance process.

Project Title	Leeds City Region Employment Hub
Stage	1 (Eligibility)
Decision Point	2 (Case paper)

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:	

Background

- 2.148 This scheme will run for 3 years (2018 to 2021) and will deliver against all the key action areas identified in the Leeds City Region Strategic Economic Plan (SEP) under priority 2: Skilled people, better jobs. The programme will also deliver against the priorities set out in the Leeds City Region Employment and Skills Plan (2016-2020).
- 2.149 One element of scheme will establish clear links between education and business, and promoting apprenticeships in schools, and as a result will increase student contact with, and understanding of, business – in schools and Further Education. This will also have a positive impact on attainment and employability, contributing to the Employment and Skills Plan ambition that all young people should have an entitlement to planned and progressive careers and to the right education opportunities. This provision will build on and enhance existing provision by the Combined Authority through the Enterprise programme and the Growth Service, leading to an increase in in careers guidance resources and employer encounters.
- 2.150 The other element of the scheme is the Employment Hub, which will be established as a marketed service as part of this scheme. It will play a key role in ensuring businesses have the right skills needed to grow, and individuals are able to enhance their skills and access the right opportunities through an impartial brokerage service. This will ensure that skills gaps are addressed by aligning opportunities with the region’s needs and ensuring the provision is tailored around local requirements. Bringing together the work of a wide range of partners experienced in the employment and skills agenda will ensure that both the region’s and local needs are identified and acted upon. The Employment hub will target business which haven’t previously employed apprentices through a comprehensive marketing campaign and sell the benefits of providing apprenticeships. In parallel, the Employment Hub will establish a talent pool, which will be a register of young people who are

seeking apprenticeship opportunities or alternative employment The talent pool will;

- Engage with activities the employment hubs offer to identify and support individuals who will benefit from being part of the 'talent pool';
- Assess young people's current position, capabilities and aspirations;
- Provide intensive support with preparation and submission of high quality apprenticeship/employment applications. Where a candidate is not securing interviews for apprenticeship opportunities, a review of applications;
- Matching of individuals to apprenticeship and employment vacancies or providing an intensive programme of support in helping them to identify suitable apprenticeship vacancies;
- Once secured an interview, helping prepare individuals for interview via interview preparation/recruitment coaching.

2.151 It is forecast that this intensive level of support will have a positive impact on both the number of young people undertaking apprenticeships but also those that are able to enter sustained employment following their engagement with the Employment Hub.

2.152 The Employment Hub will be designed to target groups which are typically hard to reach and support them into education and employment. As part its European funding, the Combined Authority would be required to deliver agreed outputs around engaging lone parents, unemployed and inactive participants, participants from ethnic minorities and those with disabilities and also supporting participants gaining basic skills qualifications.

2.153 The Employment Hub builds on previous regional good practice, in particular the City Deal Apprenticeship hub programme which ran from 2013 to 2016. It will also be complimentary to and enhance current activity currently funded by the Combined Authority through the Apprenticeship Grants for Employers (AGE) Programme, Enterprise Programme and Growth Service.

2.154 The scheme will be delivered with the West Yorkshire Combined Authority as the lead partner providing coordination and centralised marketing function. The localised activities of engaging with schools, businesses and Employment Hub participants will be co-ordinated by the West Yorkshire partner councils for their own district, with York Council co-ordinating activity for York, Selby, Harrogate and Craven.

2.155 The scheme) will be funded through a combination of European Social Fund funding (ESF), Leeds City Region Business Rates Pool funding and Combined Authority and partner council contributions.

2.156 The Combined Authority bid to Department for Work and Pensions for ESF funding is currently being appraised through a competitive process. Business Rates Pool (year 1) funding has been secured. A further application to

Business Rates Pool round 2 (for years 2 and 3 funding) received approval from Leeds City Region Business Rates Joint Committee in July 2018.

- 2.157 The ESF funding necessitates that activity commences in August 2018, when it is also anticipated the outcome of the ESF bid will be communicated. In addition, August is the key time of year for attracting potential participants in apprenticeships following receipt of A-Level and GCSE exam results. It is therefore critical that the scheme commences delivery in August. It is for this reason that the scheme has progressed straight to the Combined Authority for decision point 2 (case paper) and it is recommended that decision point 5 approval (full business case with finalised costs) is delegated to the Combined Authority's Managing Director in mid-August 2018, subject to the scheme remaining within its tolerances.
- 2.158 If the Combined Authority is not successful in securing the ESF funding, the project will be re-scoped and considered as a new project through the assurance process.
- 2.159 A summary of the scheme's business case is included in **Appendix 8**.

Outputs, benefits and inclusive growth implications

- 'Talent pool' of young people established, who will be matched to employment and learning opportunities identified through engagement with employers. This talent pool will be built from the 6294 participants with the Employment Hub.
- 43% of participants are forecast to progress into employment, with 34 % (850) of these then sustaining employment for 6 months. This is forecast to deliver an £85 million in productivity gain over 10 years
- Increase of 3000 employer encounters with young people in the Leeds city region
- Improvement in the number of schools achieving the Gatsby benchmark demonstrating strong careers guidance provision.
- Marketing material, video case studies and CPD toolkits to support the scheme objectives
- Delivery of Continuing Professional Development sessions to upskill 200 teachers and practitioners in provision of careers advice
- Increase in the number of apprentice ambassadors from businesses who are speaking in schools
- Targeted telemarketing and meetings with City Region businesses who currently do not offer apprenticeships on the benefits of offering apprenticeships (currently only 20% of businesses have ever offered apprenticeships)

Risks

- Difficulty in procuring suitable sub-contractors. As mitigation to this procurement activities will commence in July 2018, this will be widely advertised across Intend and will allow sufficient time for WYCA to conduct a full procurement exercise
- Participants being some way from the labour market. This will be mitigated by ensuring suitable referrals made by referral agencies through implementing an initial assessment process, identifying additional support where and as appropriate for individuals to increase achievement.
- Outcome of the ESF application not received in time to commence activities in line with the two results days in August 2018. This will be mitigated through the Combined Authority utilising its existing funding approval to undertake some limited activities to support referrals in August 2018 (but will not include entering into any contracts or employment appointments until a positive decision has been received).
- Failure to secure ESF funding through the competitive bidding process. This will result in the project being re-scoped in line with available local funding.
- Failure to realise all delivery partner match funding, which will lead to a reduction in the amount of ESF funding that can be claimed. This will be mitigated through the demonstration of formal delivery partner funding commitment within the full business case and on-going performance monitoring during delivery.
- That the secured Business Rates Pool funding could be reduced therefore reducing the Combined Authority funding available to be utilised as match to the ESF funding. This will be mitigated through the commitment in place from the delivery partners to increase their contributions to levels required for ESF match funding.

Costs

2.160 The total cost to deliver the project is £9 million, of this amount the Combined Authority contribution is £8.738 million. This will be funded as follows

- 5,785,714 (European Social Fund (ESF))
- £1,360,000 (Business Rates Pool, year 1)
- £1,350,000 (Business Rates Pool, year 2 & 3)
- £242,000 (Contribution from existing budgets)

2.161 The majority of the £8.738 million Combined Authority funding (approximately 90%) will then be allocated out to the delivery partners to fund the scheme activities at a local level.

2.162 In addition the delivery partners (partner councils) will contribute £262,286 of funding. This coupled with the Business Rates Pool funding provides the required level of ESF match funding.

2.163 The Business Rates Pool funding (year 1 allocation and years 2 & 3 allocation) has been secured. However, the exact details of the year 2 & 3 award has not been finalised, and so there remains the that the business rates income will not be at the levels anticipated. In this instance, the local delivery partners have agreed to increase their funding contribution to provide the required level of ESF match funding (potentially £338,000).

2.164 If the ESF funding is not secured, consideration will be given to how best to utilise the Business Rates Pool funding in line with local need.

Timescales

2.165 The timescales are:

- Decision point 5 approval (full business case with finalised costs) - August 2018
- Scheme delivery (activity 6) commences - August 2018
- Latest start of participation in the Employment Hub - June 2021
- Completion of delivery (activity 6) - July 2021

Future assurance pathway and approval route

Assurance pathway	Approval route
Decision point 5 (full business case with finalised costs)	Recommendation – Combined Authority’s Programme Appraisal Team Decision – Combined Authority’s Managing Director

Tolerances

Project tolerances
<p>That the Combined Authority funding contribution should remain at the level set out in this report, unless if the Combined Authority contribution reduces as a result of a reduced Business Rates Pool funding being received.</p> <p>That the Activity 6 start date (August 2018) and completion date (July 2021) remain within 3 months of these dates.</p> <p>That the number of participants in sustained employment for 6 months or more following the employment hub should not reduce by more than 10% of the figure (850) set out in this report.</p>

Project responsibilities

Senior Responsible Officer	Sue Cooke, Combined Authority
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Project Manager	Catherine Lunn, Combined Authority
Combined Authority case officer	Cath Pinn

Appraisal summary

- 2.166 There is a strong case for this scheme, and the Combined Authority and its delivery partners are ideally placed to commence delivery quickly and in line with the scheme objectives.
- 2.167 The biggest issue currently facing the scheme is funding uncertainty although this is expected to be resolved by mid-August. This is challenging, in terms of delivering the scheme objectives to the ESF required timescales, and also maximising the opportunity in supporting the 2018 candidates into learning, apprenticeships and employment opportunities following receipt of exam results in August.
- 2.168 Alternate funding scenarios have been identified and gained delivery partner agreement, however it is acknowledged that failure to secure ESF will require a re-scoping of the scheme in line with available local funding.
- 2.169 The economic case probably undersells the wider benefits of the scheme as a whole (as a result of not monetising all the scheme costs and benefits and also only appraising over a 3 year period when payback is likely to be over a longer term), but it is acknowledged that this has been completed in line with ESF requirements. The scheme indicates that it will provide very good value for money and has a benefit cost ratio forecast of 2.8:1 which could increase following a wider appraisal of outcomes.

Recommendations

- 2.170 That the Combined Authority approves that:
- (i) The Leeds City Region Employment Hub project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs)
 - (ii) An indicative approval to the total project value of £9 million is given. The Combined Authority contribution will be £8.738 million, which will be funded from an anticipated ESF grant of £5.786 million, Business Rates Pool funding of £2.71 million (year 1 and years 2 & 3 allocation) and £242,000 from an existing revenue approval. Full approval to spend will be granted if the scheme has been successful in securing ESF funding and once the scheme has progressed through the assurance process to decision point 5 (full business case with Finalised Costs).
 - (iii) Future approvals for Employment Hub are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

Project Title	Skills [re]boot project
Stage	1 (Eligibility)
Decision Point	2 (Case paper)

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:	

Background

- 2.171 The Skills [re]-boot project ('[re]-boot') will offer individuals the chance to upskill, gain new skills and qualifications and enter employment within key regional growth sectors. The programme will be marketed and promoted using the Combined Authority's communications team. Using social media, a careers campaign, together with partners / stakeholders, will actively target groups in the labour market and support them to progress including: individuals in work; graduates who are disadvantaged in the labour market; individuals who are returning to the labour market after a period of absence and people considering a career change.
- 2.172 Individuals will be supported to complete qualifications linked to and apply for employment in key growth sectors, to progress within their employment and sustain their career. The scheme is therefore supporting social mobility and enabling individuals to reach their potential.
- 2.173 Activities will be delivered on delivery partner and sub-contractors premises. These will predominantly be learning environments, such as colleges and universities, however employer premises may also be used as appropriate. Delivery will take place across the Leeds City Region and will be accessible to all eligible individuals.
- 2.174 The Combined Authority is the lead applicant and has overall responsibility for ensuring the project achieves its targets and outputs. Named delivery partners are accountable to the Combined Authority and will have a Service Level Agreement (SLA) in place outlining their specific roles and responsibilities.
- 2.175 The Combined Authority is working with two delivery partners - Leeds Trinity University and West Yorkshire Consortium of Colleges. Sub-contractors will be identified through a procurement exercise. The Combined Authority will undertake this procurement and be responsible for overall contract management of sub-contractors, plus the performance of delivery partners.

- 2.176 The scheme will benefit individuals aged 18 and over to meet their full potential and enter roles in key growth sectors across the Leeds City Region. The programme will specifically target: individuals in work who would like to develop new skills to change; graduates who are disadvantaged in the labour market; individuals who are returning to the labour market after a period of absence; and people considering a career change.
- 2.177 The activities will benefit individuals who require additional skills development to reach their potential and enter employment in key Leeds City Region growth sectors, digital, engineering and manufacturing and construction/infrastructure.
- 2.178 Employers from key sectors, many of whom have identified skills shortages, will also benefit from employing skilled individuals who have completed the available training.
- 2.179 The benefits of [re]boot are developing sector focused skills to national skills level three and four, to enable individuals to change and reshape their career, reach their potential and progress. Employers will benefit from new staff, who are skilled and ready to enter employment particularly within skills shortage areas.
- 2.180 A summary of the scheme's business case is included in **Appendix 9**.

Outputs, benefits and inclusive growth implications

- 2.181 The scheme will offer individuals the chance to upskill, gain new skills and qualifications and enter employment within key regional growth sectors. This will include qualifications, peer mentoring, confidence building and sector focused information regarding the workplace.
- 2.182 [re]boot will have 2,400 participants broken down into 1,176 men and 1,224 women.
- 2.183 All participant engagement follows the locally evidence based ratio for the scheme and same method for engaging participants over the course of the project with the targets for each cohort: participants over 50 years of age; from ethnic minorities; with disabilities; living in a single adult household; without basic skills. The project's targets are:
- Participants over 50 years of age – 450: 220 men; 230 women.
 - Participants from ethnic minorities – 375: 184 men and 191 women.
 - Participants with disabilities – 185: 91 men and 94 women.
 - Participants who live in a single adult household with dependent children – 440: 41 men and 369 women (based on the Office for National Statistics 2016 Families and Households in the UK report which states that men make up 10% of lone parent households with dependent children).
 - Participants without basic skills – 25: the scheme is primarily aimed at those already in work or recent graduates and they are likely to already

have basic skills. Nevertheless, should there be demand from those without basic skills the scheme will aim to engage 25 participants without basic skills. 12 men and 13 women.

2.184 This scheme represents good value for money as it will contribute to improving in-work productivity for the region through upskilling individuals to secure jobs in growth sectors. Additionally the unit cost for the scheme is lower than the European Structural Investment Fund bid requirements at £1,310.61.

Risks

2.185 The key risks and mitigating actions for this project are:

- Difficulty in procuring suitable sub-contractors – Mitigation – consultation and engagement with possible sub-contractors has already begun. Procurement activities began in March 2018 and were widely advertised across Intend, the Combined Authority’s procurement portal, and will allow sufficient time for the Combined Authority to conduct a full procurement exercise.
- Loss of European Social funding (ESF) and / or private sector match funding resulting in less people upskilled – Mitigation – adapt budget and re-profile spend accordingly.

Costs

2.186 The total cost to deliver the project is £3.145 million, of this amount the Combined Authority contribution is £2.870 million. This will be funded as follows:

- £1.573 million (European Social Fund - ESF)
 - £1.297 million (Combined Authority Section 31 reserves)
- NB the European Social Fund allocation is currently unconfirmed.

2.187 In addition the private sector and Leeds Trinity University will contribute £275,000.

2.188 Existing approval of £1.124 million of Combined Authority funding as part of the funding bid was given by the Combined Authority’s Managing Director in June 2017. No further development costs are required.

Timescales

2.189 The timescales of the project are:

- The project is aiming to start at risk in September 2018 with no delivery contract or recruitment to take place until a contract with the Department for Work and Pensions is in place. The project will run for three years until March 2021.

Future assurance pathway and approval route

Assurance pathway	Approval route
Decision point 5 (full business case with finalised costs)	Recommendation – Investment Committee Decision – Combined Authority's Managing Director

Tolerances

Project tolerances
That scheme costs remain within Combined Authority funding identified in this report. That referral volumes remain within 15% of the projected 2,400 participants.

Project responsibilities

Senior Responsible Officer	Sue Cooke, Combined Authority
Project Manager	Emma Longbottom, Combined Authority
Combined Authority case officer	Paul Coy

Appraisal summary

2.190 The outputs and outcomes that will be generated by the project align well with a range of objectives and priorities set out in the Leeds City Region Strategic Economic Plan and Employment and Skills Plan; specifically, raising the bar on high level skills and accessing jobs and realising potential. The scheme will develop sector focused skills and enable individuals to change, progress and reshape their career, reaching their full potential. The project is in a position to progress through decision point 2 case paper and move to decision point 5 full business case. Recommended conditions are required to have been applied before reaching decision point 5 which will seek approval from the Combined Authority's Managing Director via the Leadership Team.

Recommendations

2.191 That the Combined Authority approves that:

- (i) The [re]boot project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £3.145 million is given (of this, the Combined Authority's contribution will be £2.870 million which will be funded from an anticipated ESF grant of £1.573 and £1.297 million from Section 31 reserves). Full approval to spend will be granted if the scheme is successful in securing ESF funding and the scheme has

progressed through the assurance process to decision point 5 (full business case with finalised costs).

- (iii) Future approvals are made in accordance with the approval pathway and approval route outlined in this report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Investment Committee. This will be subject to the scheme remaining within the tolerances outlined in this report.

Project Title	Wakefield Eastern Relief Road
Stage	3 (Eligibility)
Activity	6 (Close and review)

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	3

2.192 At its meeting on 5 October 2017, the Combined Authority approved a change request (which was referred to as an Exception in the Combined Authority report) that an additional £5.574 million of Growth Deal funding should be provided to Wakefield Eastern Relief Road (WERR) taking the total approval from £32.019 million to £37.593 million. The approval was given subject to the following condition:

That the Combined Authority delegates the final approval of the exception and the signing of the addendum to the Funding Agreement to WYCA's Managing Director subject to settlement of the final account by Wakefield Council following endeavours to resolve outstanding contractor issues and seeking to reduce the cost figure payable to Network Rail.

2.193 Since this approval, Wakefield Council has been in negotiations with the both Network Rail and joint contractor Hochtief and the Buckingham Group. Wakefield Council have not been able to agree a final account with the contractors at this time and consequently this matter will not be resolved in the short term. It was also not possible to reduce the cost payable to Network Rail and payment has now been finalised and paid by Wakefield Council

2.194 The Combined Authority has a current Funding Agreement in place with Wakefield Council for expenditure of up to £32.019 million, in order for the Combined Authority to reimburse any of the further costs incurred in relation to the change request the previously proposed addendum to the funding agreement requires signing by the Combined Authority. This is not possible as the approval of the exception was subject to the final account of the scheme being settled. The condition requiring settlement of the final account was imposed when it was expected that it would be finalised in 2017/18. The intention was not to hold up payment of outstanding costs (which Wakefield have defrayed in relation to the scheme). It is therefore now proposed that all undisputed costs which have been paid by Wakefield Council are now paid and that the addendum to the funding agreement (totalling £5.574 million) should be signed by the Combined Authority. Details of the costs incurred by

Wakefield Council are provided in **exempt Appendix 10**. It has been necessary to exempt this information due to it being commercially sensitive.

Recommendations

2.195 That the Combined Authority approves that:

- (i) Waiver of the requirement that the final account for the Wakefield Eastern Relief Road is settled prior to the Combined Authority entering into an addendum to the funding agreement with Wakefield Council
- (ii) The Combined Authority enters into an addendum to the existing Funding Agreement with Wakefield Council for expenditure of up to £5.574 million taking the total value of the funding agreement to £37.593 million.

3 Inclusive growth implications

3.1 The inclusive growth implications are outlined in each scheme, see above.

4 Financial implications

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

5 Legal implications

5.1 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.

5.2 The information contained in **Appendix 7** and **Appendix 10** 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.

6 Staffing implications

6.1 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.

7 External consultees

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

8 Recommendations

8.1 Rochdale Canal - Cycle Safety Fund - Canal Towpath Improvement Phase 2 - Hebden Bridge to Todmorden

That the Combined Authority approves that:

- (i) The Rochdale Canal Towpath Improvement project proceeds through decision point 2 and work commences on activity 4 (full business case)
- (ii) 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,

- (iii) Future approvals are made in accordance with the approval pathway and approval route outlined in this 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 this report.

8.2 Corridor Improvement Programme - A58/A672

That the Combined Authority approves that:

- (i) That the Corridor Improvements Programme scheme - A58/A672 proceeds through decision point 3 and work commences on activity 4 (full business case)
- (ii) 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).
- (iii) 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.
- (iv) That future approvals are made in accordance with the approval pathway and approval route set out in this 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 this report.

8.3 Corridor Improvement Programme - A646/6033 Calderdale

That the Combined Authority approves that:

- (i) That the Corridor Improvements Programme scheme - A646/6033 proceeds through decision point 3 and work commences on Activity 4 (full business case).
- (ii) 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)

- (iii) 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.
- (iv) That future approvals are made in accordance with the approval pathway and approval route set out in this 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 this report.

8.4 Beech Hill, Halifax

That the Combined Authority approves that:

- (i) The Beech Hill project (phase 1a) proceeds through decision point 5 and work commences on activity 6 (delivery).
- (ii) 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.
- (iii) 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).
- (iv) 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.
- (v) Future approvals are made in accordance with the approval pathway and approval route outlined in this 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 this report.

8.5 Forge Lane / Dewsbury Riverside

That the Combined Authority approves that:

- (i) 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)

- (ii) The Dewsbury Riverside project proceeds through decision point 2 and work commences on activity 4 (full business case).
- (iii) That 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 as a loan, (which was previously approved).
- (iv) Future approvals are made in accordance with the approval pathway and approval route outlined in this 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 this report.

8.6 Kirklees Housing

That the Combined Authority approves that:

- (i) 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.
- (ii) 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)
- (iii) The Combined Authority enters into an addendum to the existing loan agreement with Kirklees Council to reflect the change request.
- (iv) Future approvals are made in accordance with the approval pathway and approval route outlined in this 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 this report.

8.7 One City Park, Bradford

That the Combined Authority approves that:

- (i) 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).
- (ii) Future approvals are made in accordance with the approval pathway and approval route outlined in this 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 this report.

8.8 Halifax Station Gateway

That the Combined Authority approves that:

- (i) 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.
- (ii) 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.
- (iii) Future approvals are made in accordance with the Approval Pathway and Approval Route outlined in this 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 this report.

8.9 Leeds City Region Employment Hub

That the Combined Authority approves that:

- (i) The Leeds City Region Employment Hub project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs)
- (ii) An indicative approval to the total project value of £9 million is given. The Combined Authority contribution will be £8.738 million, which will be funded from an anticipated ESF grant of £5.786 million, Business Rates Pool funding of £2.71 million (year 1 and years 2 & 3 allocation) and £242,000 from an existing revenue approval. Full approval to spend will be granted if the scheme has been successful in securing ESF funding and once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Future approvals for Employment Hub are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

8.10 Skills [re]boot project

That the Combined Authority approves that:

- (i) The [re]boot project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £3.145 million is given (of this, the Combined Authority's contribution will be £2.870 million which will be funded from an anticipated ESF grant of £1.573 and £1.297 million from Section 31 reserves). Full approval to spend will be granted if the scheme is successful in securing ESF funding and once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Future approvals are made in accordance with the approval pathway and approval route outlined in this report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Investment Committee. This will be subject to the scheme remaining within the tolerances outlined in this report.

Wakefield Eastern Relief Road

8.11 That the Combined Authority approves that:

- (i) Waiver of the requirement that the final account for the Wakefield Eastern Relief Road is settled prior to the Combined Authority entering into an addendum to the funding agreement with Wakefield Council
- (ii) The Combined Authority enters into an addendum to the existing Funding Agreement with Wakefield Council for expenditure of up to £5.574 million taking the total value of the funding agreement to £37.593 million.

Leeds New Station Street

8.12 That the Combined Authority approves that:

- (i) Approval of the full business case and full business with finalised costs for the Leeds New Station Street scheme is delegated to the Combined Authority's Managing Director in consultation with the Chair of the Combined Authority following consideration by the Combined Authority's Investment Committee in September.

9 Background documents

9.1 Business case summaries for schemes recommended for approval by the Investment Committee are available here:

<https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CId=156&MId=734&Ver=4>

10 Appendices

Appendix 1 – Background to the Combined Authority's assurance framework

Appendix 2 - Location map - Rochdale Canal (Cycle Safety Fund)

Appendix 3 - Location map - A58-A672 CIP

Appendix 4 - Location map - A646-A603 CIP

Appendix 5 - Location map - Beech Hill Phase 1a&1b

Appendix 6 - Location map - Dewsbury Riverside

Appendix 7 - Appendix 7 - Dewsbury Riverside (**Exempt**)

Appendix 8 - Business Case Summary Leeds City Region Employment Hub

Appendix 9 - Business Case Summary Skills re-boot programme

Appendix 10 –Appendix 10 - Wakefield Eastern Relief Road (**Exempt**)

Report to: West Yorkshire Combined Authority

Date: 2 August 2018

Appendix 1: Background to the Combined Authority’s Assurance Framework Information

1.1 This report puts forward proposals for the progression of, and funding for, a number of schemes for approval by the Combined Authority, following consideration by the West Yorkshire and York’s Investment Committee. The Combined Authority will recall that a three stage approach has been introduced as part of an enhancement to current project management arrangements, 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 (case paper approval) and 5 (final cost approval) highlighted below, with the requirement to meet the intervening activities deemed on a project by project basis.



1.2 The Programme Appraisal Team (PAT) appraises all schemes at the decision points. The PAT consists of an independent panel of officers representing policy, legal, financial, assurance and delivery. The scheme promoters from our partner councils or partner delivery organisations attend the meeting to introduce the scheme and answer questions from the panel. The terms of reference for the PAT are contained within the Leeds City Region Assurance Framework.

Future assurance and approval route

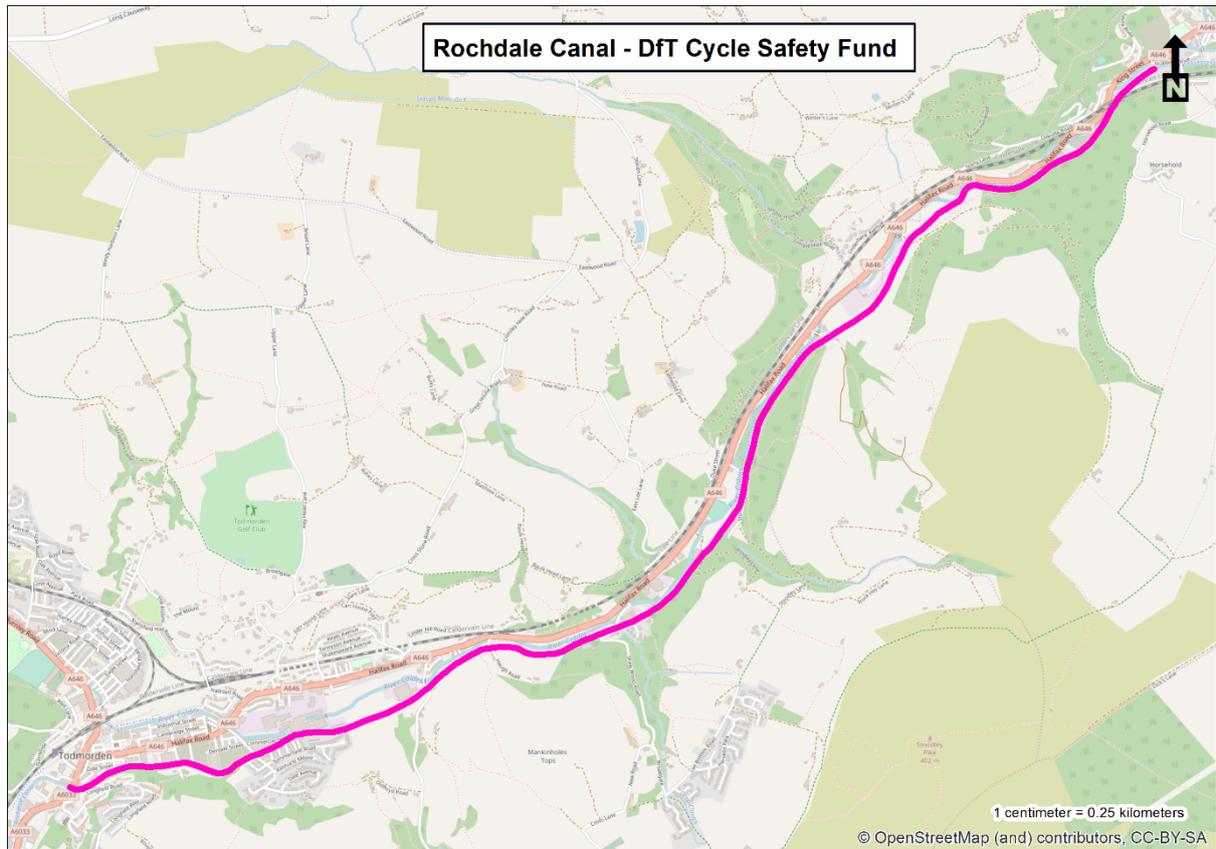
1.3 The tables for each scheme in the main report outlines the proposed assurance process and corresponding approval route for the scheme. The assurance pathway sets out the decision points which the scheme must progress through and will reflect the scale and complexity of the scheme. The approval route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

Tolerances

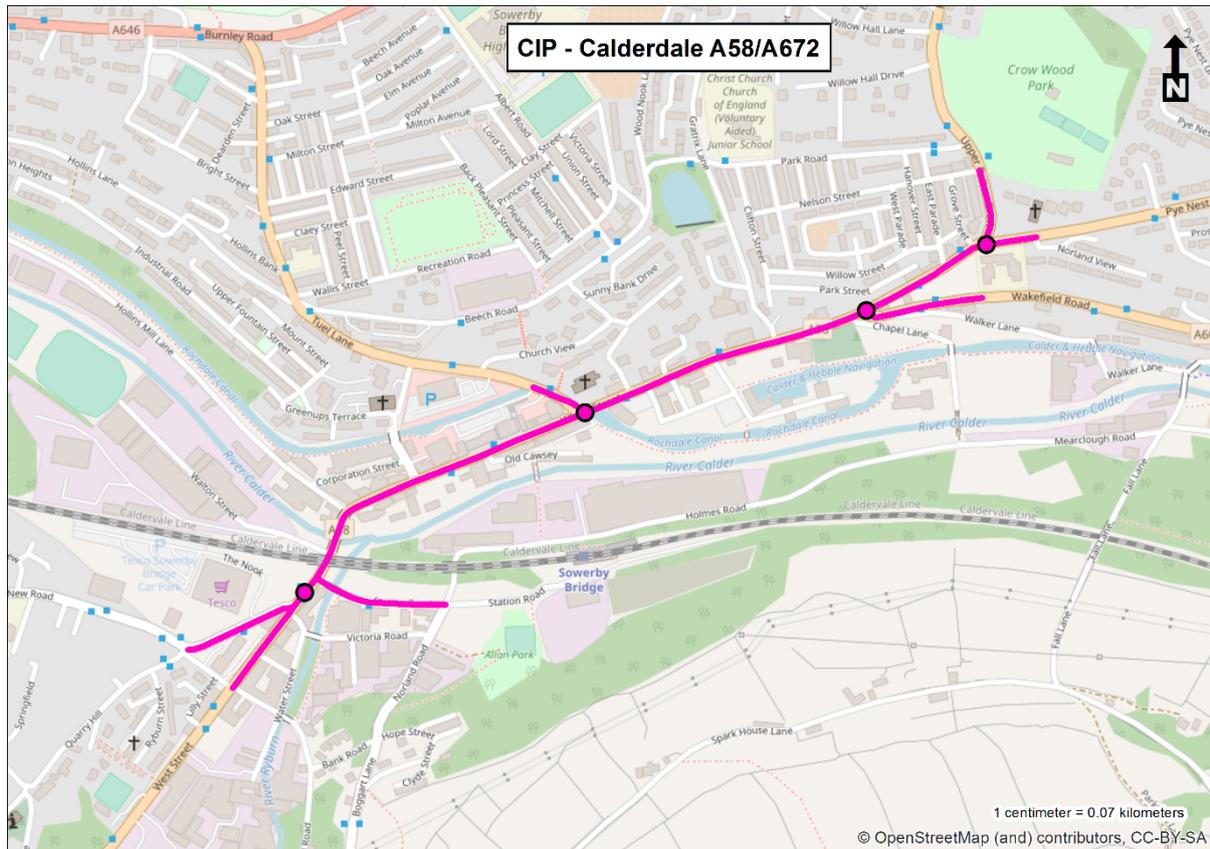
- 1.4 In order for the scheme to follow the assurance pathway and approval route that is proposed in this report, it should remain within the tolerances outlined for each scheme. If these tolerances are exceeded the scheme needs to return to Investment Committee and/or the Combined Authority for further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

Appendix 2: Location map – Rochdale Canal Cycle Safety scheme



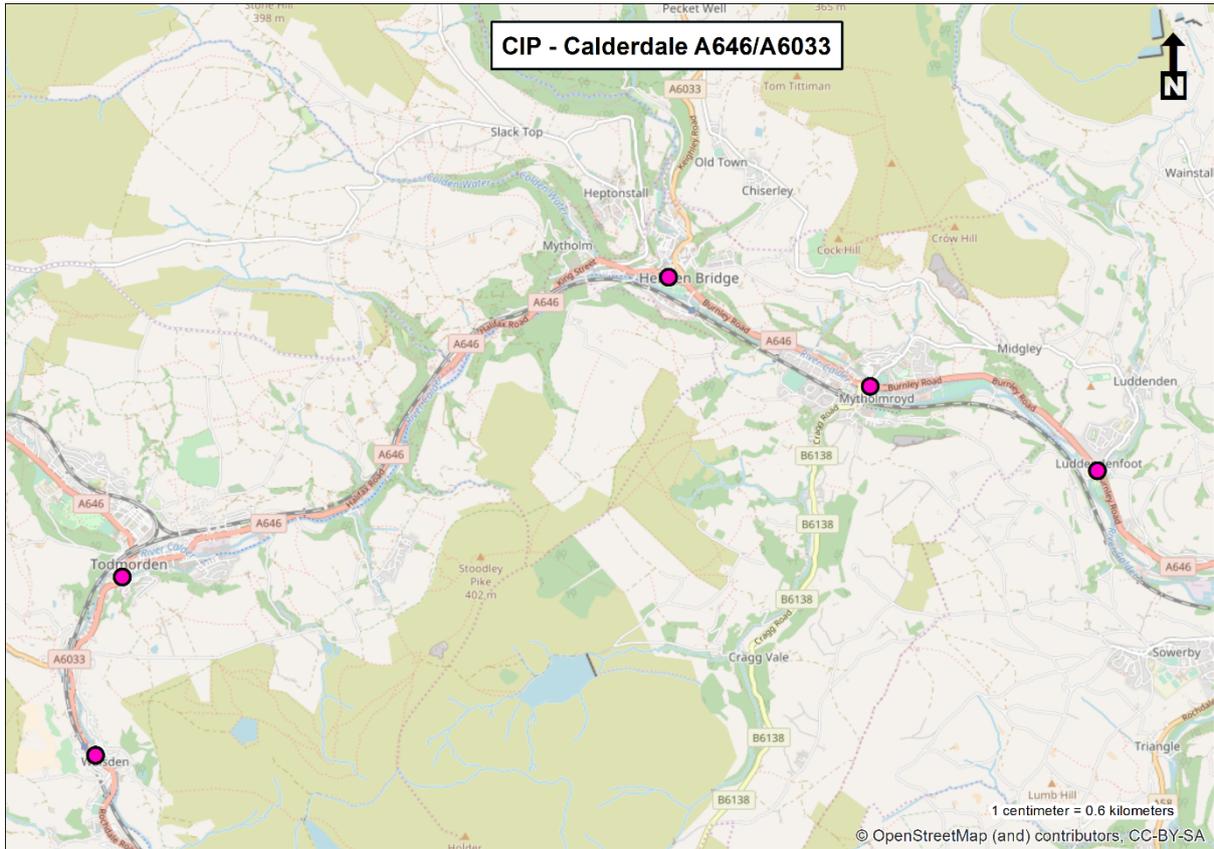
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Appendix 3: Location map A58 / A672 Corridor Improvement Programme



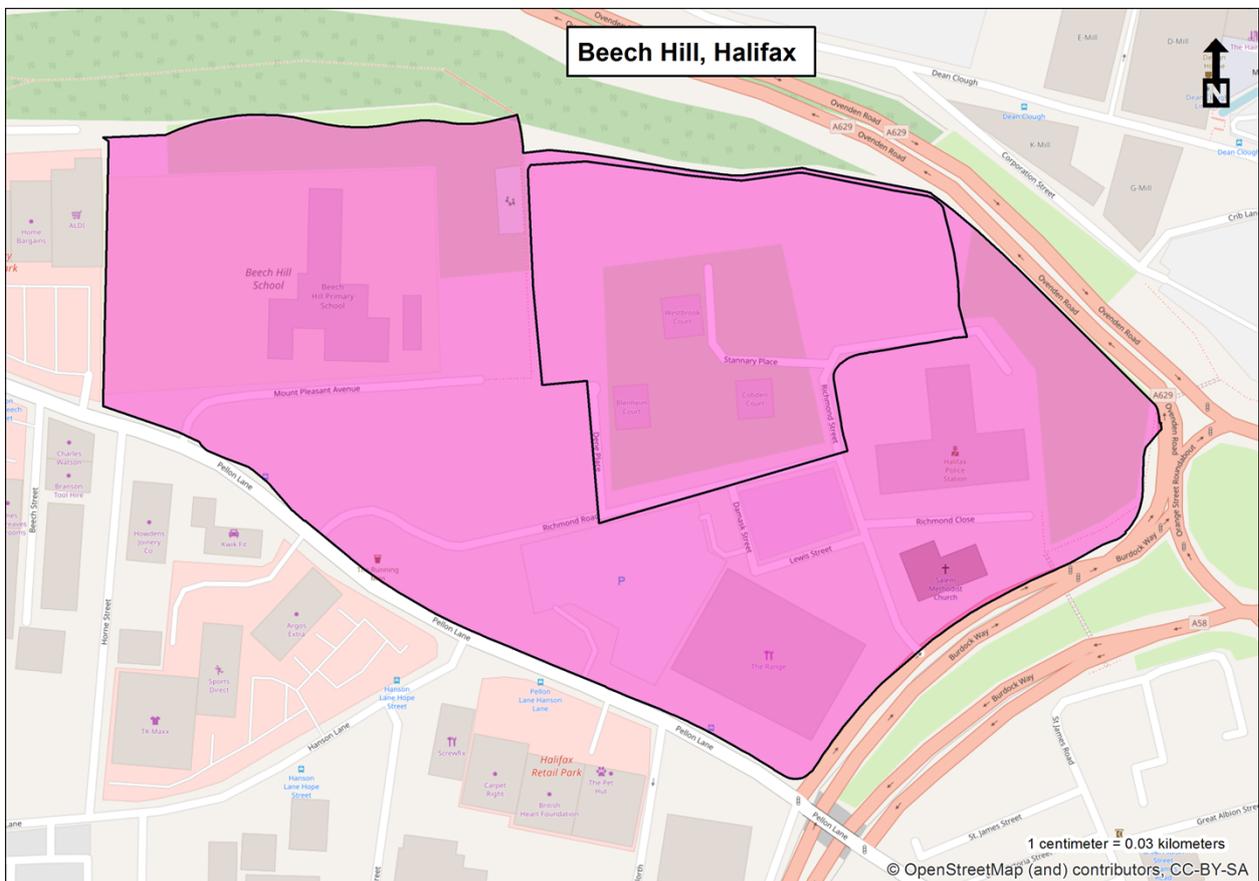
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Appendix 4: Location map A646-A603 Corridor Improvement Programme



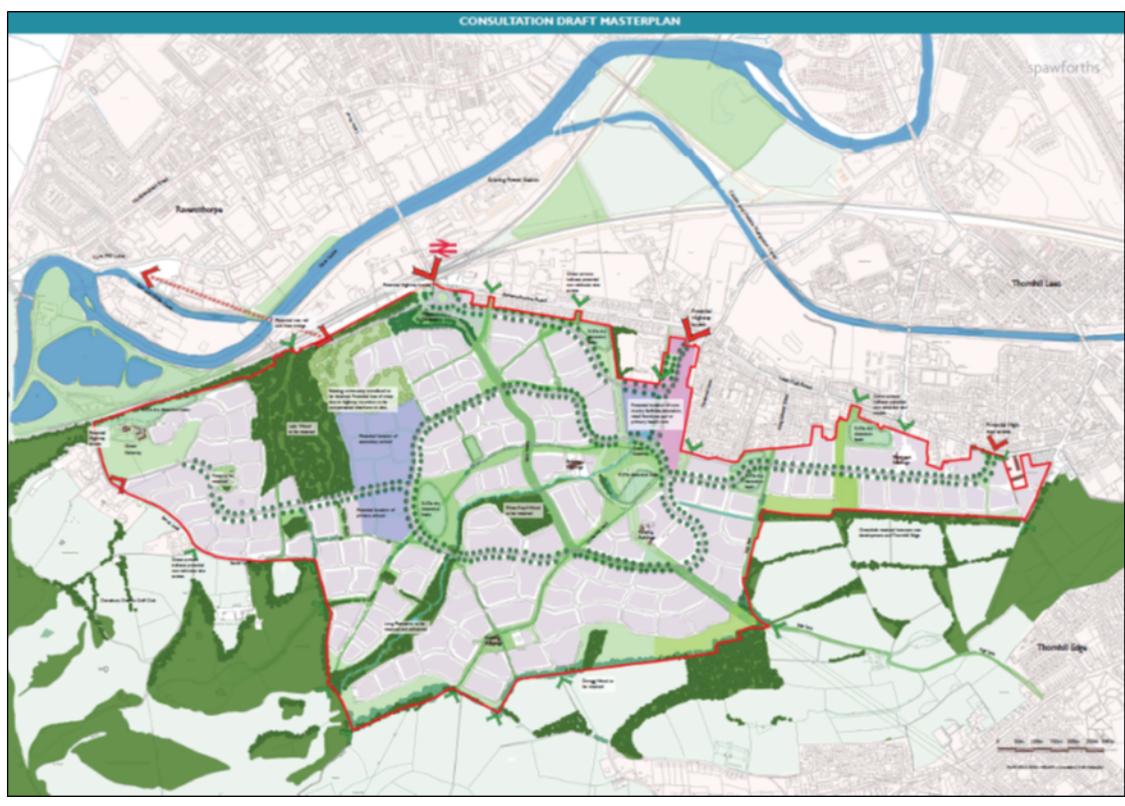
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Appendix 5: Location map Beech Hill



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Appendix 6: Location map Dewsbury Riverside



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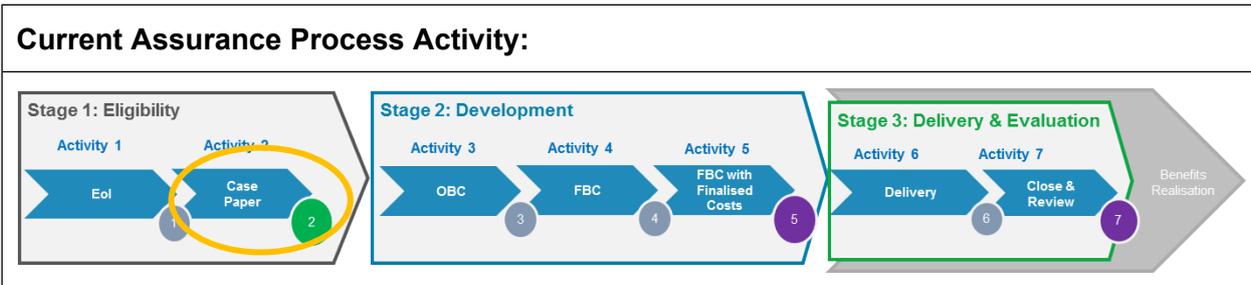
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Scheme Summary

Name of Scheme:	Leeds City Region Employment Hub
PMO Scheme Code:	WYCA-E&S-002
Lead Organisation:	West Yorkshire Combined Authority
Senior Responsible Officer:	Sue Cooke, Executive Head of Economic Services
Lead Promoter Contact:	Catherine Lunn, Skills Funding Manager
Case Officer:	Cath Pinn
Applicable Funding Stream(s) – Grant or Loan:	Grant <ol style="list-style-type: none"> 1. European Social Fund (ESF) Grant via DWP 2. Business Rates Pool (BRP) Grant 3. Contribution from existing revenue budgets
Growth Fund Priority Area (if applicable):	Priority 2: Skilled People, better jobs
Approvals to Date:	£242, 000
Forecasted Full Approval Date (Decision Point 5):	17 th August 2018
Forecasted Completion Date (Decision Point 6):	July 2021
Total Scheme Cost (£):	£9 million
Combined Authority Funding (£):	<ul style="list-style-type: none"> • ESF - £5,785,714 • Combined Authority Contribution - £242,000 • BRP (year 1) - £1,360,000 • BRP (years 2 & 3) - £1,350,000 Total CA Contribution £8,737,714
Total other public sector investment (£):	Delivery Partners Local Contribution - £226,286
Total other private sector investment (£):	£0 While two of the delivery partners can be classed as private sector, they will be utilising public sector grants to fund delivery

Is this a standalone Project?	No – elements of this project will enhance existing delivery in terms of engagement with schools, young people and engagement with businesses
Is this a Programme?	Yes
Is this Project part of an agreed Programme?	No



Scheme Description:

The LCR Employment Hub will be led by the West Yorkshire Combined Authority (the Combined Authority) Employment and Skills Team.

This programme will run for three years (2018 to 2021) and will deliver against all the key action areas identified in the Leeds City Region Strategic Economic Plan (SEP) under Priority 2: Skilled people, better jobs. The programme will also deliver against the priorities set out in the Leeds City Region Employment and Skills Plan (2016-2020).

The scheme will deliver an increase in the number of young people accessing and completing apprenticeships and will also support participants of the established talent pool in progressing into and sustaining employment.

By establishing clear links between education and business, and promoting apprenticeships in schools, the programme will increase students' contact with and understanding of business – in schools and in FE. This will also have a positive impact on attainment and employability, contributing to the Employment and Skills Plan ambition that all young people should have an entitlement to planned and progressive careers, and to the right education opportunities.

The Employment Hub will play a key role in ensuring business have the skills they need to grow, and that individuals are able to enhance their skills and access the right opportunities through an impartial brokerage service. This will ensure skills gaps are addressed by aligning opportunities with the region's needs. Bringing together the work of a wide range of partners will also ensure that the region's needs are identified and acted upon. Businesses which haven't previously employed apprentices will be targeted, reinforcing how they can be used to address the region's skills gaps.

The LCR Employment Hub programme will be delivered through a 'hub and spoke' model. As shown in the diagram below.

Diagram 1 – Hub and Spoke Model



The York Employment hub will also deliver in the Craven, Harrogate and Selby districts

Strategic direction, governance, programme/contract management and marketing activity will be delivered centrally (hub/Lead Partner) through the Combined Authority. The spoke element will be delivered by local authorities at local/district level to ensure that provision is tailored to and targeted at local need. The hub and spoke approach builds on and is complementary to a range of other programmes delivered across the City Region.

Delivery Partners will engage at local level with a variety of additional intermediaries whose programmes and services can contribute to and are complementary to the aims of the programme and outputs, including a two-way referral approach.

The key delivery partners to the programme are partner councils along with C&K Careers and Leeds Beckett University. The Combined Authority already has excellent and well embedded strategic and delivery relationships with the partner councils in the Leeds City Region relating to the skills and employment agenda.

The Employment Hub will bring together a range of enhancements to current provision such as enterprise activities in schools and colleges and will build upon the experience and good

practice from the successful City Deal Wave 1 Apprenticeship Hub programme, delivered between 2013 and 2016.

Each local Employment Hub will be tailored to build on current relationships, ensuring effective and quality provision and the opportunity for flexibility of provision to meet recipient needs within their local geographical area.

The project will deliver the following elements:

1. Enhanced support for disadvantaged students/young people to engage with employers
2. A centrally co-ordinated careers and enterprise service and Continuing Professional Development for teachers to develop their knowledge of jobs in key sectors
3. Strategic connections between businesses and school to create employer encounters in schools and colleges through activities that promote employability skills
4. Independent apprenticeship and employment brokerage (and establishment of a talent pool) to support businesses in offering apprenticeships and individuals in accessing apprenticeships and roles within these organisations
5. Engagement and marketing support and resources to support each of the activities above.

Through utilising business rates pool funding and Combined Authority and partner contributions, the project will lever in European Social Fund (ESF) monies, which are administered via the Department for Work and Pensions.

The Combined Authority's bid for ESF funding is currently being appraised and as such funding is not secured. In the event that the bid is not successful, the Combined Authority plans to undertake an amended scheme which will be brought back through the assurance process for consideration.

Business Case Summary:

<p>Strategic Case</p>	<p>This scheme will deliver strongly against the Leeds City Region's Strategic Economic Plan's Priority 2: Skilled People, Better Job.</p> <p>There is a growing gap between the Leeds City Region and the rest of the UK in terms productivity and the proportion of working age people with higher level skills. There is also a gap between the numbers of disadvantaged pupils and other pupils entering apprenticeships. This could be addressed by targeting disadvantaged groups through this scheme. In addition the Leeds City Region lags behind the majority of the UK in terms of the levels of employer engagement in work experience and work inspiration activities with young people. Increasing young people's encounters with employment and business has been demonstrated to result in young people being 86% less likely to result in being classified as NEET (not in employment, education or training).</p> <p>The scheme's objectives focus on supporting young people with their career choices and ensuring they have contact with businesses, supporting young people to access further learning, employment or apprenticeships, supporting businesses in offering employment and apprenticeships to young people, and developing a talent pool and brokerage service where young people can be matched with employment and learning opportunities.</p>
<p>Commercial Case</p>	<p>There is an identified demand for the services this scheme provides. The structure of the scheme is based on previous programmes, which have</p>

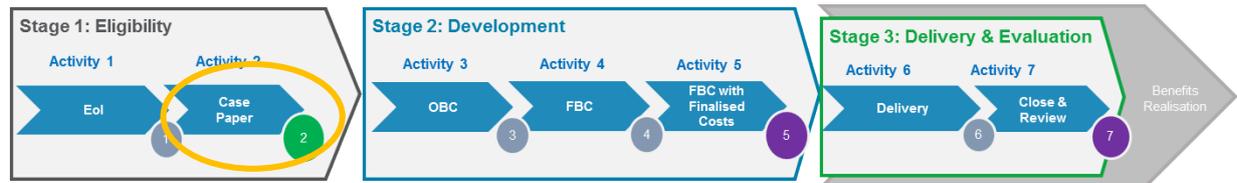
	<p>delivered effective results for the region.</p> <p>The scheme will be delivered on a hub and spoke model, with delivery at a local level being undertaken by identified delivery partners.</p> <p>The Combined Authority will procure and deliver the centralised marketing and communications and scheme and contract management functions.</p>
Economic Case	<p>The project will deliver a number of benefits.</p> <p>There will be 6,294 participants, of whom 43% will progress into learning programmes or employment. It is anticipated that as a result, the number of apprenticeships achieved in the region will also increase.</p> <p>In addition, it is forecast that a minimum of 850 participants will progress from the employment hub into employment that is sustained for six months or more.</p> <p>The scheme will lead to a 3,000 additional young people's encounters with employers, and 200 extra CPD session will be delivered to teachers, focusing on careers guidance and the skills requirements of the region.</p> <p>An economic appraisal has been carried out solely on the element of the scheme where participants retaining sustained employment following participation with the Employment Hub. When this element of the scheme is assessed over a three-year appraisal period, the benefits to cost ratio is 2.8:1. However it is anticipated that further benefits will actually be realised over a longer period, particularly for those who have completed apprenticeships in the scheme's delivery period.</p>
Financial Case	<p>The scheme will utilise funding from a variety of sources to fund the £9 million scheme costs. These are ESF, Business Rates Pool Years 1, 2 and 3, Combined Authority contribution and Delivery Partner local contribution.</p> <p>A significant source of funding (the ESF grant, £5.786 million) will not be confirmed until August.</p> <p>If the ESF application is not successful, the scheme will be re-scoped and a new Expression of Interest submitted</p> <p>The scheme has an existing approval of £242,000, which will fund limited advanced work in preparation for the outcome of the funding application</p>
Management Case	<p>The project will be governed by the Economic Services Performance Group, and managed by the Employment Hub Steering Group.</p> <p>The scheme is undertaking a number of preparatory tasks now, so that it is delivery-ready upon receipt of the decision on ESF funding. This is particularly critical to this scheme, as the August exam results period is the key time of the year for apprenticeship referrals and so the scheme aims to maximise the opportunity of this period in 2018.</p> <p>The scheme has a comprehensive risk register in place.</p>

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Section A: Business Case Summary – Skills [re]boot project

Name of Scheme:	[re]boot project
PMO Scheme Code:	WYCA-E&S-001
Lead Organisation:	West Yorkshire Combined Authority
Senior Responsible Officer:	Emma Longbottom
Lead Promoter Contact:	Head of Employment and Skills
Case Officer:	Paul Coy
Applicable Funding Stream(s) – Grant or Loan:	ESIF Funding
Growth Fund Priority Area (if applicable):	Priority Area 2 - skilled people, better jobs and better connected
Approvals to Date:	
Forecasted Full Approval Date (Decision Point 5):	August 2018 – Managing Director approval via the Leadership team
Forecasted Completion Date (Decision Point 6):	March 2021 – Financial Completion
Total Scheme Cost (£):	£3.145 million
Combined Authority Funding (£):	£2.870 million
Total other public sector investment (£):	£0
Total other private sector investment (£):	£275,000
Is this a standalone Project?	Yes
Is this a Programme?	Yes
Is this Project part of an agreed Programme?	Yes/No – if ‘Yes’, what is name of programme?

Current Assurance Process Activity:



Scheme Description:

Specific activities to be undertaken

[re]boot will offer individuals the chance to upskill, gain new skills/qualifications and enter employment within key regional sectors. In order to do this the programme will follow the following model:



Access - The programme will be actively marketed and promoted using the Combined Authority's highly-effective communications team. Using social media, a careers campaign and partners/stakeholders, we will actively target: individuals in work; graduates who are disadvantaged in the labour market; individuals who are returning to the labour market after a period of absence; people considering a career change.

Individuals will access the programme through an online/telephone booking process and will be assessed against their eligibility of the programme. During this stage individuals' needs will be assessed.

Advance – Individuals will advance their skills, gaining employability and specific skills relating to key sectors. This will include qualifications, peer mentoring, confidence building and sector-focused information regarding the workplace. Each individual's journey will be unique and will be developed according to their needs and ambitions.

A tailored employability support programme (accredited at level 2, where required) will be available for individuals who require it. This support could include: CV development; interview experience; life skills; problem solving; confidence building; work place etiquette sessions; and 'meet an employer' sessions.

Sector-specific training will be available relating to the Leeds City Region key skills shortage sectors – digital, engineering and manufacturing, construction and infrastructure. Training will be at level 4 and tailored to employer and individual need with delivery options such as: a full-time programme that will be delivered Monday – Friday over six weeks; or a weekend programme running over 12 weeks.

These two options will have the same content but will be delivered differently, to maximise opportunities for all. The six-week programme will appeal to a range of individuals including recent graduates (who have studied different disciplines) and

those currently outside the labour market (carers, parents looking to return to work). The weekend programme will appeal to individuals already in employment, looking to change career direction.

The programme content will reflect the needs of employers in the Leeds City Region (LCR), building on data collected and feedback from employer networks.

For example, training aimed at the digital sector will focus on programming and software development (covering industry skills that will build upon the employability module, followed by Agile software development, and at least one language such as Python). Each programme will have a significant live project element, which will provide all learners with experience of leading a real-world development. Depending on individual and employer need, additional content covering different themes such as data analytics and security, will be explored.

Ongoing dialogue with employers, colleges and universities will ensure that the skills gained are transferable as far as possible, allowing career progression through employment and further / higher education. As such, delivery content will be flexible so that it can meet the changing needs of the LCR labour market throughout the period of delivery.

Accelerate – During the accelerate phase of the programme individuals will be supported to apply for employment in key sectors, to progress within their employment and to sustain their career.

Employment brokerage services will form an integral part of the project, connecting individuals with real job opportunities, within key sectors, and putting employers at the heart of the project. Existing partnerships with local businesses, established by Combined Authority through the LEP brand and including Headstart, City Deal Apprenticeship Hubs Programmes, Apprenticeship Grant for Employers, LEP Skills Service, LEP Growth Service, and Enterprise in Education work, as well as a range of employer panels and advisory groups, will be exploited to increase the volume and range of job opportunities on offer.

Where [re]boot will be delivered

Activities will be delivered on delivery partner and sub-contractors' premises. Predominantly, these will be learning environments such as colleges and universities, but employers' premises may also be used as appropriate. Delivery will take place across the Leeds City Region and will be accessible to all eligible individuals.

Timescale for delivery of [re]boot

Delivery will commence in June 2018 and will run for three years until May 2021.

Who will deliver [re]boot?

West Yorkshire Combined Authority is the lead applicant and has overall responsibility for ensuring the project achieves its targets and outputs. Named Delivery Partners are accountable to the Combined Authority and will have a service level agreement (SLA) in place outlining their specific roles and responsibilities.

Leeds Trinity University and West Yorkshire Consortium of Colleges are the Combined Authority's delivery partners; both these organisations will deliver part of the project alongside the Combined Authority. In addition, sub-contractors will be identified through

a procurement exercise. The Combined Authority will undertake this procurement and will be responsible for overall contract management of sub-contractors.

Who will [re]boot benefit?

[re]boot will benefit individuals aged 18 and over, enabling them to meet their full potential and enter roles in key growth sectors across the Leeds City Region. The programme will specifically target: individuals in work who would like to develop new skills to change; graduates who are disadvantaged in the labour market; individuals who are returning to the labour market after a period of absence; and people considering a career change.

The activities will benefit individuals who require additional skills development to reach their potential and enter employment in key Leeds City Region sectors, namely digital, engineering and manufacturing and construction/infrastructure.

Employers from key sectors, many of whom have identified skills shortages, will also benefit from being able to employ highly skilled individuals who have completed the available training.

What are the benefits of [re]boot?

The benefits of [re]boot are developing sector-focused skills at level 4, enabling individuals to change and reshape their career, reach their potential and to progress. Employers will benefit from new staff, who are skilled and ready to enter employment, particularly within skills shortage areas.

Business Case Summary:

Strategic Case

The outputs and outcomes that will be generated by the project align with a range of objectives and priorities set out in the Leeds City Region Strategic Economic Plan and Employment and Skills Plan (ESP).

With regard to the ESP objective of Raising the bar on high-level skills, the project will contribute to the following priorities:

- Develop provision that addresses current and future labour market requirements
- Develop high-level skills and capabilities to drive productivity and innovation within the region
- Raise aspiration to progress into higher level learning.

With regard to employability, accessing jobs and realising potential, the project will:

- Equip people with the skills needed to progress in work including low paid workers and those in receipt of in-work benefits
- Shape support enabling people to access a pipeline of new job opportunities, particularly in growth sectors.

With regard to Building workforce skills and attracting talent the project will:

- Reduce skills shortages faced by businesses in growth sectors, by growing talent.

[re]boot will focus on the needs of the Leeds City Region, addressing two

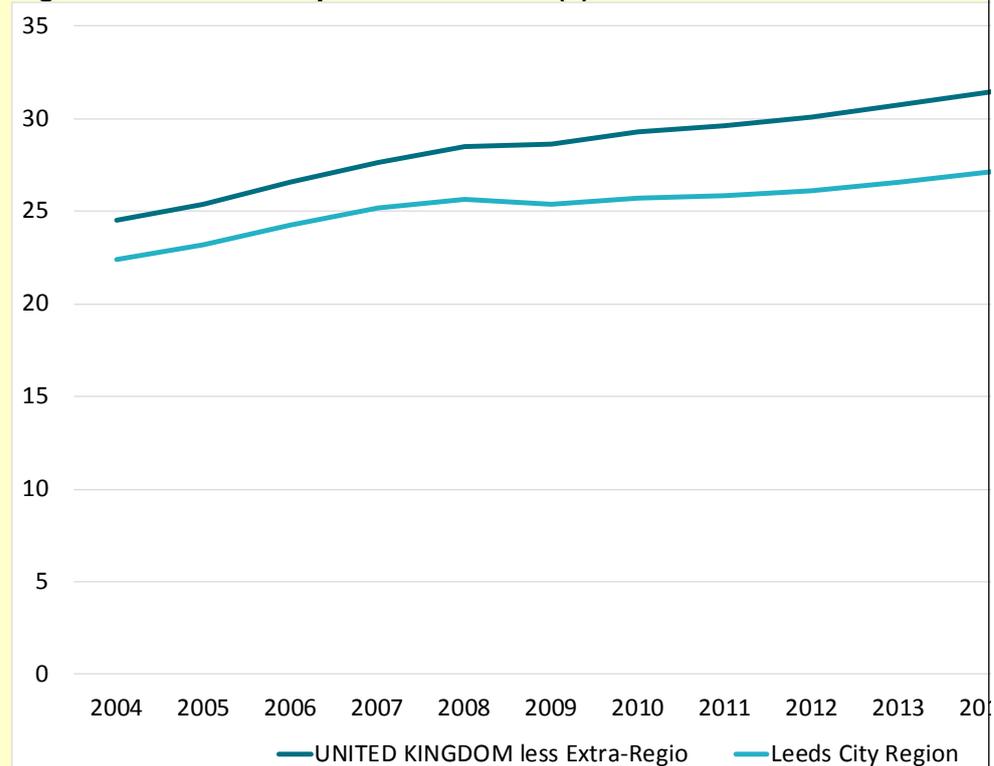
	<p>key skills gaps areas that both the LEP and employers have identified. The LEP's Employment and Skills Plan identified significant skills shortages in preparing to deliver major capital/infrastructure schemes and digital schemes. This will help deliver against national policy priorities such as delivering the skills needed to make a success of HS2.</p> <p>It will address these skills gaps, responding to employer needs, national policy demands, and local economic demand, by targeting employed people and graduates seeking work (aligning with Investment priority 2.1), enhancing skills to allow career change and progression into identified priority areas of growth and demand. Knowledge and skills will be upgraded, and career guidance and jobs matching will be provided – delivering against Investment Priority 2.1. Businesses and the region will therefore have access to an increased size of qualified and available individuals in the labour market and the skills needed to continue to grow. The skills of individuals will be improved to meet their individual needs, the needs of the local economy, and the needs of national priorities.</p> <p>Many national and local programmes, such as the Department for Work and Pensions Work and Health Programme, ESIF Back to Work, ESIF Local Flexibilities for the Unemployed and Adult Education Budget-funded skills provision, focus on those who are out of work. By targeting those in work and graduates close to the labour market, this project will complement but not duplicate initiatives such as, the Flexible Learning Fund, Career Learning Pilots and ESIF Skills Service and will provide part of a comprehensive offer to business and individuals who wish to develop their career.</p> <p>The region is gearing up to deliver major schemes such as High Speed 2, the West Yorkshire-plus Transport Fund programme and a number of low-carbon energy generation projects. [re]boot will help to ensure that the skills to deliver these projects, which are important for both the region and nationally, are there.</p> <p>In addition, the project will contribute to addressing the gender imbalance in the construction/engineering sector by targeting women in work and focusing on improving project management skills, enabling career changes into a sector in which they are under-represented.</p> <p>[re]boot will also include options for part-time and evening participation, to allow those in work and with other responsibilities the opportunity to complete the course. Targeted advice will be provided to women, to help them make positive career choices about areas they may not have considered previously.</p>
<p>Commercial Case</p>	<p>[re]boot is aimed at those already in work or recent graduates, who are likely to already have basic skills. 1,600 participants will gain a level 2 qualification with the majority progressing to a level 3 qualification. 1,550 participants will gain a qualification at level 3 or above. 675 female participants will gain improved labour market status. There are no output indicators for employed females so we are not in a position to estimate the percentage.</p>

Economic Case

We have a productivity deficit in the City Region, which is associated with a skills deficit, particularly with regard to the supply of higher level skills and qualifications.

In-work productivity factors play the main role in the City Region's prosperity deficit. Its relative position on productivity has not improved in recent years: output per hour worked fell from 91 per cent of the UK average in 2006 to 86 per cent in 2016. If this deficit could be addressed, the size of the local economy would increase by more than £11 billion per annum.

Figure: Nominal GVA per hour worked (£)



Source: Office for National Statistics

34 per cent of the population of working age in the City Region are qualified at tertiary level (level 4 and above) compared with a national average of 38 per cent. Correspondingly, 25 per cent of the population are qualified below level 2, the level typically associated with basic employability, which is higher than the national average of 22 per cent. Analysis shows that performance at LEP level around skills and qualifications is closely correlated with local productivity performance.

The City Region has a high prevalence of skill shortages with acute concentrations in our priority skill areas. This has negative implications for business growth prospects and productivity. For example, it is estimated that there were up to 14,000 skill shortage vacancies in the City Region for digital professional roles in the last year, with up to 5,000 shortages for engineering professionals (including civil engineers) and 2,000 for professional roles relating to construction (including architects, town planners and surveyors). From a business perspective, shortages have significant business implications in terms of meeting customer service

objectives, losing business to competitors, experiencing increased operating costs and encountering delays in developing new products and services.

The City Region has a large number of people employed in low-skilled and low paid employment, who currently have limited prospects for career progression. 300,000 jobs (23 per cent of the total) in the City Region pay less than the Living Wage Foundation's Living Wage Level which reflects the real cost of living. The proportion is much higher for some districts in the City Region, at 31 per cent in Kirklees, for example. Low paid work is also reflected in the 165,000 households in the City Region (20 per cent of all households) that rely on in-work benefits to top up their income from employment.

At the current time, low-skilled workers are less likely to have access to training opportunities than their higher skilled counterparts, limiting their ability to develop the skills that are needed for career progression. Annual Population Survey data for the City Region in 2017 shows that only nine per cent of workers qualified at level 3 and below received job-related training in the prior four weeks, compared with 18 per cent of workers qualified at level 4 and above.

Many highly qualified people in the City Region work in occupations that are classified as middle and lower-skilled. Based on Labour Force Survey data for Yorkshire and the Humber, it is estimated that 11 per cent of all people in employment are in this situation, equivalent to 135,000 people whose skills and qualifications are under-utilised in the City Region. The project offers these individuals with an opportunity to develop additional skills as a basis for entering occupations that will offer them greater scope to fulfil their career potential.

Current arrangements to promote lifelong learning are not sufficient to address the significant need for career development, with the main focus of public funding for adult education being qualifications at level 2 and below. There were only 4,500 starts on Advanced Learner Loan-funded courses in the City Region in the 2015/16 academic year and barely one in 20 of these starts were for courses at level 4 and above.

The need for expanded lifelong learning provision is likely to become more pressing in future as access to migrant workers becomes more constrained after Brexit, and the continuing impact of automation means that workers need to alter their career path to take account of changes in the pattern of labour demand. One in 20 workers in the City Region is an EU migrant. Brexit is likely to open up gaps in labour and skills supply that indigenous workers can fill if they are able to develop the required skills. Forecasts suggest that 34 per cent of jobs in the City Region are at high risk of automation in the medium to longer term, with lower skilled and routine occupations much more susceptible to this development. This means that it is imperative for workers in areas at greatest risk to improve their skills to support career adaptability.

The project will increase the skill levels of employed individuals and graduates. Ensuring career change and encouraging progressions in construction / engineering and the digital sector. It will do this by having a targeted recruitment campaign, followed by a programme which provides

	<p>a skills needs assessment in advance of the chosen qualification route. Individuals will also be provided with support in finding the right employment / opportunity to further their career.</p> <p>The project will ensure that participants gain a qualification, or a unit of a qualification, that will increase their existing skill level and enable them to further their career. The majority of participants will gain either a level 2 or level 3 qualification in project management or a digital qualification, enabling progression in either the construction / engineering or digital sectors. This will benefit the individual, the business, and the local and national economy by filling skill gaps, increasing wages, and delivering nationally infrastructure projects.</p> <p>The project will seek to address the current lack of representation of women in the construction / engineering workforce. It will do this by providing the opportunity for women to train as project managers, with a focus on engineering and construction, enabling career change into the sector or further opportunities for those already working in the sector, addressing the gender employment gap.</p>
<p>Financial Case</p>	<p>The scheme will be funded from ESIF £1.573 million and a public match from Leeds Trinity University £75,000 and the Combined Authority of £1.297 million with a further £200,000 private sector match. The 15% option for indirect costs has been applied for the scheme. The Combined Authority will be able to claim VAT incurred on payments for the scheme.</p>
<p>Management Case</p>	<p>The Employment and Skills Team will report on a daily basis to the Head of Employment and Skills, who is accountable to the Employment and Skills Panel. The programme will be overseen and governed by the Project Executive Group. The group will comprise of Head of Employment and Skills and Skills Policy Lead, the Contract Manager, a senior Local Authority representative and a private sector Employment and Skills Panel member. The group will be chaired by the Employment and Skills Panel member and the Department for Work and Pensions, as Managing Authority, will be invited to attend the meetings. The group is expected to meet quarterly to review delivery progress and oversee the programme from a financial perspective. Its primary concern will be to ensure that the programme as a whole is delivering against the funding contract and that action is taken as necessary to minimise risk.</p> <p>Prior to the project commencement, SLAs will be in place with Delivery Partners. SLAs will detail the requirements of ESIF and the expectations that the Combined Authority has of delivery partners.</p> <p>Sub-contractors will be procured and evaluated on the previous experience and capacity to deliver the project specification. Once contracts are in place, they will detail requirements and expectations of sub-contractors.</p> <p>The performance of both delivery partners and sub-contractors will be monitored on a monthly basis in line with the process detailed.</p> <p>At a strategic programme level, the Project Executive Group will oversee and monitor [re]boot as a whole and charge the Contract Manager with responsibility for ensuring the programme's continued adherence to all ESIF funding requirements.</p> <p>The programme will be overseen and governed by the Economic Services Performance Group. This group comprises of the Executive</p>

Head of Economic Services, our Head of Employment and Skills, Skills Funding Manager and the Contract Manager. The group is chaired by the Executive Head of Economic Services.

The group will meet quarterly to review delivery progress and oversee the programme from a financial and performance perspective. Its primary concern will be to ensure that the programme as a whole is delivering against the funding contract and that action is taken as necessary to minimise risk.

Periodically across the duration of the project, the Combined Authority will conduct informal internal audits of expenditure to ensure continued compliance with eligibility criteria and that supporting evidence is in place to substantiate claims.

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Report to: West Yorkshire Combined Authority

Date: Thursday 2 August 2018

Subject: **Channel 4 National HQ**

Director: Sue Cooke, Executive Head of Economic Services

Author(s): David Shepherd

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 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:	

1. Purpose of this report

- 1.1 To provide an update on the effort to attract the Channel 4 national HQ to Leeds City Region.

2. Information

- 2.1 Earlier in 2018 Channel 4 launched its 4 All the UK strategy which involves the establishment of a new National HQ and two new creative hubs in the Nations and Regions. Leeds City Region has submitted a pitch for the Channel 4 National HQ to be in Leeds. This represents a significant opportunity to broaden the creative and digital industries, especially the TV, film and screen industries.
- 2.2 To support the Leeds City Region pitch the #4Sparks social media campaign was created. It has served as a tool for communicating the main themes of the Leeds City Region bid, receiving much support from a variety of stakeholders and is now a fundamental component of our pitch.
- 2.3 On 19 June 2018 Channel 4 executives visited Leeds to meet Civic Leaders, LEP representatives and members of the TV/screen industries and wider

creative/digital sector. Since then Chanel 4 has been reviewing the information provided and reflecting on their own independent data.

2.4 Following this review Leeds has been shortlisted as one of the final three locations for the Channel's National HQ along with Birmingham and Greater Manchester. This was made public on 23 July 2018.

2.5 Channel 4 will now request further information over the next few weeks and enter into a process of negotiation with prospective locations over the summer.

2.6 Channel 4 plans to make a final announcement on 1 October 2018.

3. Inclusive Growth Implications

3.1 Securing the Channel 4 HQ, is complementary to the city region's inclusive growth strategy, by providing opportunities across the region for talented individuals and businesses.

4. Financial Implications

4.1 It is anticipated that a package of support to inspire supply chain and skills development within the creative and digital sector will be required. Work to scope this is currently in hand.

5. Legal Implications

5.1 The Combined authority is bound by the terms and conditions of the 4 All the UK pitch process as defined by Channel 4.

6. Staffing Implications

6.1 None

7. External Consultees

7.1 None

8. Recommendations

8.1 That the Combined Authority continues to support the City Region's bid for Channel 4.

9. Background Documents

There are no background documents referenced in this report.

10. Appendices

None.



Report to: West Yorkshire Combined Authority

Date: 2 August 2018

Subject: **Medium term financial strategy and budget 2019/20**

Director: Angela Taylor, Director of Resources

Author(s): Jon Sheard and Angela Taylor

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:	N/A

1. Purpose of this report

- 1.1 To provide West Yorkshire Combined Authority with an update on the medium term financial strategy and budget planning for 2019/20.

2. Information

- 2.1 The Combined Authority approved the 2018/19 budget at its meeting in February. The revenue budget was set in the context of a three year financial strategy that included a commitment to reduce the transport levy each year and seeks to reduce the use of reserves to provide a balanced position by 2020/21. The challenges of achieving this were set out in the report and a number of supporting actions were agreed.
- 2.2 In setting its budget the Combined Authority recognised the challenging financial position faced by its local authority partners and its need to respond to this. The largest element of income for the Combined Authority is the transport levy which is paid across by the five West Yorkshire authorities on a per capita basis. A commitment was therefore made to continue to reduce the transport levy by £1 million each year.

- 2.3 The need to achieve and demonstrate efficiency and effectiveness and demonstrate value for money from the organisation's activities is core to the approach being taken. The budget setting process for 2019/20 will seek to demonstrate how expenditure delivers against the objectives and priorities of the Combined Authority and its partners. This information will be provided to members and partners for their scrutiny and input at different stages of the process.
- 2.4 As part of the approach to transparency and accountability the Combined Authority intends to undertake public engagement and consultation specifically as part of its budget setting process. It should be recognised that this will differ from that undertaken in local authorities but it will provide an opportunity to invite views and comments on the discretionary elements of expenditure. This will also need to link with any consultation work on the public transport options that is being undertaken as part of the bus strategy work being overseen by the Transport Committee.
- 2.5 **Appendix 1** sets out the proposed timetable for the development of the financial strategy and budget that includes regular papers to the Combined Authority, the continuation of the member budget working group and the involvement of Overview and Scrutiny and Governance and Audit Committees. The final budget for 2019/20 will need to be approved at the Combined Authority meeting of 14 February to enable the transport levy to be set in accordance with legislative requirements.
- 2.6 Work has also been undertaken with finance officers from the West Yorkshire and York authorities to consider the process for setting and managing the budget, to ensure that the Combined Authority is following best practice and can benefit from any insights from the local authority partners. A number of actions have been discussed and will be addressed through the business planning and budget setting process for 2019/20 that is now commencing.
- 2.7 **Appendix 2** sets out the position that was agreed in February 2018. It is proposed that this is extended to cover the next three year period ie through to 2021/22 and that the figures for 2021/22 include the ongoing commitment to a reduction in the transport levy. Any changes that have occurred since the figures were agreed in February and any changes to the underlying assumptions and projections will be addressed in the revision to the strategy which is now underway. The following paragraphs set out some of these key issues, assumptions and changes to be taken into consideration in updating both the medium term financial strategy and budget. Members are asked to consider any further matters to be considered.
- 2.8 **Bus strategy** – the Transport Committee in June considered the issues around the effectiveness of expenditure on bus services in supporting mobility and approved revised policy guidelines together with a process of district level bus network reviews. The Transport Committee in May approved for consultation revised policy guidelines in respect of home to school services. A 20% savings target has been set for all bus service procurement over the

period 2018/19 to 2020/21. To date, contract awards and amendments are delivering the necessary savings for 2018/19.

- 2.9 **Concessionary travel** – a significant part of the Combined Authority’s budget is spent on the discretionary and statutory elements of the concessionary travel scheme. The costs of the statutory English National Concessionary Travel Scheme for 2018/19 are £46 million and are calculated using a spreadsheet model prescribed by the Department for Transport. This model includes a number of factors, including bus operating costs, so in effect will change each year as inflation affects fuel and salary costs of bus operators. Accordingly, an increase for 2019/20 of £1.4 million is forecast with a further £1.5 million in 2020/21. These increases will need to be managed alongside the reduction in the transport levy and therefore increase the pressure to reduce expenditure and increase income in other areas of the budget.
- 2.10 A further £10 million per annum is spend on discretionary concessions, predominantly for young people. This enables young people to travel at half fare up to the age of 19. Further work will be undertaken to clearly set out how this is contributing to policy objectives and to compare it against any alternative schemes in operation in other areas.
- 2.11 **Pay award** – the 2018/19 pay award is still being negotiated. At the time of setting the budget in February an assumption of an annual increase of 1% had been made, in line with the assumptions made by the West Yorkshire local authorities. The local government pay award was then made at 2% and it is expected therefore that the Combined Authority pay award is likely to be higher than that budgeted, potentially by between £100,000 and £150,000. The final award will also affect the expected level of future year pay awards that need to be built in to the strategy.
- 2.12 **Staffing structures** – the Combined Authority has over recent years been undergoing a review of its staffing structures and budgets and forecasts have been based on estimates in some cases. Now that revised structures are largely agreed and in place work will be done to finalise expected staffing costs and reflect these in the strategy. Further information on staffing budgets and headcount will be provided to the next meeting.
- 2.13 **Pension** – the triennial pension valuation will take place in 2020 and will have an impact on ongoing employer contributions. Assumptions on the likely impact of this will need to be agreed.
- 2.14 **Commercialisation** – the Combined Authority owns a portfolio of operational property assets (including bus stations) and some land and property acquired for previous transport schemes. Opportunities are being sought to maximise commercial rents from the portfolio and to identify the longer term scope to realise any redevelopment potential.
- 2.15 **Enterprise Zones** – the income stream from the Enterprise Zones (EZ) that accrues to the LEP and is received by the Combined Authority is one of the key income streams that has the capacity to grow. At present there is income

from the business rates on the EZ in Leeds but with potential for significantly more from the second M62 multi-site EZ. Actions to increase this income are underway, including a capital programme to remediate some of the sites to enable new business to invest.

- 2.16 **Other income streams** – the Combined Authority has been awarded further funding since February, including from the business rates pool, which needs to be factored into the three year strategy. Certain funding streams, particularly for economic services supporting business and skills, come to an end over the life of this strategy and opportunities to replace this need to be considered.
- 2.17 **Capitalisation** – the level of capitalisation ie charging eligible revenue costs to capital schemes has been increased for 2017/18, reflecting the growing capital programme in comparison to the revenue expenditure. Work on the size and shape of the future capital programme will assist in identifying whether there is an opportunity to further increase this capitalisation of revenue costs.
- 2.18 **Capital programme** – a significant number of new schemes have achieved decision point 2 of the assurance framework and have therefore passed the eligibility threshold for inclusion in the Growth Deal programme. The overall capital programme is being reviewed to identify the likely need for borrowing and the profile and costs of this. Much of the current Growth Deal funding which makes up the largest element of the capital funding available concludes in 2021. There is an ongoing income stream of £30 million per annum for the West Yorkshire plus York Transport Fund, to be supplemented by borrowing in accordance with the original Growth Deal, but it is expected there will still be a requirement beyond 2021 for a broader capital programme that would need to be supported by borrowing or yet to be identified funding streams. The costs of borrowing will need to be factored into the revised financial strategy.
- 2.19 **Living wage foundation accreditation** – the Combined Authority ensures no employee is paid less than the real living wage. As part of its work on social inclusion consideration will be given as to whether to pursue the full Living Wage Foundation accreditation. This would require the Combined Authority to ensure its contractors and sub-contractors all pay their employees no less than the real living wage. Further work will be undertaken to establish the potential financial costs of doing this, alongside the wider inclusive growth benefits of doing so.
- 2.20 **Benchmarking** – the Combined Authority is seeking comparator information from other combined and local authorities to assist in decision making and will provide this information in the next report. This will include information on the costs of bus services and concessionary travel as well as comparatives on back office and support functions where possible.
- 2.21 The closing position for 2017/18 is addressed in agenda item 11 and shows a reduced level of reserves needed in the year. The 2018/19 budget proposes a use of reserves of £1.5 million, which would leave closing general reserves at around £4 million, which is below the minimum required. It was proposed at the February budget meeting that an element of the reserve set up to support

the West Yorkshire plus Transport Fund borrowing costs be transferred to general reserves. The next iteration of the strategy will consider the required level of reserves both for the general reserve and for the Transport Fund reserve.

- 2.22 Members are asked to provide any further areas for consideration. A full update will be provided to the next meeting, setting out details of costs and income for the next three years and highlighting where decisions are required to be made. The need for public consultation and engagement in any such decisions will also be considered.

3. Inclusive Growth Implications

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

4. Financial Implications

- 4.1 As set out in the report.

5. Legal Implications

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

6. Staffing Implications

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

7. External Consultees

- 7.1 No external consultations have been undertaken.

8. Recommendations

- 8.1 That the Combined Authority consider the report and provide any further information to consider in updating the medium term financial strategy.

9. Background Documents

- 9.1 None.

10. Appendices

Appendix 1 – Budget timetable

Appendix 2 – Budget summary

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Revenue and capital budget planning & corporate planning - 2019/20 and 3 year Medium Term Financial Strategy - DRAFT

	Meeting	Deadline
Progress report to Leaders on work undertaken by Finance Working Group.	Leaders Meeting	May 2018 (TBC)
Draft / revise 3 Year Medium Term Financial Strategy (MTFS)	n/a	Summer 2018
Approach to draft 3 Year MTFS considered / reviewed.	Members Budget Working Group	01/08/18
Approach to draft 3 Year MTFS considered / reviewed.	Combined Authority	02/08/18
Draft budget and business plans considered / reviewed.	Members Budget Working Group	12/09/18
Draft budget and business plans considered / reviewed.	Leaders Meeting	06/09/18
Draft budget considered and business plans considered / reviewed.	Overview & Scrutiny	14/09/18
Advise Members of the work underway to progress business and budget planning for 2019/20 and to consider the key elements of the draft three year financial strategy	Combined Authority	11/10/18
Budget holder / controllers to complete and submit both draft budget & business plans	n/a	19/10/18
Draft budget considered and business plans considered / reviewed.	Governance and Audit Committee	01/11/18
Draft budget considered and business plans considered / reviewed.	Overview & Scrutiny	16/11/18
Budget & business plan scrutiny with Managing Director and Head of Finance	n/a	16/11/18
Draft budget considered and business plans considered / reviewed.	LEP Board	22/11/18
Draft budget considered and business plans considered / reviewed.	Members Budget Working Group	14/11/18
Draft budget considered and business plans considered / reviewed.	Leaders Meeting	15/01/2018
Draft budget proposals shared	WY Directors of Finance	November 2018 (TBC)
Review of draft budget by District Finance Officer Working Group	District Finance Officer Working Group	November 2018 (TBC)
Advise Members of the work underway on business planning and budgeting for 2018/19 and to consider the key elements of the draft three year financial strategy	Combined Authority	13/12/18
Budget & business plan - final revisions / final submission & amendments	n/a	21/12/18
Draft budget considered and business plans considered / reviewed.	Members Budget Working Group	10/01/19
Draft budget considered and business plans considered / reviewed.	Leaders Meeting	January 2019 (TBC)
Draft budget proposals shared	WY Directors of Finance	January 2019 (TBC)
Draft budget considered and business plans considered / reviewed.	Governance and Audit Committee	17/01/19
Draft budget considered and business plans considered / reviewed.	Overview & Scrutiny	18/01/19
Draft budget considered and business plans considered / reviewed.	LEP Board	23/01/19
Final review of draft budget by District Finance Officer Working Group	District Finance Officer Working Group	January 2019 (TBC)
To approve the proposed revenue and capital budgets and transport levy for 2019/20 and approve the three year MTFS	Combined Authority	14/02/19

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WYCA Summary - 2017/18 to 2018/19 (and 2019/20 - 2020/21)

	2017/18	2018/19					2019/20	2020/21
	Forecast	Salary & Pay Related	Salary Recovery	Other Expenditure	Other Income	Total	Total	
	Total £	£	£	£	£	£	Total £	
Transport Services								
Subsidised Services	19,181,000	0	0	27,397,250	(8,710,000)	18,687,250	17,345,421	15,851,650
Bus Station & Services	4,917,328	3,649,676	0	6,349,153	(5,654,284)	4,344,546	4,417,539	4,491,993
Concessions + Integrated Ticketing	55,755,478	0	0	56,270,200	0	56,270,200	57,676,955	59,118,879
Prepaid Tickets Income	0	0	0	31,500,000	(31,500,000)	0	0	0
Passenger Information	1,303,055	1,478,349	0	323,024	(617,993)	1,183,380	1,212,947	1,243,105
Travel Centres	498,516	568,798	0	40,340	(80,000)	529,138	540,514	552,117
Telematics	810,118	200,382	0	763,050	(226,000)	737,432	741,440	745,527
Transport Services	82,465,495	5,897,205	0	122,643,017	(46,788,277)	81,751,945	81,934,816	82,003,271
Delivery	(145,262)	3,401,966	(3,740,650)	56,200	0	(282,484)	(289,258)	(296,167)
Economic Services	1,356,314	2,657,421	(576,725)	5,738,783	(6,958,932)	860,548	1,092,161	1,134,608
Policy, Strategy & Communications	4,210,592	5,219,803	(317,596)	855,771	(254,224)	5,503,754	5,515,798	5,545,803
Resources	5,219,319	3,107,347	0	2,088,408	0	5,195,755	5,213,902	5,277,292
Corporate	7,292,512	830,952	(1,355,000)	8,992,287	(2,379,520)	6,088,719	6,263,226	6,618,793
Other Directorates	17,933,475	15,217,489	(5,989,971)	17,731,449	(9,592,676)	17,366,292	17,795,830	18,280,329
Capital Grant	(1,000,000)	0	(1,500,000)	0	0	(1,500,000)	(1,530,000)	(1,560,600)
Enterprise Zone Receipts	(712,000)	0	0	0	(1,968,000)	(1,968,000)	(3,804,000)	(6,525,000)
Transport Levy	(95,198,000)	0	0	0	(94,198,000)	(94,198,000)	(93,198,000)	(92,198,000)
Other	(96,910,000)	0	(1,500,000)	0	(96,166,000)	(97,666,000)	(98,532,000)	(100,283,600)
Further Resources Required	3,488,971					1,452,237	1,198,646	0
Transfer from Reserves	(3,488,971)					(1,452,237)	(1,198,646)	(0)
Balanced Budget	0					0	0	0

	Balance at 31/3/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	Balance at 31/3/21 £
Available Reserves						
General Reserve	(7,102,000)	3,488,971	0	0	0	(3,613,029)
Transport Fund Reserve	(7,751,000)		1,452,237	1,198,646	0	(5,100,117)
Total	(14,853,000)	3,488,971	1,452,237	1,198,646	0	(8,713,147)

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Report to: West Yorkshire Combined Authority

Date: 2 August 2018

Subject: **Corporate planning and performance**

Director: Angela Taylor, Director of Resources

Author(s): Louise Porter and Jon Sheard

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:	N/A

1. Purpose of this report

- 1.1 To provide the West Yorkshire Combined Authority with an update on corporate performance including progress against corporate priorities, risk management and budget position.

2. Information

Corporate Plan 2018/19

- 2.1 The Combined Authority's annual Corporate Plan sets out the vision and mission for the organisation and the practical steps for how these will be progressed during the year. As reported to the June meeting of the Combined Authority the 2018/19 Corporate Plan has been finalised and is available at the following link: <https://www.westyorks-ca.gov.uk/about-west-yorkshire-combined-authority/>.
- 2.2 The 2018/19 Corporate Plan sets out the long term ambitions for the region, which the Combined Authority will play a major role in contributing towards. These ambitions fall under the key themes of boosting productivity, enabling inclusive growth and delivering 21st century transport.

- 2.3 In order to measure the Combined Authority's success in contributing towards these ambitions, a set of 14 headline success measures has been developed. An update on progress against these measures is provided as part of the performance snapshot report which is provided at **Appendix 1**.

Corporate risk update

- 2.4 As previously reported to the Combined Authority a review of corporate risk management arrangements has been undertaken and this has resulted in the development of an updated corporate risk management strategy. This strategy has recently been further refined to take account of feedback received from the Governance and Audit Committee. In addition updates have also been made following advice from the organisation's Data Protection Officer, which specifically relate to ensuring that robust procedures are in place to manage Information Governance risks.
- 2.5 The Governance and Audit Committee considered the updated Corporate Risk Management Strategy at their meeting of 30th July and provided feedback on this which is now being incorporated.
- 2.6 Regular review of the key strategic risks affecting the organisation continue to be undertaken and a summary of the current corporate risk register is provided at **Appendix 1** as part of the performance snapshot report.

Revenue budget position

2017/18

- 2.7 There is a statutory requirement for approval of the annual accounts by 31 July each year. The accounts were presented on time for audit and Mazars (external auditor) will be reporting their findings to the Governance and Audit committee on 30 July 2018. It is expected that an unqualified audit opinion, without modification, is to be given on the financial statements and also an unqualified value for money conclusion. A verbal update can be provided at today's meeting.

2018/19

- 2.8 A copy of the current revenue spend compared to forecast budget for the current period is provided as part of the performance snapshot report at **Appendix 1**
- 2.9 A summary of the 2018/19 current spend to budget as at June 2018 is attached at **Appendix 2**. A RAG rating has been included to identify budgets that need further review. There are no 'red' areas of concern to report.
- 2.10 The approved annual budget is a £1.4m deficit to be funded from general reserves. With only three months of the year gone it is too early to predict the

outturn position. Future reports to this meeting will update members on the forecast position.

3. Inclusive Growth Implications

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

4. Financial Implications

4.1 The financial implications are covered in the body of the report and at the supporting appendices.

5. Legal Implications

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

6. Staffing Implications

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

7. External Consultees

7.1 No external consultations have been undertaken.

8. Recommendations

8.1 That the Combined Authority notes and provides comment on the information on corporate performance.

9. Background Documents

9.1 None.

10. Appendices

Appendix 1 – Corporate Performance Snapshot Report

Appendix 2 – Budget monitoring 2018/19

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CORPORATE PERFORMANCE SNAPSHOT

Progress against 2018/19 Key Corporate Plan priorities

Boosting Productivity				
Indicator	Target	Status	RAG	Notes
A Local Inclusive Industrial Strategy for the City Region	By 31/03/19	Ongoing		Significant progress continues to be made in developing the evidence base for our Local Inclusive Industrial Strategy (LIIS), focused on the 4 Key Challenges identified by the LEP Board. Key components of our new radical and ambitious Policy Framework supporting the LIIS are also in development, including a Digital Framework, Energy Strategy and a refresh of the Employment & Skills Plan. There remains a lack of clarity about how Government will take forward Local Industrial Strategies - until resolved, uncertainty about the timetable.
Delivery of new and refurbished floorspace through economic regeneration projects funded by our Growth Deal	24,898m ² new	0 sqm		4,500sqm to be delivered in Q2 18/19 & 5,200sqm in Q3 18/19. Remaining 15,198sqm currently on site and will complete in Q2 19/20
	12,100 m ² refurbished	0 sqm		2,500sqm to be delivered in Q4 18/19, remaining 9,600sqm will complete in later years (6,000sqm in 19/20 and 3,600sqm in 20/21)
Supporting businesses who want to grow through our business growth service	2,750 businesses	800		
Supporting the creation of jobs in those businesses receiving intensive support from our growth service	500 jobs	298		
Supporting the creation of a further new jobs in the region through the work of our inward investment service	1,500 jobs	473		
Enabling a high % of those businesses who receive intensive support from the business support service to achieve growth	75%	81%		This is an annual target. Figure quoted is based on a relatively small sample of businesses supported in 2015/16 and 2016/17 where it is possible to show impact over time. A study of a larger sample is currently underway.

Inclusive Growth

Indicator	Target	Status	RAG	Notes
Delivering an enhanced model of employability, enterprise and careers education to disadvantaged students	To reach 12,000 students	1,088		To be counted for this target pupils need two encounters in the financial year so target is profiled to achieve most outputs in Q3 and Q4.
Supporting individuals to upskill in skills shortage areas	1,250 individuals	0		On track as activity profiled for Q2-Q4 as it relates to programmes due to launch later in 2018 (eg revised Skills Service offer).
Supporting businesses to offer apprenticeships	1,000 businesses	0		On track as activity profiled for Q3-Q4, mainly related to the new AGE programme which launches in Aug 2018
Improving homes through the Better Homes programme	1,000 Homes	363		

21st century transport

Indicator	Target	Status	RAG	Notes
Delivery of a programme of significant transport projects by end of March 2019	13 complete 11 on site	2 complete 2 on site		Complete: Morley Hub, Mirfield A P&R On site: Bradford Interchange accessibility & upgrade, Hebden bridge rail car park extension
Support partners to deliver significant transport projects by March 2019	2 complete 9 on site	1 complete 7 on site		Complete: City Connect phase 2 (Castleford – Wakefield) On site: A629 Phase 1, East Leeds Orbital Road and 5 CityConnect schemes
Increase MCard (smart ticket) sales	10% increase	5.3% increase		April-June sales Under review with West Yorkshire Ticketing Co. Ltd
Increase the proportion of travel information interactions/enquiries made on line	98% of enquiries online	96%		Actions to increase online enquiries continuing

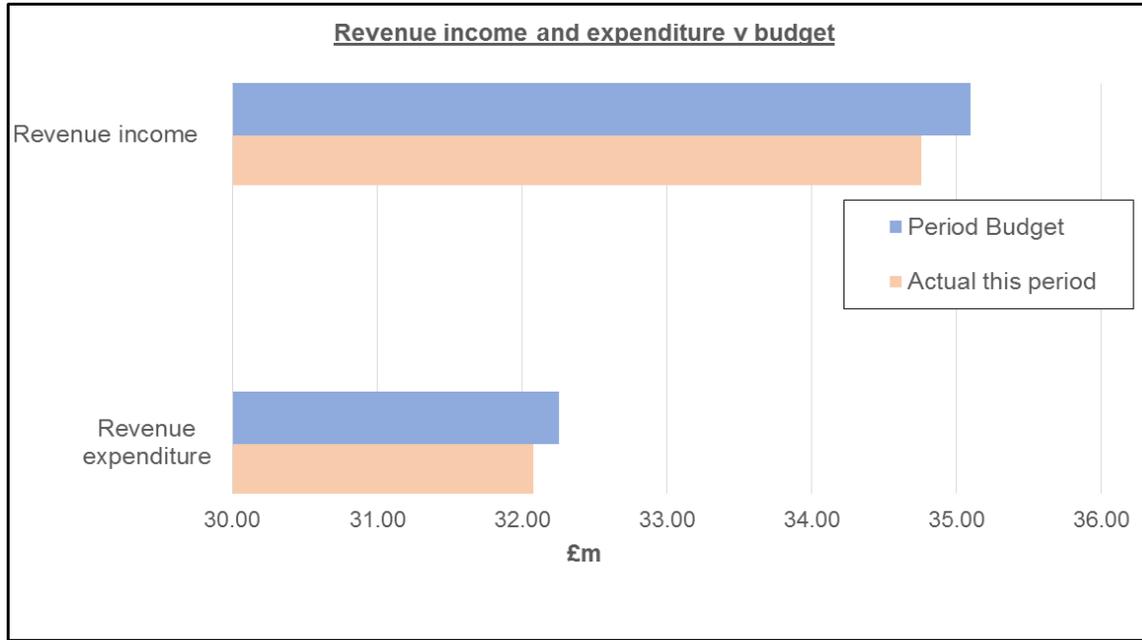
CORPORATE RISK

Current Risk Appetite:	Low Risk Appetite  High Risk Appetite				
	1	2	3	4	5
Compliance and Regulation					
Operational/Service Delivery					
Financial					
Reputational/Marketing/PR					
Strategic Transformational Change					
Development and Regeneration					
People and Culture					

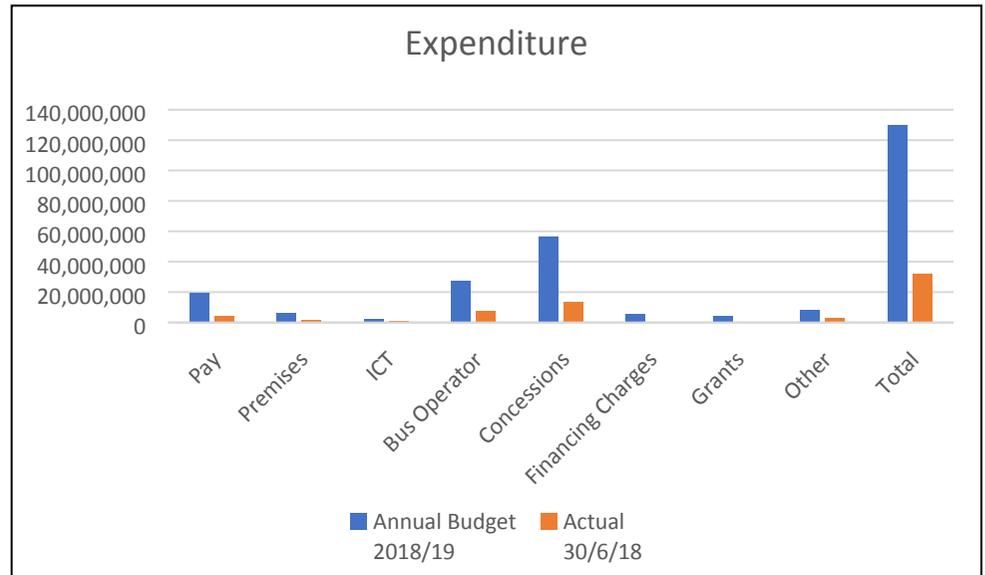
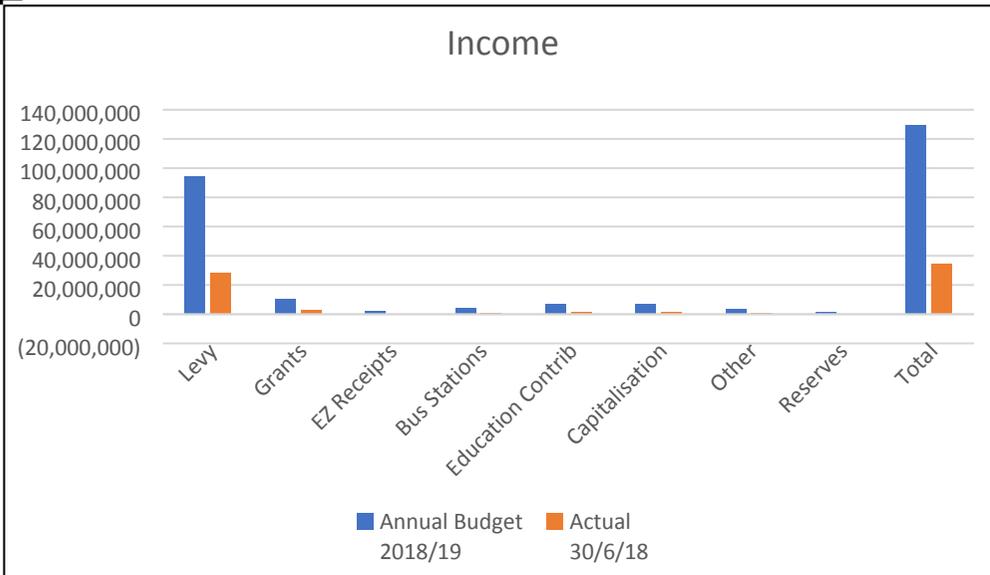
Current 'Very High' & 'High' risks:

		Probability	Impact	Mitigation summary
<div style="background-color: red; color: white; border-radius: 50%; width: 30px; height: 30px; display: flex; align-items: center; justify-content: center; font-size: 10px;"> Very High x2 </div>	Failure to secure enhanced funding and devolved powers	Possible	Highly significant	Devolution discussions continuing
	Failure to deliver Growth Deal funding programmes within timescales/ costs	Possible	Highly significant	Significant controls in place through PMO
<div style="background-color: yellow; border-radius: 50%; width: 30px; height: 30px; display: flex; align-items: center; justify-content: center; font-size: 10px;"> High x10 </div>	Failure to properly communicate the purpose of the organisation to stakeholders	Possible	Moderate	Continuing brand/Identity work led by communications team
	Failure to secure continued funding for key economic services	Unlikely	Highly significant	Ongoing review of funding opportunities/bids
	Insufficient national & local investment in the inclusive industrial strategy to make the transformational change needed	Possible	Major disruption	Ongoing dialogue with Government
	Failure to have the capacity and resource needed to deliver increased workload	Possible	Major disruption	New one organisation structures largely implemented
	Failure to deliver appropriate working arrangements with District partners	Unlikely	Major disruption	Continuing to strengthen key partnerships
	Risk of legal challenge as a result of not being compliant with regard to HR, Financial, procurement and Governance Legislation	Possible	Moderate	Policies/procedures in place and subject to ongoing review
	Risk of legal proceedings/financial penalty of not being compliant with GDPR	Possible	Major Disruption	Information asset register/data policies continually reviewed
	Failure to deliver CA objectives and outcomes to demonstrate that CA/LEP is making a difference	Unlikely	Highly significant	Continuing to embed remaining elements of change programme
	Risk of Major incident at CA facility, accident /injury to vulnerable person(s)	Unlikely	Highly significant	Policies/procedures/training in place and continually reviewed
	Poor outcome of the 2019 Growth Deal Peer Review	Unlikely	Highly significant	Robust monitoring/reporting

Current revenue position: Year to date figures as at June 2018



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West Yorkshire Combined Authority - Summary

Title	Budget 2018/19 £	Actual June 2018 £	%	Comment on Variances	RAG
Expenditure					
Salary & Pay Related Costs	20,799,698	4,532,411	21.8%	Vacancies & pay award pending.	
Indirect Employee Related Costs	316,170	171,574	54.3%	Higher costs than budgeted in HR - further review in progress	
Premises Related Costs	6,184,194	1,861,067	30.1%	Mainly impact of annual business rates in advance	
Travel, Transport & Subsistence Related Costs	112,984	21,084	18.7%	Travel claims in arrears	
Member Related Costs	153,168	36,193	23.6%		
Office Supplies & Services	540,050	60,083	11.1%	Reflects normal low spend in first few months	
ICT & Telephony Costs	2,342,778	781,849	33.4%	Some ICT / telephony costs paid in advance (eg line rentals)	
Professional & Consultancy Fees	2,284,998	332,580	14.6%	Low spend to be reviewed with budget holders (Economic Services)	
Corporate Subscriptions	39,398	22,263	56.5%	Some corporate subscriptions paid annually in advance	
Marketing & PR Costs	1,315,079	98,494	7.5%	Low spend to date - marketing campaigns, MIPIM etc...further review needed	
Insurance	279,400	294,176	105.3%	Annual invoice paid - above approved budget, but manageable in wider context	
Operator Payments (Transport)	27,397,250	7,639,555	27.9%	Savings target from Qtr4 - revised budget profile needed	
Pre Paid Ticket Cost	31,500,000	8,834,505	28.0%		
Concessions	56,270,200	13,607,984	24.2%		
Additional Pension Costs	2,245,800	1,508,616	67.2%	One pension invoice paid annually £1.3m (additional contribution)	
Financing Charges	5,670,000	603,220	10.6%		
Grants	4,154,661	227,371	5.5%	Low spend to be reviewed with budget holders (Eco Serv)	
Other Miscellaneous Costs	506,158	198,606	39.2%	High spend profile to be reviewed with budget holders	
Admin Recharges	(2,247,672)	(505,760)	22.5%	Includes accruals in the actual	
Contribution to External / Related Parties	277,606	81,885	29.5%		
Capitalisation of Revenue Costs	(6,803,125)	(1,264,979)	18.6%	Includes accruals in the actual	
Additional Savings Target	(1,335,000)	0	0.0%	Saving target to be offset against savings in salary budget.	
Contingency	200,000	0	0.0%	Awaiting pay award agreement	
Total Expenditure	152,203,795	39,142,777	25.7%		
Income					
Rail Income	(918,000)	(135,077)	14.7%	One month in arrears - forecast is £810k due to reduction	
LEP General Funding Income	(1,234,000)	(26,100)	2.1%	Received in arrears towards year end - new budget profile needed	
LEP Grant Income	(1,385,958)	0	0.0%	Received in arrears - new budget profile needed	
Growing Places Fund Interest	(200,000)	0	0.0%	Received in arrears - new budget profile needed	
Enterprise Zone Receipts	(1,968,000)	0	0.0%	Received in arrears - new budget profile needed	
Transport Levy	(94,198,000)	(28,259,400)	30.0%	10 instalments - three received - new profile needed	
BSOG	(1,942,000)	(2,063,592)	106.3%	All received in May (£2.1m)	
Education Contribution to Transport	(6,768,000)	(1,298,407)	19.2%	In arrears - new profile needed	
Bus Station Tenant Income	(1,472,464)	(632,358)	42.9%	Higher than expected - need to review profile with budget holder.	
Bus Station / Services - Other Income	(2,866,121)	(201,317)	7.0%	Lower than expected - need to review profile with budget holder.	
Pre Paid Ticket Income	(31,500,000)	(8,856,140)	28.1%		
Other Income	(6,299,015)	(371,438)	5.9%	Lower than expected - need to review profile with budget holder.	
Total Income	(150,751,558)	(41,843,829)	27.8%		
Net Expenditure	1,452,237	(2,701,052)	-186.0%		

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Report to: West Yorkshire Combined Authority

Date: 2 August 2018

Subject: **Appointment of Director of Policy, Strategy and Communications**

Director: Ben Still, Managing Director

Author(s): Joanne Grigg

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:	

1. Purpose of this report

- 1.1 To inform the Combined Authority of the recruitment process undertaken to recruit a Director of Policy, Strategy and Communications and seek the ratification of the appointment of the preferred candidate by the Combined Authority.

2. Information

Background

- 2.1 A report was provided to the Combined Authority in May 2018 providing information about the considerations given to recruiting to the position which had been vacant since the end of 2017. Although temporary interim arrangements have been in place, the view was that the position needed to be filled and that it needed to revert back to its original portfolio to include the communications team.
- 2.2 The Combined Authority was asked to approve the following:

- That the Combined Authority endorses that the vacant Director of Policy, Strategy and Communications position be recruited to on a substantive basis.
- That the Combined Authority endorses the proposed approach to recruiting to this position and establishes a member appointment panel to be involved in the recruitment process.

The role profile is attached as **Appendix 1**.

The selection process

- 2.3 A member's appointment panel was established and a recruitment consultant (Gatenby Sanderson) appointed via a procurement process to assist with the "search" part of the process and with longlisting.
- 2.4 The position was advertised via Gatenby Sanderson on their website, in the Municipal Journal on line and in print and on the Guardian website.

The selection panel

- 2.5 The selection panel consisted of:
- Ben Still, Managing Director
 - Cllr Hinchcliffe, Chair of the Combined Authority
 - Roger Marsh, Member of the Combined Authority and LEP Chair
 - Merran McRae, Local Authority Chief Executive (Unfortunately Merran McRae did not attend the interviews due to other commitments)
 - Joanne Grigg, Head of HR, West Yorkshire Combined Authority

The selection pool

- 2.6 The input from Gatenby Sanderson resulted in a pool of 12 candidates as a long list for the panel to consider. Of these, five were shortlisted and invited to interview. The interviews took place at Wellington House on Wednesday 11 July 2018.
- 2.7 The interview process consisted of a presentation to the panel, the topic of which was provided on the day. A full panel interview, and an employee panel with a representative of each area of the post's portfolio of responsibilities asking each candidate a question.

The preferred candidate

- 2.8 The preferred candidate is Alan Reiss, currently employed by the Durham Police and Crime Commissioner as Chief Executive. Prior to this he has held a number of positions within various government departments as Head of Policy. He has a varied portfolio of departments and has been involved in the delivery of key Government policies on a range of issues.

2.9 In his current role he has also supported the Police and Crime Commissioner on strategic issues to reduce impact on the criminal justice system of re-offending.

2.10 The Director position is graded R on the Combined Authority's grading structure and the appointment is recommended to be made at SP 1 of Grade R in line with the current policy of appointing at the bottom of the scale.

3. Inclusive Growth Implications

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

4. Financial Implications

4.1 The salary and associated costs for this appointment are included within the Combined Authority's approved budget. The current interim arrangements will continue until AR takes up his post and then the post holder will revert back to their substantive position. There are no further financial implications or impacts on current budgets.

5. Legal Implications

5.1 The Combined Authority has legal responsibility for making appointments at Director level and therefore are required to ratify this appointment if they are in agreement that the correct process has been followed.

6. Staffing Implications

6.1 The appointment of the director will mean that the position is filled on a substantive basis, providing some stability to the senior leadership team.

7. External Consultees

7.1 No external consultations have been undertaken.

8. Recommendations

8.1 That the Combined Authority accepts the recommendation of the Member Appointing Panel and ratifies the appointment of Alan Reiss as Director of Policy, Strategy and Communications, subject to receipt of satisfactory references.

9. Background Documents

None.

10. Appendices

Appendix 1 – Role profile – Director of Policy, Strategy and Communications.

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ROLE PROFILE

Job Title:	Director, Policy, Strategy and Communications	Job Code:	DIR/PSC
Department:	Directors	Version:	1.1
Reports To:	Managing Director	Date Created:	April 2016
No. of direct reports:	4	Member of:	Leadership Team
No. in Directorate:	circa 80	Grade:	R
		Budget:	circa £5m

Is this a politically restricted Post?	Yes/No <i>(*if yes, see our policy on what this means)</i>
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ORGANISATIONAL CONTEXT

Our Vision as an organisation is:

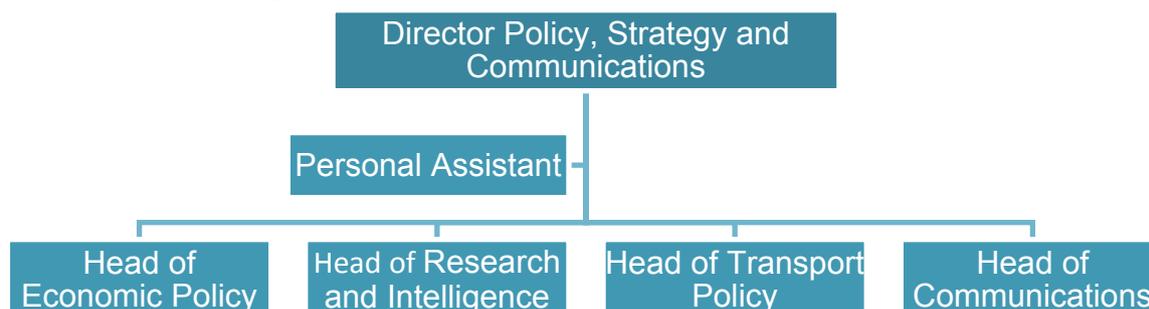
To be a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone.

To achieve this we will:

Secure the means to deliver projects and services needed for growth in the Leeds City Region (LCR), be its voice nationally and internationally, and build the partnerships to ensure the best economic outcomes.

Our directorate contributes to this by:

Developing setting and implementing policies, strategies, plans and programmes.
 Communicating a consistent and coherent message to both the public and businesses.
 Providing evidence based research, appraisal and evaluation.



Job Overview:

- Be a thought leader on policy and strategy for the organisation, leading for the Leeds City Region, Local Enterprise Partnership (LEP) and West Yorkshire Combined Authority the defining, developing and securing of appropriate economic, transport and related policy and strategy for the region. Achieve this by working in partnership with constituent authorities, business leaders and other stakeholders.
- Lead in securing funding and powers from Central Government to allow the Combined Authority to achieve its vision and objectives.
- Lead in the communication of policies, strategies, programmes and projects providing a consistent and coherent message to both public and businesses.

- To lead in the research, appraisal, and evaluation of strategies and actions to provide a robust evidence base to support the needs of the local economy and Government scrutiny.
- To lead and champion the development and implementation of an inclusive growth strategy for Leeds City Region so that all people contribute to and benefit from economic growth.

- © Operate as part of a cohesive leadership team for the Combined Authority to inspire, lead and set the standards for the organisation.
- © Deliver effective functional strategies, programmes and systems to ensure the delivery of the vision and business plan.
- © Be a visible, proactive leader for the organisation and city region both internally and externally, shaping policy and influencing, developing and motivating the team and stakeholders.

CRITICAL SUCCESS FACTORS

We break each job down to explain the critical areas for success, ranked by importance. These indicate the end result or outputs for which the role holder is responsible.

People Management:

- © Lead partnership working across the organisation and externally. Integrate the work of the function to the wider organisation and develop strategies to enable the function to support the achievement of the Combined Authority's vision.
- © Provide clear direction to your team, via your direct reports, developing, motivating and rewarding them appropriately in line with our values and behaviours.
- © Create and demonstrate a strong performance management culture, ensuring that people are accountable for the delivery of results.
- © Create the right working environment for your team, with a solid ethic of achievement of our vision, utilising the Combined Authority's policies and procedures.
- © Ensure appropriate communication channels are in place and effective between you and your direct reports.

Technical Duties:

- Lead the policy and strategy development for the city region on transport, all aspects of inclusive economic growth and on public service reform. Provide clear advice to partners on these matters. Lead relations with national government on such policy matters.
- Lead and direct the continual development of all strategic economic plans and their relevant strategies and plans for the Leeds City Region, on behalf of the LEP and the Combined Authority.
- Lead and direct the continual development of all statutory transport plans and their relevant strategies and plans for the city region. Ensure that subsequent delivery serves to implement the plans as agreed.
- Lead and support colleagues in driving the culture change needed to embed Inclusive Growth across the local government sector.
- Build and develop strong working relationships with private and public sector stakeholders to raise the profile of Leeds City Region via credible and effective partnerships.
- Be the strategic lead in identifying, scoping and securing local powers and responsibilities to support the Leeds City Region aim for further decentralisation, inclusive growth and devolution.

- Responsible for the relationship with Rail North Ltd for the policy and strategy aspects of the northern rail franchises, to ensure the services meet the policies of the Combined Authority and are subject to constant improvement.
- In conjunction with the Director, Transport Services, be accountable for the development and provision of accurate public transport and other transport information, in forms accessible to the public and in line with their expectations, exploiting the opportunities provided through Open Data initiatives.
- Lead and direct a proactive communications and marketing function that provides high impact services for the boards; value for money; and is coordinated across the organisation and wider partners.
- Responsible for the overall co-ordination of consultation and engagement activities for the city region ensuring they offer high value for money.
- Lead and direct the research, appraisal, and evaluation of strategies and actions to provide a robust evidence base to support the needs of the local economy and Government scrutiny.

- ◎ Accountable for developing and delivering on KPI's for the directorate, linked to the organisation's vision and business plan, including ensuring that outputs are on time, to budget and of high quality. Advise or take remedial action where necessary.
- ◎ Ensure your function has the right procedures in place to achieve your strategic objectives, developing and amending processes as required.
- ◎ Forward plan the workload of the function, thinking through potential contributions, identifying appropriate solutions and acting accordingly.
- ◎ Lead by example on health & safety matters, ensuring compliance with the Combined Authority's health and safety policy.

Financial:

- Lead the overall approach to developing funding proposals and bids for the organisation.
- Be the strategic lead for identifying, developing and securing significant funding streams and opportunities in support of strategies and plans across all aspects of the organisation's work. Apply judgement on those funding streams / grants to bid for and secure.

- ◎ Accountable, with other members of the leadership team, for taking a strategic overview of the organisations finances and ensuring that these are well controlled.
- ◎ Direct the organisations resources to secure and manage funding streams that fit with the organisations vision and business plan.

Impact & Influence:

- Lead and direct the engagement of all stakeholders, across the private and public sectors, in the development and implementation of all strategies and plans, ensuring that these support our inclusive growth aims of economic growth for all through the integration of economic and social policy.
- Develop strong relationships at senior levels with partner local authorities and external partners in the relevant policy areas.
- Lead our relationships with the Urban Transport Group, Transport for the North, the Department for Transport, health sector and operator bodies and companies.

- © Form and maintain effective senior level working relationships with Members, Government, Leeds City Region and partner organisations.
- © Use highly developed communication skills to lead, influence and challenge to ensure that the best interests of the Combined Authority are represented.
- © Manage communication challenges effectively in a dynamic and politically pressured environment.

The above lists of accountabilities are not exhaustive. The role holder will be required to undertake such tasks as may reasonably be expected commensurate with the scope and grading of the role.

THE PERSON

To be fully successful in the role, we believe the following knowledge, skills and experience are required.

When recruiting, we are looking for the best candidate match to this, however we know that there are some elements that can be trained and this will be taken into account during the recruitment process.

Knowledge:

- © Educated or experienced to master degree/ postgraduate professional qualification level.
- © Strong understanding of the national, regional and local policy landscape covering both transport and economic growth.
- © Good understanding of European Programmes.

- Experience in the development and delivery of strategic Business Plans.
- Experience of working in a high level political environment, including influencing government ministers on a national level
- Highly developed communication skills, with strong writing fluency and experience of press/media handling gained through comprehensive experience in the field.

People:

- © Experience of managing large complex and multi-disciplinary teams including performance management and delivery of results against targets.
- © Experience of leading, inspiring and engaging people towards the achievement of strategic business objectives.
- © Experience of engendering a culture that drives the achievement of strategic business objectives.
- © Support our goals of a gender balanced and diverse organisation.

- Substantial demonstrable experience of managing high end relationships with multiple stakeholders at a senior level, demonstrating gravitas, drive, passion and determination.
- Highly developed communication skills with the proven ability to strongly lead, influence and challenge
- Experience of working with senior political leaders
- Experience of working in a public - private sector partnership context, within a local government environment

Technical:

- © Strong negotiation skills.
- © Highly developed communication skills with the proven ability to strongly lead, influence and challenge.

- Proven record in the delivery of results against targets.
- Good knowledge of portfolio, programme and project management techniques
- Excellent analytical skills, with the ability to use data and risk evaluation in decision making.
- Good knowledge of economics, data collection and market research

Financial:

- © Demonstrable experience of successfully managing large scale budgets.
- © Experience identifying and acquiring appropriate funding streams.

- Comprehensive experience of leading funding bids.

Impact & Influence:

- © Comprehensive experience of leading, negotiating and influencing stakeholders.
- © Experienced in forming effective senior level working relationships with Members, Government and partner organisations.
- © Comprehensive experience of providing leadership in a complex public-private sector partnership context.

- Highly experienced in managing communication challenges in a fast paced and highly pressurised environment
- Excellent presentational (written and verbal) skills, with the ability to present complex issues with clarity and provide appropriate solutions to issues and problems.
- Strong negotiation skills

OUR VALUES & BEHAVIOURS

**Championing Our Region | Working Intelligently | Easy to Do Business With |
Positive About Change | Working Together**

These are our values. We shaped them together and we're proud of them.

We also created a set of behaviours for each of our values. Our behaviours provide us with a way of working and they are our minimum expectations of everyone here.



Report to: West Yorkshire Combined Authority

Date: 2 August 2018

Subject: **Legal claim in respect of Combined Authority loans**

Director: Angela Taylor, Director of Resources

Author(s): Rebecca Brookes / Jonathan Sheard

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	Paragraph 5

1. Purpose of this report

- 1.1 To provide information on the legal claim issued against Barclays Bank PLC (Barclays) in respect of loans held by the Combined Authority and the 2006 regulatory findings made against Barclays on the manipulation of LIBOR.
- 1.2 To recommend entering into a retainer with Hausfeld LLP (Hausfeld) for legal representation including the provision of legal and expert advice on the merits of the Combined Authority's claim.

2. Information

- 2.1 A summary of the current position, initial legal advice provided by Hausfeld and its relevance to the Combined Authority can be found in confidential **Appendix 1**.
- 2.2 A further report will be brought to the next Combined Authority meeting on 11 October 2018 detailing progress made with the claim.

3. Inclusive Growth Implications

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

4. Financial implications

4.1 The financial implications are set out in exempt **Appendix 1**.

5. Legal implications

5.1 Legal implications are set out in exempt **Appendix 1**.

5.2 The information contained in **Appendix 1** is exempt under paragraph 5 of Part 1 to Schedule 12A of the Local Government Act 1972 as it contains legally privileged 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 legal proceedings.

6. Staffing implications

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

7. External consultees

7.1 No external consultations have been undertaken.

8. Recommendations

8.1 That the Combined Authority instructs Hausfeld to provide legal representation to the Combined Authority including detailed advice on the merits of the Combined Authority's claim.

9. Background documents

9.1 Initial retainer with Hausfeld (confidential).

9.2 Claim form issued.

10. Appendices

Appendix 1 – A summary of the current position and initial legal advice **(Confidential)**.

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**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 Kim Groves	Chair, Transport Committee
Councillor Eric Firth	Deputy Chair, Transport Committee
Melanie Corcoran	West Yorkshire Combined Authority
Fiona Limb (to minute 8)	West Yorkshire Combined Authority
Polly Hutton	West Yorkshire Combined Authority
Andrew Norman	West Yorkshire Combined Authority
Rachel Jones	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 and the appointment of the Chair and Deputy Chair for the West Yorkshire and York Investment Committee 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.

Councillor Ian Gillies noted that there was no York member on the Business Investment Panel.

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, or as nominated by the relevant local authority.
- (v) That the West Yorkshire and York Investment Committee appoints Councillor Judith Blake as Chair of 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 Committee noted ongoing efforts to ensure that disability access was considered in the Rochdale Canal Cycle Safety Fund scheme and welcomed the positive effect that the proposed schemes would have upon air quality. The Beech Hill scheme's potential to transform the area for residents was also noted and commended.

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.

It was also noted that the Bradford One City Park site was well received at the MIPIM 2018 conference.

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 as a loan, (which was previously approved).
 - (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.

DRAFT

**MINUTES OF THE MEETING OF THE
TRANSPORT COMMITTEE
HELD ON FRIDAY, 6 JULY 2018 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Kim Groves (Chair)	Leeds City Council
Councillor Eric Firth (Deputy Chair)	Kirklees Council
Councillor Martyn Bolt	Kirklees Council
Councillor Peter Box CBE	Wakefield Council
Councillor Kayleigh Brooks	Leeds City Council
Councillor Neil Buckley	Leeds City Council
Councillor Peter Caffrey	Calderdale Council
Councillor David Dagger	Wakefield Council
Councillor Michael Ellis	Bradford Council
Councillor Ian Greenwood	Bradford Council
Councillor Manisha Kaushik	Kirklees
Councillor Hassan Khan	Bradford Council
Councillor Michael Lyons OBE	Leeds City Council
Councillor Kevin Swift	Wakefield Council

In attendance:

David Hoggarth	Strategic Rail Director, Transport for the North
Councillor Barry Collins	Calderdale Council
Councillor Richard Lewis	Leeds City Council
Councillor Alex Ross-Shaw	Bradford Council
Dave Pearson	West Yorkshire Combined Authority
Liz Hunter	West Yorkshire Combined Authority
Janette Woodcock	West Yorkshire Combined Authority

1. Apologies for absence

Apologies for absence were received from Councillor Peter Dew, Councillor Taj Salam, Councillor Daniel Sutherland and Ian Cherry.

2. Declarations of disclosable pecuniary interests

There were no disclosable pecuniary interests declared by Members at the meeting.

3. 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 2 to Agenda item 12 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 exception outweighs the public interest in disclosing the information.

4. Minutes of the meeting of the Transport Committee held on 25 May 2018

Further to minute 69 to include there had been a lack of involvement with the District Consultation Sub Committees on the rail changes and a request that Committees were kept better informed in future.

Further to minute 71 to include meeting with the Secretaries of State for Transport / Communities and Local Government to seek re-assurances around their commitment to developing to funding the implementation of the Leeds City Region HS2 Growth Strategy.

Further to minute 70 to include that Network Rail also had a part to play in the disruption caused by the services changes through late delivery of infrastructure projects.

Resolved: That the minutes of the Transport Committee held on 25 May 2018 be approved and signed by the Chair.

5. Chair's Comments

Councillor Kim Groves the new Chair of Transport Committee opened the meeting by thanking Councillor Keith Wakefield whose role as Chair of the Transport Committee came to an end at the Combined Authority's Annual General Meeting on 28 June 2018.

Councillor Groves welcomed new members Councillor Peter Box, Councillor Kayleigh Brooks, Councillor Michael Ellis and Councillor Ian Greenwood.

6. Governance Arrangements

The Transport Committee was presented with a report to advise of the committee's terms of reference approved by the West Yorkshire Combined Authority at its Annual Meeting and of appointments to the Transport Committee

Resolved:

- (i) That the Terms of reference for Transport Committee be noted.

- (ii) That Councillor Taj Salam be appointed as Chair of Bradford District Consultation Sub Committee.
- (iii) That Councillor Daniel Sutherland be appointed as Chair of Calderdale District Consultation Sub Committee.
- (iv) That Councillor Manisha Kaushik be appointed as Chair of Kirklees District Consultation Sub Committee.
- (v) That Councillor Michael Lyons be appointed as Chair of Leeds District Consultation Sub Committee.
- (vi) That Councillor Kevin Swift be appointed as Chair of Wakefield District Consultation Sub Committee.

7. Transport for the North/Rail North Partnership Presentation

The Transport Committee was presented with a report that introduced a presentation from David Hoggarth, Strategic Rail Director Transport for the North.

The Northern and Trans Pennine rail franchise which commenced in April 2016 are managed in the North by a partnership between Department for Transport and Transport for the North.

At its meeting on 25 May, the Committee discussed the changes to services and timetables which were introduced on 20 May and the performance Issues which had arisen following the introduction of the timetable and the consequential impact on passengers across the North.

David Hoggarth, Strategic Rail Director, Transport for the North was invited to give a presentation to inform members of the Partnership and provide an update on recent events and next steps.

The slides covered the Strategic Transport Plan, the Rail North Partnership, Franchise Transformation, Rail Service Improvements, May 2018 Timetable, Immediate Actions, Current Performance, TfN Short Term Priorities, Long Term Rail Strategy and Service Development.

The presentation was followed by a question and answer session as the Committee was keen to discuss the impact of the recent timetable changes and voiced their concerns about events leading up to May 18 which included:

- The failure of Network Rail to complete electrification projects in the North West.
- Not enough diesel trains available for other lines.
- Responsibility for the May 2018 changes and that this was ultimately at the national level.

- Insufficient time to train drivers on other trains/routes.
- Issues with management of new timetable at Leeds station causing regional disruption
- Compensation for passengers affected.

Members said that the public should be at the centre of any plans and resolutions as they were being asked on a daily basis for answers and assurances that this situation would not happen again. Members asked questions on the series of events leading up to the failure of the timetable changes and why this was allowed to happen, on driver numbers and training, compensation and the lack of communication to passengers as to why trains were cancelled. A question was asked about the freight market and how this would be affected. As well as the issues in delivering the timetables, questions were also raised about the timetable itself and whether it provided the right services in the first place.

David Hoggarth said that the immediate actions were to implement an interim timetable for Northern from 4 June and that 165 services in the North West were to be cancelled each day on a planned basis, accelerated driver training on routes and trains to be completed by 29 July and TfN were working with Network Rail to resolve the issues at Leeds. There will be close monitoring by the Rail North Partnership Team and information will be shared with TfN members.

A question was also asked about the Trans Pennine Route Upgrade. David Hoggarth said that Government was reviewing a number of different options. TfN will provide input into the decision making process in September. The ultimate decision is with the Secretary of State.

Resolved:

- (i) That the contents of the report and presentation be noted.
- (ii) That members' questions following the presentation be noted.
- (iii) That TFN supply a written response to issues upon which Mr Hoggarth promised further information.
- (iv) That Network Rail and Train Operators be invited to subsequent meetings of the Committee to update on plans and arrangements for rail service changes.

8. Support for Mobility

The Transport Committee considered a report on how the Combined Authority uses its powers to procure bus services, to recommend revised Policy Guidelines and a programme for district by district a review to ensure funds deployed to support mobility are effective in meeting the Combined Authority's objectives for inclusive growth.

The emerging local inclusive industrial strategy (LIS) sets out four grand challenges for West Yorkshire, including tackling stubborn deprivation and tackling the City Region's productivity gap (with national and international peers) which is too large and continues to grow. The supported bus network currently plays a crucial role in providing access to jobs, healthcare and other key services for some of the most deprived areas of West Yorkshire, ensuring that people living in these areas do not suffer from transport poverty caused by lack of access to transport services.

Questions were asked about the relationship between these reviews and the ones already undertaken for Bradford and Wakefield. Assurances were given that a consistent approach would be taken and that those places already reviewed would not be treated differently.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the revised Policy Guidelines and programme for review in respect of its activities to support mobility be adopted.
- (iii) That a plan be developed for supporting mobility in respect of each local authority area in close co-operation with elected members and officers of the respective councils be developed.
- (iv) That a further report setting out the plans and programmes for supporting mobility in each local authority area together with an implementation plan be presented to the Committee before adoption.

9. Developing the next Integrated Transport Block Programme - for the 3 year period 2019-22

The Transport Committee was presented with a report to seek endorsement of proposed principles, approach and timetable for the development of detailed programmes for years three to five (2019-2022).

The Transport Committee was asked to endorse the proposed principles set out in paragraph 2.9, for development of the detailed programmes for years three, four and five (2019 to 2022) and to endorse the proposed approach and timetable set out in paragraph 2.9.

Resolved:

- (i) That the proposed principles set out in the report be endorsed.
- (ii) That the proposed approach and timetable set out in the report be endorsed.

10. Approach to strategic and development planning matters relating to Transport

The Transport Committee considered a report to update on the Combined Authority's approach to strategic and development planning matters.

The Strategic Economic Plan (SEP), sets out the overarching policy priorities relating to the Combined Authority's input into the planning process. Planning is a cross cutting policy area that has an impact on a number of the SEP priorities but particularly is focused on delivering policy area 4 (Infrastructure and Growth).

The Transport Committee was asked to note the information in the report and endorse the approach to securing developer contributions in paragraph 2.17 and 2.18 of the report.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the approach to securing developer contributions be endorsed.

11. City Region Transport Update

The Transport Committee considered a report to provide an update on the following current issues:

- Bus 18 Update – My Day Ticket for Under 19s
- Bus Hotspots Programme Revision
- Ultra-low Emission Bus Scheme
- New Ultra Low Emission Buses for Leeds Park and Ride
- Department for Transport (DfT) Cycle City Ambition – Cycle Safety Funding 2018/19 – Calder Valley Cycle Route.
- Transforming Cities Fund
- DEFRA Clean Air Strategy Consultation
- Leeds Clean Air Zone Consultation
- High Speed Rail Industry Leaders Conference

The Transport Committee was asked to note the updates provided in the report and endorse the revision to the Bus Hotspots Programmes as set out in paragraph 2.4 of the report.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the revision to the Bus Hotspots Programme be endorsed.

12. Leeds Public Transport Investment Programme Update

The Transport Committee considered a report to update on the Leeds Public Transport Investment Programme (LPTIP), the scheme and package development during 2017/18 and the first quarter of 2018/19 and the next

steps for delivery. The Committee was asked to note the progress made in moving the schemes within the LPTIP programme forward.

Resolved:

- (i) That the contents of the report be noted.
- ii) That the progress made in moving the schemes within the LPTIP programme forward be noted.

13. Summary of Transport Schemes

The Transport Committee considered a report to inform of the transport related West Yorkshire and York Investment Committee recommendations from its meeting of 5 June 2018.

Appendix 2 of this report contained exempt information.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the contents of Exempt Appendix 2 be noted.

14. Minutes of the Meetings of the District Consultation Sub-Committees held on

Leeds 9 April 2018

Resolved: That the minutes of the Leeds District sub-committee held on Monday 9 April be approved.

Calderdale 10 April 2018

Resolved: That the minutes of the Calderdale District sub-committee held on Tuesday 10 April be approved.

Bradford 16 April 2018

Resolved: That the minutes of the Bradford District sub-committee held on Monday 16 April be approved.

Wakefield 26 April 2018

Resolved: That the minutes of the Wakefield District sub-committee held on Thursday 26 April be approved.

Kirklees 18 April 2018

Resolved: That the minutes of the Kirklees District sub-committee held on Tuesday 17 April be approved.

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